THE STATE OF SOUTH CAROLINA
In The Supreme Court

APPEAL FROM ANDERSON COUNTY
Court of Common Pleas

Roger L. Couch, Circuit Court Judge

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S.C. SUPREME COURT

Opinion No. 5490 (S.C. Ct. App. Withdrawn, Substituted, and Refiled August 16, 2017)

Anderson County.....Petitioner,

v.

Joey Preston and the South Carolina Retirement System.....Respondents.

APPENDIX TO ANDERSON COUNTY'S PETITION FOR WRIT OF CERTIORARI VOLUME VI

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THE STATE OF SOUTH CAROLINA

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Case No. 2013-002499

Anderson County ..... Appellant,

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Joey Preston and The South Carolina Retirement System ..... Respondents.

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  Introduced into evidence 1883

- **Defendant's Exhibit 67** (11/1/07 Letter to Joey Preston from Palmetto Agricultural Consultants) 2713-2755
  Introduced into evidence 295

- **Defendant's Exhibit 68** (11/3/08 Email from Allison Schaum to Joey Preston) 2756

- **Defendant's Exhibit 69** (11/24/08 Agenda – Personnel Committee Meeting) 2757-2758
  Introduced into evidence 295

- **Defendant's Exhibit 70** (11/4/08 Personnel Committee Special Called Meeting) 2759
  Introduced into evidence 295

- **Defendant's Exhibit 71** (11/17/08 Letter to Joey Preston from Councilmen) 2760
  Introduced into evidence 295

- **Defendant's Exhibit 72** (12/6/06 Incident Report) 2761-2771

- **Defendant's Exhibit 73** (10/30/06 Letter to K. E. Nichols from William H. "Billy" O'Dell) 2772

- **Defendant's Exhibit 74** (11/28/06 Letter to K. E. Nichols from South Carolina Supreme Court) 2773-2774

- **Defendant's Exhibit 75** (12/13/06 Newspaper Article) 2775

- **Defendant's Exhibit 76** (Letter to Council Members from Kelly Nichols) 2776
  Introduced into evidence 1181

- **Defendant's Exhibit 77** (10/30/06 Letter to K. E. Nichols from William H. "Billy" O'Dell) 2777-2804

- **Defendant's Exhibit 78** (4/16/07 Letter to K E. Nichols from Theresa Weathers) 2805

- **Defendant's Exhibit 79** (6/1/07 Hand-written statement of Kelly Elaine Nichols) 2806

- **Defendant's Exhibit 80** (4/23/08 Email to Eddie Moore from Jena Trammel) 2807-2810
  Introduced into evidence 295

- **Defendant's Exhibit 81** (4/24/08 Email to Eddie Moore; waimradio@yahoo.com from Eddie Moore) 2811-2813
  Introduced into evidence 295

- **Defendant's Exhibit 82** (5/8/08 Email to Eddie Moore from Jena Trammel) 2814-2816
  Introduced into evidence 295

- **Defendant's Exhibit 83** (6/11/08 Email to Ed Moore from Jena Trammel) 2817
  Introduced into evidence 1883

- **Defendant's Exhibit 84** (6/15/08 Email from Eddie Moore to emoore@trivergent.net) 2818-2820

- **Defendant's Exhibit 85** (8/3/08 Email to Eddie Moore from emoore@trivergent.net) 2821-2822
  Introduced into evidence 295

- **Defendant's Exhibit 86** (8/4/08 Email from Eddie Moore) 2823-2824
  Introduced into evidence 295

- **Defendant's Exhibit 87** (8/4/08 Email to Jena Trammel from Eddie Moore) 2825
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- **Defendant's Exhibit 88** (8/4/08 Email to Eddie Moore from Jena Trammel) 2826
  Introduced into evidence 295

- **Defendant's Exhibit 89** (8/13/08 Email to Eddie Moore from Stan Welch) 2827-2828
  Introduced into evidence 295

- **Defendant's Exhibit 90** (10/13/08 Email to Eddie Moore from Linda Gilstrap) 2829-2830
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- **Defendant's Exhibit 91** (10/20/08 Email to Stan Welch from Eddie Moore) 2831
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- **Defendant's Exhibit 92** (11/13/08 Email to Joey Preston from Eddie Moore) 2832-2835
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- **Defendant's Exhibit 93** (11/13/08 Email to Gail King from Eddie Moore) 2836
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- **Defendant's Exhibit 94** (11/13/08 Email to Waimradio@yahoo.com from Eddie Moore) 2837
  Introduced into evidence 295

- **Defendant's Exhibit 95** (6/16/08 Email to Waimradio@yahoo.com from Eddie Moore) 2838
  Introduced into evidence 295

- **Defendant's Exhibit 96** (6/1/12 Order to Cease and Desist) 2839-2840
  Introduced into evidence 1883

- **Defendant's Exhibit 97** (9/23/08 Email to Waimradio@yahoo.com from Eddie Moore) 2841-2842
  Introduced into evidence 295

- **Defendant's Exhibit 98** (10/9/08 Email to Tom Allen; Eddie Moore; Bob Waldrep from Tom Beckwith) 2843-2844
  Introduced into evidence 1883

- **Defendant's Exhibit 99** (10/13/08 Email to Eddie Moore from Linda Gilstrap) 2845-2846

- **Defendant's Exhibit 100** (11/10/08 Email to Tom Beckwith from Eddie Moore) 2847-2849
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- **Defendant's Exhibit 101** (11/25/08 Email to Henry McMaster from Eddie Moore) 2850
  Introduced into evidence 295

- **Defendant's Exhibit 102** (12/1/08 Email to Eddie Moore from Stan Welch) 2851-2853

- **Defendant's Exhibit 103** (12/1/08 Email to thomas9976@charter.net; kelli@waldreplaw.com from Eddie Moore) 2854-2856

- **Defendant's Exhibit 104** (12/1/08 Email to Stan Welch from Eddie Moore) 2857
  Introduced into evidence 295

- **Defendant's Exhibit 105** (12/1/08 Email to Eddie Moore from Stan Welch) 2858
  Introduced into evidence 1883

- **Defendant's Exhibit 106** (2/7/08 letter to Sheriff David Crenshaw from Michael Thompson) 2859

- **Defendant's Exhibit 107** (12/12/05 Incident Report) 2860-2862

- **Defendant's Exhibit 108** (12/4/08 Email from Michael Thompson to Mike Cunningham) 2863-2865
  Introduced into evidence 295

- **Defendant's Exhibit 109** (7/16/08 Email to thomas9976@charter.net; eddie.moore@fluor.com from Tom Beckwith) 2866-2869

- **Defendant's Exhibit 110** (11/25/08 Email to Eddie Moore from Tom Allen) 2870-2871
  Introduced into evidence 1883

- **Defendant's Exhibit 111** (12/24/08 Email to Tommy Dunn; Eddie Moore from Tom Allen) 2872-2873

- **Defendant's Exhibit 112** (5/14/10 Email from Janice Yates to Brent Moore) 2874

- **Defendant's Exhibit 113** (General Orders Surveillance) 2875-2877
  Introduced into evidence 295

- **Defendant's Exhibit 114** (12/14/05 Newspaper Article) 2878
- **Defendant's Exhibit 115** (11/30/10 Newspaper Article) 2879-2881
- **Defendant's Exhibit 116** (12/12/05 Incident Report) 2882-2884
- **Defendant's Exhibit 117** (9/25/08 Letter to Council from Foster Law Firm) 2885-2886
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- **Defendant's Exhibit 118** (10/27/08 Hand-written notes).....2887
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- **Defendant's Exhibit 119** (Municode Sec. 2-37 Meetings of the Council) 2888-2893
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- **Defendant's Exhibit 120** (Municode Sec. 2-288 Conflict of interest) 2894-2895
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- **Defendant's Exhibit 121** (7/16/03 Memo from Special Agent Eugene G. Donohue to Case File 34-02-96) 2896-2898
- **Defendant's Exhibit 124** (Hotel Receipt) 2899
- **Defendant's Exhibit 127** (9/22/02 Newspaper Article) 2900-2907
- **Defendant's Exhibit 128** (11/29/06 Forensic Services Laboratory Report)..... 2908-2910
- **Defendant's Exhibit 129** (9/11/06 Forensic Services Laboratory Report)..... 2911-2915
- **Defendant's Exhibit 130** (Letter to Dr. Alan Elmore) 2916-2917
- **Defendant's Exhibit 131** (Letter to Robert Stansell) 2918-2919
- **Defendant's Exhibit 132** (2/15/05 Judgment)..... 2920-2921
- **Defendant's Exhibit 133** (March 2006 Letter to council members)..... 2922-2926
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- **Defendant's Exhibit 135** (Copy of note and envelope addressed to Sarah Ricketson) 2927

- **Defendant's Exhibit 136** (2/7/08 Letter to Sheriff David Crenshaw from Michael Thompson) 2928
  Introduced into evidence 1266

- **Defendant's Exhibit 137** (Fuelmaster Transaction Listing) 2929-2932
  Introduced into evidence 295

- **Defendant's Exhibit 138** (3/06 Letter) 2933
  Introduced into evidence 1264

- **Defendant's Exhibit 139** (12/24/08 Email to Tommy Dunn; Eddie Moore from Tom Allen) 2934-2935

- **Defendant's Exhibit 140** (1/6/09 County Council Minutes) 2936-3009

- **Defendant's Exhibit 141** (10/29/08 Email to thomas9976@charter.net from Eddie Moore) 3010

- **Defendant's Exhibit 142** (9/23/08 Email to waimradio@yahoo.com from Eddie Moore) 3011

- **Defendant's Exhibit 143** (11/20/08 Email to thomas9976@charter.net from Eddie Moore) 3012

- **Defendant's Exhibit 144** (5/19/08 Email to Eddie Moore from Jena Trammel) 3013

- **Defendant's Exhibit 145** (6/22/08 Email to Eddie Moore from Jena Trammel) 3014

- **Defendant's Exhibit 146** (6/16/08 Email to Eddie Moore from Jena Trammel) 3015-3016

- **Defendant's Exhibit 147** (7/3/08 Email to Eddie Moore from Eddie Moore) 3017-3019

- **Defendant's Exhibit 148** (7/17/08 Email to Tom Beckwith from Eddie Moore) 3020

- **Defendant's Exhibit 149** (8/5/08 Email to hhopkins@andersoncountysc.org from Eddie Moore) 3021

- **Defendant's Exhibit 150** (8/13/08 Email to waimradio@yahoo.com; suthrnboy@charter.net from Eddie Moore) 3022-3023

- **Defendant's Exhibit 151** (8/13/08 Email to Stan Welch from Eddie Moore) 3024
- **Defendant's Exhibit 152** (10/16/08 Email to Eddie Moore from Heather Jones) 3025-3027
- **Defendant's Exhibit 153** (10/1/08 Email to Tom Allen from Eddie Moore) 3028
- **Defendant's Exhibit 154** (10/2/08 Email to Tom Allen from Eddie Moore) 3029
- **Defendant's Exhibit 155** (10/13/08 Email to Bob Waldrep from Tom Beckwith) 3030-3031
- **Defendant's Exhibit 156** (10/17/08 Email to Eddie Moore from Stan Welch) 3032
- **Defendant's Exhibit 157** (10/22/08 Email to Tom Beckwith from Eddie Moore) 3033-3034
- **Defendant's Exhibit 158** (11/21/08 Email to Eddie Moore from Elaine@News-Chronicle) 3035
- **Defendant's Exhibit 159** (12/1/08 Email to Eddie Moore from Stan Welch) 3036
- **Defendant's Exhibit 160** (12/3/08 Email to Eddie Moore from Tom Beckwith) 3037-3038
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V. POST TRIAL ORDERS & PLEADINGS **PAGES**

1. Post-Trial Brief of Defendant South Carolina Retirement System dated November 16, 2012 3042-3051
2. Plaintiff's Post-Trial Memorandum dated November 16, 2012 3052-3098
3. Closing Argument for Defendant Joey Preston dated November 16, 2012 3099-3162

4. Anderson County's Motion to Alter or Amend Judgment dated May 13, 2013 3163-3176

5. Preston's Memorandum Opposing Plaintiff's Motion to Reconsider dated July 16, 2013 3177-3244

6. Plaintiff Anderson County's Motion to Amend Complaint dated July 15, 2013 3245-3270

7. Plaintiff Anderson County's Reply in Support of its Motion to Alter or Amend Judgment dated July 24, 2013 3271-3303

8. Preston's Memorandum Opposing Plaintiff's Motion to Amend dated September 3, 2013 3304-3324

VI. CERTIFICATE OF COUNSEL 3325-3326

STATE OF SOUTH CAROLINA)
)
COUNTY OF ANDERSON)

MASTER EMPLOYMENT AGREEMENT

THIS AGREEMENT made and entered into this 22nd day of July, 1998, by and between the County of Anderson, State of South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter referred to as "The County") and Joey R. Preston (hereinafter sometimes referred to as "Administrator"), both of whom understand and agree as follows:

WITNESSETH

WHEREAS, the County, acting by and through its governing body, the Anderson County Council (hereinafter referred to as the "Council"), desires to continue to employ the services of Joey R. Preston as Administrator of Anderson County and enters into this agreement as a binding legal and contractual obligation and commitment pursuant to Section 4-9-620 of the South Carolina Code of Laws, 1976, as amended; and

WHEREAS, it is the desire of the Council to establish certain conditions of employment and to provide certain benefits for and to set working conditions of the Administrator; and

WHEREAS, it is the desire of the Council (1) to secure and retain the services of the Administrator and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring the Administrator's morale and peace of mind with respect to future security, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Administrator, and (4) to provide a just means for terminating the Administrator's services at such time as he may be unable fully to discharge his duties due to age or disability or when the County may desire to otherwise terminate his employment; and

WHEREAS, the Administrator desires to continue employment as Administrator of Anderson County under the terms and conditions of employment as referenced herein;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. DUTIES

County hereby agrees to employ and to continue to employ Joey R. Preston as the Administrator of Anderson County to perform the functions and duties specified in Section 4-9-630 of the South Carolina Code of Laws, 1976, as Amended, and to perform such other legally permissible and proper duties and functions as the Council shall from time to time assign, whether by job description or otherwise.

Section 4-9-660 of the South Carolina Code of Laws, 1976, as amended, which governs dealings between and among Council, its members , the Administration, and County employees, directs and governs the Administrator's performance of duties on behalf of Council and requires:



"Except for the purposes of inquiries and investigations, the council shall deal with county officers and employees who are subject to the direction and supervision of the county administrator solely through the administrator, and neither the council nor its members shall give orders or instructions to any such officers or employees."

SECTION 2. TERM

A. The Administrator serves at the pleasure of Council, and nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Anderson County Council to terminate the services of the Administrator at any time, subject only to the provisions set forth in Section 3, Paragraphs A, B, and C of this Agreement.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Administrator to resign at any time from his position with the County, subject only to the provision set forth in Section 3, Paragraph D of this Agreement.

C. The Administrator agrees to remain in the exclusive employ of the County from July 22, 1998 the first day of his employment with the County under this Master Employment Agreement until July 21, 2001 a date three (3) years from such first day of employment under this Master Employment Agreement, and to neither seek nor accept employment nor become employed by any other employer until said termination date, unless said termination date is effected as hereinafter provided.

The term "employed" shall not be construed to include occasional teaching, writing, speaking, or consulting performed on personal time off, even if outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the County or interfere with Administrator's execution of duties for the County. In the event travel is required for such non-County related business, the Council shall be notified in advance. De Minimis use of County owned equipment for the purposes noted in this paragraph is hereby authorized.

D. In the event written notice of intent to not renew this Agreement is not given by either party to this Agreement to the other at least ninety (90) days prior to any annual anniversary of the date first above written, this agreement shall be extended on the same terms and conditions as herein provided, all for a new term consisting of the term then remaining at such annual anniversary date plus an additional period of one (1) year; such that the maximum effective term of this Agreement shall never exceed three (3) years and not be less than the respective term remaining when any notice of intent to not renew is given. Said agreement shall continue thereafter for a continuing, annually renewable term consisting of the respective term then remaining at such annual anniversary date unless written notice of intent to not renew is given by either party to this Agreement to the other at least ninety (90) days prior to any subsequent annual anniversary of the date first above written.

SECTION 3. TERMINATION AND SEVERANCE PAY

Termination with Cause

A. Grounds for termination with cause shall be the conviction of the Administrator of any crime involving personal gain to himself, any crime involving moral turpitude (as defined in South Carolina state law) or the refusal of the Administrator to perform the duties of this office. For the purposes of this section the duties of his office include maintaining reasonable, consistent office hours, except during such times as the duties of his office require his absence or as noted elsewhere in this Agreement, compliance with the laws and Constitution of the State of South Carolina, performance of the duties set forth in Section 1 of this Agreement, and compliance with the lawful directives of the Council passed in open, public meetings of said Council which do not conflict with or invade the responsibilities and authority conferred on the Administrator by the South Carolina Constitution or Code of Laws. If a majority of Council members feel that the Administrator is not in compliance with the above duties, then said members shall cause a certified mail, return receipt requested letter to be sent to the Administrator advising him of his non-compliance and stating a reasonable length of time offered him for correction. If, after such reasonable time period has passed, the Administrator fails to correct the noted non-compliance he may be terminated with cause and shall not be entitled to severance pay, but shall be entitled to all compensation and benefits accrued yet unpaid at the date of termination.

Illness and Disability

In the event the Administrator shall suffer serious illness or injury during the contract period, he shall be afforded a minimum of 90 work days as a recovery period before he may be deemed to be in violation of the terms of his contract and subject to the provisions relating to termination with cause. Council may upon public vote extend this recovery period. Nothing in this Agreement shall be construed as to exempt such 90 work day (or longer, as authorized by Council) recovery period from the normal County rules governing use of leave and sick time and leave-without-pay to cover time absent from work. Further, nothing in this Agreement is intended to negate or diminish the Administrator's entitlements, benefits, or rights under any applicable law or regulation, it being the intent of the Parties that this Agreement is in addition to, not in lieu of, all applicable laws and regulations.

Termination Without Cause

B. If the Administrator is terminated for any reason other than those set out above, he shall be deemed to have been terminated without cause and shall be entitled to all pay and financial benefits remaining on his contract for the balance of the contract period in a lump sum or in incremental payments, as he, in his sole discretion, shall choose, as severance pay for such termination without cause. In addition, the Administrator shall also be compensated for all earned sick leave, vacation, holidays, compensatory time and other accrued benefits to date, calculated at the rate of pay in effect upon termination. The Administrator shall receive

additional severance pay under this paragraph, based upon the length of his total service to the County, and computed at the rate of one month aggregate compensation under this Agreement for every two years of such service, based on his date of hire of September 25, 1996. The total severance pay under this Agreement shall not exceed thirty-six (36) months aggregate, total compensation at the rate of pay in effect upon termination. Further, in the event that Administrator is terminated by the Council as set forth in this Section (without cause), then in that event all life, health, dental, and disability insurance and all other County provided benefits for the Administrator shall continue in full force and coverage, at County expense, for a period of six (6) months or until similar coverage is provided to Joey R. Preston by a subsequent employer (and is in full force and effect) whichever comes first. Said continuation of group health insurance coverage shall be in addition and prior to any protection afforded Administrator by the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). Coverage under COBRA shall begin on the date all coverage extended under the severance provisions herein expire.

C. In the event the County at any time during the employment term reduces the salary, compensation, or other benefits of the Administrator in a greater percentage than an applicable across-the-board reduction for all County employees, or in the event the County refuses, following written notice, to comply with any other provision benefitting the Administrator herein, or if the Administrator is reassigned to another position within the County's employ then, in that event, the Administrator may, at his sole option, be deemed to be "terminated without cause" at the date of such reduction or such refusal to comply, or such other act enumerated in this Section, all within the meaning and context of the severance pay provisions herein contained, and all with the same effect and rights as described in Subsection B of this Section 3.

D. In the event the Administrator voluntarily resigns his position with the County before expiration of the aforesaid term of employment, then the Administrator shall give the County three (3) months notice in advance of such intent to resign and, if he should fail to give such notice, shall forfeit a proportionate amount of salary equal to the salary due for the period by which he fails to give such three (3) months notice as a liquidated damage penalty for failure to give adequate notice to the County.

E. Contemporaneously with the delivery of all severance pay and entitlements hereinabove set out, the Administrator agrees to execute and deliver to the County a release, releasing the County of all further claims that the Administrator may have against the County.

SECTION 4. SALARY

County agrees to pay the Administrator for his services rendered pursuant hereto an initial annual base salary of Ninety-Five Thousand Dollars ($95,000), payable in installments at the same time as other employees of the County are paid, plus an annual payment of Five Thousand Dollars ($5,000) to the Administrator's designated 401K deferred compensation plan. County further agrees to adjust Administrator's base salary at the same times and in the same relative degree or percentage as it adjusts those of other employees of the County. Further, the County agrees to pay the Administrator on or about every July 1, a pay step increase in gross salary consistent with the County's then current wage and compensation plan, but not less than two percent (2%) in any event, and based upon a satisfactory performance evaluation as covered in Section 12 of this Agreement. Finally, in addition to the foregoing, the County agrees to compensate the Administrator, at a daily and hourly rate based on his then current annual salary, for any accrued annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse.

SECTION 5. HOURS OF WORK

A. It is recognized that the Administrator must devote a great deal of his time outside normal office hours to business of the County, and to that end the Administrator will be allowed to take compensatory time off as he shall deem appropriate during said normal office hours.

B. The Administrator shall not spend more than ten (10) hours per week in teaching, consulting or other non-county connected business for compensation, without the express prior approval of Council.

C. Except as otherwise noted in this Agreement, the Administrator will observe the normal business and working hours of County government and will work sufficient hours to satisfactorily discharge the duties, obligations, and requirements of his office.

SECTION 6. AUTOMOBILE

The Administrator's duties require that he shall have the exclusive and unrestricted use at all times during his employment with the County of a suitable automobile, with cellular telephone, provided at no cost to him by the County. The County shall be responsible for paying for liability, property damage, and comprehensive insurance and for the purchase, operation, fuel, maintenance, repair and regular replacement (at intervals of not less than every five (5) years or 100,000 miles, whichever comes first) of said automobile and cellular telephone.

SECTION 7. DUES AND SUBSCRIPTIONS

The County agrees to budget and to pay the professional dues and subscriptions of the Administrator necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional and community participation, growth and advancement.

SECTION 8. BUSINESS TRIPS FOR ANDERSON COUNTY

County does hereby agree to budget and pay the reasonable travel and subsistence expenses of the Administrator for official travel while on County business and for attendance at meetings, seminars and conventions of the South Carolina Association of Counties and the International City Managers Association and Anderson Area Chamber of Commerce.

SECTION 9. VACATION AND SICK LEAVE

The Administrator shall be entitled to and shall accrue annual vacation leave with pay and sick leave in the same manner as other employees of the County. Because Administrator has worked in local government in South Carolina for many years, which inures to the benefit of County in the form of significant experience, but was unable to transfer any of his accrued annual or sick leave, he was deemed, for all leave accrual purposes, to have been employed by County, at the time of hiring, for five (5) years and to have already accrued and have credited to his payroll and personnel accounts, at the time of hiring, the amount of vacation and sick leave which he would have accrued in one (1) year as an employee with five (5) years of County employment. The Administrator's date of hire will be deemed to be the date he actually began work for the County, September 25, 1996, his first day of employment. The Administrator shall be entitled to accrue and carry forward the maximum amounts of annual and sick leave authorized by County personnel policies, but shall be compensated for any annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse, in accordance with the terms and provisions of Section 4., hereof.

SECTION 10. BENEFIT PLANS

The Administrator shall be entitled to participate in all benefit plans as may be available, from time to time, to employees of the County in the same manner, including County contributions, and to the same extent of said employees to include, without limitation, state retirement plan and medical and other insurance plans.

SECTION 11. INSURANCE COVERAGE AND ANNUAL PHYSICAL

A. The County agrees to put into force, and make required premium payments for the Administrator, for an insurance policy providing 24-hour coverage for occupational as well as total and permanent disability income benefits, including

residual benefits, with no expiration, no deductible, and no exclusion period. Said policy shall provide 75% income replacement for short term coverage, from the expiration of any accrued sick leave until long term coverage begins, and 60% income replacement for long term coverage. Said policy shall also be noncancelable and be guaranteed renewable, with cost of living provisions included.

B. The Administrator shall be covered by the same health and dental plans as all other employees and the County shall pay the Administrator's share of premiums for the Administrator for the health and dental plans, including family plans, elected by the Administrator and that coverage shall be in full force and effect immediately upon start of service to the County under this Agreement.

C. The County agrees to purchase and pay the required premiums for term life insurance policies, providing coverage equal in amount to four times the total annual aggregate compensation of the Administrator under this Agreement, with the beneficiary to be designated by the Administrator.

D. The Administrator agrees to submit once per calendar year to a complete physical examination, by a qualified physician of his choosing, the costs of which shall be paid by the County and/or County's insurance policy.

SECTION 12. PERFORMANCE EVALUATIONS

The Council shall review and evaluate the performance of the Administrator no later than February 1 of each year. The County agrees to increase base salary and/or other benefits of the Administrator at the time of said review, in such amounts and to such extent as provided in Section 4 in light of performance by the Administrator. It is further understood that merit increases based on annual performance evaluations and salary reviews are exclusive of any general costs-of-living increases provided to the Administrator and other employees. The Administrator shall receive all cost-of-living increases, if any, which the County may grant to its other employees, at the same time and in the same manner said increases are granted to those employees.

SECTION 13. SUSPENSION

The County may suspend the Administrator with full pay and benefits at any time during the term of this Agreement, but only if a majority of the Council and the Administrator agree, or, after a public hearing, a majority of the Council votes to suspend the Administrator for "just cause", provided however, that the Administrator shall be given written notice setting forth any charges at least ten (10) days prior to such hearing, by the Council members bringing such charges. "Just cause" is defined, and hereby limited, for the purposes of this Section to the following: (1) willful neglect of duty, (2) conviction of any crime involving moral turpitude, (3)

violation of duties to the County of honesty and sobriety, or (4) any other act of similar nature, or of the same or greater seriousness.

SECTION 14. INDEMNIFICATION

The County shall defend, save harmless, and indemnify the Administrator against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of his duties as Administrator. The County may compromise and settle any such claim or suit and will pay the amount of any settlement or judgment rendered thereon. Said indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement, to provide full and complete protection to the Administrator by the County as described herein, for any actions undertaken or committed in his capacity as Administrator, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following the Administrator's employment with County.

SECTION 15. CONFLICT OF INTEREST PROHIBITION.

It is further understood and agreed that because of the duties of the Administrator within and on behalf of the County of Anderson and its citizenry, the Administrator shall not during the term of this Agreement, individually, as a partner, joint venturer, officer or shareholder, invest or participate in any business venture conducting business with Anderson County, or receiving economic development incentives from Anderson County, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without the prior approval of the Council.

SECTION 16. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

A. The Council shall fix such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Administrator, provided such terms and conditions are not inconsistent with, or in conflict with, the provisions of this Agreement or state law.

B. All policy provisions of the County relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist, or hereafter may be amended, shall also apply to the Administrator as they would be to other employees of the County, in addition to said benefits enumerated specifically for the benefit of the Administrator, except as herein provided.

C. Except as noted herein, the Administrator shall be entitled to receive the same vacation and sick leave benefits as are accorded department heads, including provisions governing payment therefor on termination of employment.

SECTION 17. GENERAL PROVISIONS

A. The text herein shall constitute the entire agreement between the parties.

B. This Agreement shall become effective commencing on the date of execution by the parties, as first above written and hereby expressly replaces and supersedes that Employment Agreement by and between the same parties dated July 16, 1996, except as to rights and benefits already accrued under that latter Employment Agreement to which the Administrator is entitled, all of which are hereby preserved and carried forward to this Master Employment Agreement.

C. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Administrator and the County and its successors.

D. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, in whole or in part, by any court of competent jurisdiction, the remainder of this Agreement or the portion thereof in question shall be deemed severable, shall not be affected, and shall remain in full force and effect. It is the intent of the parties to this Agreement that the Agreement be applied, executed, and enforced to the maximum extent possible, at any time, consistent with State law as then in effect, to the benefit of the Administrator. The Administrator shall receive the maximum benefit of each and every provision of this Agreement as may be permitted by law or the Constitution at any point in time.

IN WITNESS WHEREOF, the County of Anderson has caused this Agreement to be signed and executed in its behalf by the Chairman of the County Council, and duly attested by the Clerk to Council, and the Administrator has signed and executed this Agreement, all in triplicate, each of which will be considered an original copy, the day and year first above written.

ATTEST:

Linda N. Gilstrap
Clerk to Council

ANDERSON COUNTY

By: William A. Floyd, Council Chairman

I ACCEPT THE FOREGOING TERMS AND CONDITIONS OF EMPLOYMENT:

Joey R. Preston

TERESA L. BANNISTER
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES: MAY 25, 2005

GRVL:71657

State of South Carolina)

County of Anderson)

ANDERSON COUNTY COUNCIL AUDIT MEETING

AUGUST 5, 2008

IN ATTENDANCE:

MICHAEL THOMPSON, CHAIRMAN
BOB WALDREP
CINDY WILSON
LARRY GREER
GRACIE FLOYD
BILL MCABEE
RON WILSON



INVOCATION AND PLEDGE OF ALLEGIANCE

MICHAEL THOMPSON: Okay. On page thirty-five of the budget ordinance, section forty-eight, the caption is special audit. This is how it reads. It is the desire and intent of the Anderson County Council to conduct a special one time audit of the books of Anderson County. This audit is to be a total complete penny in/penny out audit. The purpose of this audit is so that the county council will know everything, where the money has been spent or where it went and to ascertain if something has been done wrong or if something has not been done wrong. This is not to be an expanded procedures audit. This is to be an absolute assurance audit. It is understood that this type of audit has never been conducted anywhere as far as we know on any type of entity. Therefore there is no way to know how much this type of audit will cost. The county council's intent is to conduct this audit on whatever -- to conduct this audit at whatever cost it takes. County Council has not determined the fiscal period this audit is to cover nor what the parameters of the audit will be or by what standards the audit will be conducted and has not determined the source of revenue to pay for this audit. At this time I ask our external auditor, Mr. Larry Finney, to come forward. I met with him a couple of weeks ago. He is now in the process of auditing the books for the fiscal year we just came out of and he informed me that this special audit falls outside the contract and parameters that he has with the county. So the purpose of this meeting today is to determine the consensus of the county council on what they want to do with this special audit. We can postpone it and let the new council next year deal with it or we can define the parameters and take up the issue and go forward. But I wanted the council as a whole to decide this and not Michael Thompson, the chairman, to decide this. So Mr. Finney, he's going to come up and answer any questions regarding the audit or the special audit. Mr. Finney.

LARRY FINNEY: Thank you. Good morning. I really am here -- Mr. Thompson and I met very, very briefly just a couple of weeks ago primarily just so I could see what the ordinance actually said and kind of shared with him a few thoughts that I will share very briefly with you and then again I'm

primarily here just to participate and answer any questions that anybody has. Having read the ordinance, and a little bit of this will be repetition from the presentation that I did after we had finished the last financial audit. I think all of this, or at least from my perspective, began that night that I did the presentation when I shared with council really the idea that the normal regular financial audit that we just performed ?? that the concept of reasonable assurance because we don't look at all the transactions of the county. But obviously the opposite of that is that if you're providing reasonable assurance the comparison I made is the absolute assurance where you're looking at all the transactions of the county. Having read this ordinance I guess there are just a couple of thoughts I'll share with you. And again, I'm here primarily to answer questions. I think from my perspective, you have rightly stated in the ordinance that as far as I'm concerned I've never seen an absolute assurance audit performed. We have certainly never performed one in our firm. And I've actually talked with several other friends that are CPAs and other firms just to ask and try to get their perspective on it as well and they were not aware of an absolute assurance audit ever being performed. And let me share with you why -- what I've -- one of the things that I want to tell you is, I'm not aware of anybody that I've talked to that would probably even bid on performing an absolute assurance audit. You can just ask around. And I'm not saying that nobody would do that. Certainly somebody might. But let me share with you one of the concerns that I have personally as far as an absolute assurance audit is concerned and why I think one has never been done. And it really relates to the fact that when you start talking about absolute assurance that when we perform an audit we are using as a basis the general ledger of the county. The general ledger of the county is the financial document that in essence is supposed to record all of the transactions for the county within it. And that's the basis for the preparation of the financial statements. Well, when you start talking about an absolute assurance audit, the first question that I'm gonna ask is, how do you know that all of the transactions are actually in the general ledger? And that -- intentionally or

unintentionally. In other words, how do I know that there wasn't a transaction that was incurred by a council member that for one reason or another didn't end up on the general ledger? And the same could be said for every other department in the county. And so the first question I would have is, just with completeness. And I'm not sure anybody could really answer that question. How do we know that every single transaction of the county is actually in the ledger? We would certainly hope it would be. But it may or may not be. So when you start asking, start asking any of us to say, give us absolute assurance that everything that the county has incurred financially is in the ledger, I certainly don't know. And I don't necessarily know if anybody else could say that, because there are so many people involved in all the transactions of the county. So that's the first concern that I think would make it very difficult for anybody to want to provide those services. And I think that's probably why one has never been done in the past. Having said that, there may be somebody out there who would be more than willing to do all the work. But the second thing is -- and I had mentioned this and I know that the ordinance specifically says that this is not to be an expanded procedures audit. But that night of the presentation I mentioned this and I wanted to mention it again because this is typically what we see happen and that is rather than actually having an audit performed, what we typically see happen is what we call agreed upon procedures. And agreed upon procedures are where a council or board of some kind says, we would like you or we would like somebody to do some special work in these specific areas. Those areas, those functions, whatever they may be, there's no limit to how many procedures or what could be performed. It is totally up to, in this case the council, as to what those procedures would be. Just to give you a feel, when I first became aware that this was an issue, I went ahead and asked the finance department just to give me some ball park figures in terms of the number of transactions for the county, and I think this was for the 06-07 fiscal year because that was the year that we had last audited. And they provided a list that in essence, I think the number of transactions for the entire year was in the ball park of one point four million transactions. That's

a lot of transactions. So when you start talking about an absolute assurance audit or whatever it may be, that would take a significant amount of time. And so that's why what we generally tend to see is some idea of agreed upon procedures that provides a little more focus to the areas of concerns or whatever they may be. And again, that may be totally unlimited. So those are just a couple of my thoughts, just having looked at the ordinance. But again, I'm primarily here to answer questions and so participate however I need to.

MICHAEL THOMPSON: Are there any questions? Mr. Wilson.

RON WILSON: You're more or less saying you can't do an absolute total audit with any absolute assurity?

LARRY FINNEY: Well, what you can have somebody do, is you can have somebody perform audit type work on all the transactions that are in the ledger. But what you can't ask them to do is to say I'm going to assure you that this is all the transactions for the county, because they don't know that. What they know is they know that all the transactions that are in the ledger, they could answer to those. But they can't necessarily say, I know that that's all the transactions for the county because how do they know there are some that aren't recorded in that ledger? Does that make sense?

RON WILSON: Who knows that if it's not in the ledger?

LARRY FINNEY: In essence what you have to do is you have to go to each department head for each function in the county and literally ask them, are there any other transactions that are not recorded in the ledger? You're gonna just have to rely upon each person to tell you that's the case.

RON WILSON: But somebody had to ?? so why isn't there a record?

LARRY FINNEY: Well, because how do I know that there aren't other commitments made for which a check hasn't been written yet? It happens pretty frequently. One of the things that we do, and we do them through our regular audit procedures, is we ask of numerous people, are there transactions that have been -- the county has committed to for which you haven't written any checks for yet. That happens a lot. Somebody might create a purchase order to buy some good, the goods may have come in,

you may not have paid for them yet. Or we committed to buy the goods but the goods haven't come in yet. We've still made a commitment. There's still a liability that exists there, but we haven't written a check or anything for it yet.

RON WILSON: If you did an expanded procedures thing can you isolate on departments and things, can you do that?

LARRY FINNEY: Uh-huh (affirmative).

RON WILSON: If what you said is true, if you did that, how do you know there's not other things outstanding in those departments?

LARRY FINNEY: Well, because what you're doing is your council is defining specifically what we're gonna look at. And so you can define and say, we want you to look at all the transactions that are in the ledger for this department, and so we're limiting it to what's in the ledger.

RON WILSON: Using what you just said, there may be other things in that department that's paid out that we won't be auditing; is that right?

LARRY FINNEY: Could be. The other would come to bear in the following year and that's when I notice in the ordinance you didn't define the period. So ---

RON WILSON: So if you did it for two years you would get a total audit?

LARRY FINNEY: Well, when you say total audit, that's just a difficult ---

RON WILSON: I mean, would that catch those things that those checks have been written for that would finally be paid?

LARRY FINNEY: Yeah, but of course then you would have the same issue for, you would have the same issue for that next year.

RON WILSON: I have difficulty in understanding why we can't get a total audit.

LARRY FINNEY: Well, I think in a way you're thinking of a total audit you can because you're thinking of a total audit as everything that's included in the ledger. And if you're just wanting to know that everything that's included in the ledger is it recorded properly, is it recorded accurately, etcetera, etcetera, then yes, that can be done. And I think that's how you're defining a total audit, which is fine.

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: I'm looking at the latest

GLR153, which is all accounts in all the departments and funds, accounts and ?? accounts, revenues and expenditures and I wanted it unaudited as of June 30th.

LARRY FINNEY: '08, June 30th, '08?

CINDY WILSON: Right. And I have not been provided that. Our administrator prefers to give it to me after you've audited it. What I wanted to point out is the little bit of the weekly check registers which are called GLR110 as compared to GLR153, I find that sometimes the expenditures I might see there don't check up, at least to what I can find, to GLR153s. I found where our treasurer, for example, would write out checks for people to go to Leadership Anderson classes at the Chamber of Commerce and then I don't find that following through on the GLR153s. For example there can be cash expenditures that may not even show up at all. Recycling I understand is cash that comes and cash that goes and I'm not sure exactly how we would account completely and accurately for that. It would be a massive undertaking and one of my constituents has written me and I shared the note with you a while ago. It appears that we are not following the policies and procedures that we have in place even now. For example we go back to the credit card mess that we've got. We have even council members spending money on credit cards that are way over budget in departments that they're not in. We really must look first I think at our policies and procedures before we can actually and adequately come up with a scope for an internal auditor to do a complete detailed audit.

LARRY FINNEY: Well, the example that you just mentioned, those are perfect examples of what you would typically see as part of agreed upon procedures, saying, okay, you know, these are specific areas that we want you to look at so we can understand, you know, why the 110 doesn't agree with the 153, etcetera, etcetera.

CINDY WILSON: The problem we have is that we have an administrator that can transfer funds from department, account, sub-account, willy nilly all over the place without even notifying council members. And unless you came in and look at ---

LARRY FINNEY: At all the departments? Right.

CINDY WILSON: -- you would not detect all those ---

LARRY FINNEY: Which you could still do under the agreed upon procedures. You could just make sure whatever was agreed to, that all of the departments were looked at so that all of them were covered. You could even include -- say you want to look at all the transfers so that we understand all the transfers that took place as well.

BOB WALDREP: I just have a question. I think when we had this discussion before when you were here before council, I think one thing that was stated was that we had some problems with control.

LARRY FINNEY: Yeah. We had some recommendations regarding some improvements that could be made in the internal controls and policies and procedures. That's right.

BOB WALDREP: And I have to ask you this question. If you were sitting on this council and you were talking to another accountant perhaps, and you were trying to put this all in perspective about the most efficient, cost efficient as well as energy efficient ways to address this problem, what would be your recommendation?

LARRY FINNEY: You're saying this problem in terms of ...

BOB WALDREP: In terms of trying to promote the greatest integrity of our county system.

LARRY FINNEY: I would probably, I would probably consider two things. I would, one, consider doing some agreed upon procedures in some areas that we had some concerns about. The other thing that could be done, I think, Ms. Wilson, you or somebody has mentioned that in the past that some type of operational or efficiency work had been done by somebody. I don't know if that's the case or not. But you -- I used to work for one of the big international firms years ago and they're typically the ones that you will see with certain entities that will come in and perform what they call operational or efficiency projects. What tends to happen with audits, obviously when an audit is performed if you're looking at the accuracy and propriety of the transactions having been reported the way they should and have they been reported accurately, but you're not gonna deal so much with efficiency kinds of issues. There are efficiency -- in effect those kind of projects that can be done. So that would always

be an option.

BOB WALDREP: Accuracy I think is probably what we're looking for and secondarily efficiency.

LARRY FINNEY: Yeah, the accuracy, the accuracy I would think could be handled through agreed upon procedures.

BOB WALDREP: So you feel that this council, if they really wanted to do an audit that the -- we've got two terms here, agreed upon procedures and expanded procedures. Are those synonymous?

LARRY FINNEY: They can be. Typically expanded procedures deal with if we're gonna come do the regular external financial audit, you know, council might say well why don't you just look at this area in addition to what you normally look at for an audit? That's what I would consider expanded procedures. Agreed upon procedures are really totally outside the financial, the regular financial audit. It's saying, let's take on a whole new project and this is what we want that project to be. And then you list whatever those procedures might be.

MICHAEL THOMPSON: Anymore questions from council?

BOB WALDREP: Well, one other thing I wanted to mention is the way that this special audit ?? provided and listening to the conversations about it, it just seems like that if we were to engage in this kind of audit that we would not necessarily be gaining what we really want to achieve. We would be again counting nuts and bolts at the transportation division and things that we are really not that interested in. Whereas if we focus on something that we find to be troublesome, then we can achieve that ??

LARRY FINNEY: My concern -- if it was me, my concern with this ordinance the way it was written is you're gonna end up having work done in areas that you really don't have concern about and it's gonna be a lot more costly than if you just had agreed upon procedures done. And again, the agreed upon procedures could be -- you could come up with twenty-five. You could come up with three hundred and twenty-five. Again, what -- the number of procedures is unlimited. But it just tends to focus you on those areas where you really, really want the time spent.

MICHAEL THOMPSON: Mr. Wilson.
RON WILSON: Let me ask a question here to Bob and Cindy, what is it y'all want done?
BOB WALDREP: As for me I'm trying to get the language, the lingo, that CPAs and accountants use to try to define what we're gonna do here. First of all we started out with this concept of a total audit, you know, like you were talking to a penny in, a penny out. In my judgment after listening to this information today, I can't see that that would serve any useful purpose as to what we're trying to achieve. What I think that we probably need to do is to have an audit which would focus on those areas that we find troublesome. For example, the legal expenses, the credit cards, some of those other areas that we find, you know, that are so nebulous and so hard to find. We have a lot of conversations about attorney/client privilege as to why council members can't actually see what this money is going for and things of settlements and things of that nature. So that's one of the areas that we need to get into. My understanding is that the council is the client here. So as a client, I want to be able to know just how this money is being spent. So that would be one area that I would focus on.
RON WILSON: What else you want?
BOB WALDREP: Well, of course the credit card situation.
RON WILSON: Can you draft what you want and have it ready for the next meeting?
BOB WALDREP: With some help from the accountant, I think that I could.
RON WILSON: All right. Let's do it.
GRACIE FLOYD: How long would this type of audit take if we were going to do something like that?
LARRY FINNEY: Well, again it would depend upon the number of procedures that we come up with. I could give you a better feel once we had a detailed list of what needed to be done. Then I could put the estimated hours to that and get a feel for how much time and what the cost would be once we had that done.
GRACIE FLOYD: You do our audit now; don't you?
LARRY FINNEY: Yes.
GRACIE FLOYD: How long does it usually

take you?

LARRY FINNEY: We probably last year spent about eight to nine hundred hours, last year. But that's gonna be totally different than what you might end up with agreed upon procedures. Again, it totally depends upon the procedures that are developed.

GRACIE FLOYD: Nine hundred, eight hundred hours equates to -- is it six months? How many months is that?

LARRY FINNEY: Oh, well, we had, we had (inaudible - noise from audience). Last year we started in early January, finished up about mid February -- actually early February. And I think -- was council ?? in March? I think it was in March. So it was about probably a month and a half for three to four people.

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: Didn't you start like after the fiscal year ended, like sixty days out, you started in January?

LARRY FINNEY: Well, that was because -- that was just because of the county did not actually end up contracting with us until way after year end. This year we have actually already been out and spent about three weeks doing interim work already even before year end. And we'll be back out in December this year and we'll have everything done by the end of December.

CINDY WILSON: Are we paying y'all consulting fees outside of the auditing fees?

LARRY FINNEY: The only fees that you've paid us so far are there were some -- a couple of additional procedures or work that was done as part of last year's audit. And then we've had to attend some meetings related to, you know, some of those things. But no, we haven't done any, we haven't done any what I would call consulting or advisory work or anything like that other than this kind of thing right here.

CINDY WILSON: And have we paid y'all consulting ??

LARRY FINNEY: Yeah, what they did is -- I asked about that when I saw that. And what they do is they just put the contracted audit fee on the audit side and then if there's any additional procedures that are done they put that in consulting as opposed to just adding it to the audit side of

things.

MICHAEL THOMPSON: Mr. Wilson.

RON WILSON: I would take it that once Mr. Waldrep has drawn up this audit procedure we would submit it but that your firm wouldn't be in the running for this, it would be through another firm; right?

LARRY FINNEY: What I would suggest you do is actually just put it out for bids. That's what I'd suggest.

INAUDIBLE DISCUSSION - NOISE FROM AUDIENCE

MICHAEL THOMPSON: Okay. The question before the council is what we want to do about this special audit that's a part of the budget ordinance. Speaking for myself, and myself only, I would like to leave it to the next council. This is not going to be a final ...

APPLAUSE

MICHAEL THOMPSON: We need to maintain order, please. This is not going to be an easy procedure and I want to make sure the people requesting this special audit gets what they want. And since I'm not gonna be here to answer the ins and outs, I want the people who want this to get what they want. So just for me myself, I think we should just postpone this special audit and let the new council take it up when they assume office.

BOB WALDREP: Second.

MICHAEL THOMPSON: Well, technically this is a workshop and we cannot take votes. But I can get the consensus of council so if you want to say I agree or I disagree, I can get a consensus and then ---

BOB WALDREP: ??

MICHAEL THOMPSON: ?? both. But just speak ??

BOB WALDREP: Yea.

MICHAEL THOMPSON: Yea. Mr. Martin here? I need to get a consensus without taking a vote; is that right? There is a vote?

TOM MARTIN: You cannot poll council in the sense of finding out what the vote would be, but you certainly can hear from individual members of council what their position is.

MICHAEL THOMPSON: Let me hear from you individuals what your position is?

BOB WALDREP: Mr. Chairman, let me say something here if I may. It might take a few

minutes. But I have been speaking with some of the newly elected council people that will be coming on and they certainly are the elephant in the room. So I take it from the consensus of what they have said that they would like very much the opportunity to pass on this audit because they're gonna be the ones that are going to be responsible to that degree, and that will be greatly appreciated. And I think it would also add to the assurance and trust of the people out there if these new council people have that opportunity to do so. So let me just tick off a few things here ---

MICHAEL THOMPSON: Tick away.

BOB WALDREP: -- since I've got an obligation to do that. And that is that they would like to have a bid procedure be written into the ordinance. They would like to -- for the audit firm not to be connected to any Anderson County employee and make sure that there was a divorce between that or any kind of special interest. That the administrator and financial director would be placed on paid leave. They would be readily available to answer any questions that should become necessary and they would be prohibited from having contact during this audit period. An acting administrator would be hired to fulfill the requirements of the South Carolina Home Rule Act and the acting administrator would fulfill the direction of the County Council in this audit exercise as well as direct the employees of the county. And that the county council would meet with the financial audit committee. They would like to have an audit committee prepared and of course they would be part of that. And if we do postpone it then they would be very much a part of that and that would be moot. That the acting administrator would accept the bids of the audit and bring them to the county council for discussion and after the audit firm is chosen they would meet with acting administrator for discussion and implementation of the council recommendations for an audit. So these are some of the ideas that have come from the newly elected council folks. And I certainly think that great weight should be given to the fact that we've got a big change in the composition of our council.

MICHAEL THOMPSON: Is that the consensus of the council to postpone and let the new council take it up? Anybody want to say anything because I can't

take a vote here?

RON WILSON: Fine with me.

MICHAEL THOMPSON: Fine with you, Mr. ... Anybody else wish to speak? Okay. It sounds like what I'm hearing is, it is the consensus of the present council to postpone any action on a special audit and let the new council when they are seated take up the issue and define the parameters and ??. Correct me if I'm wrong. There are no corrections so that's what's gonna happen.

APPLAUSE

END OF AUDIT MEETING

FOSTER LAW FIRM, L.L.P.
Attorneys and Counselors at Law

ROBERT E HOSKINS

PAUL J FOSTER, JR.
1928-1999

September 25, 2008

via HAND DELIVERY

Chairman Michael Thompson
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Bill McAbee
Vice Chair, Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

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M. Cindy Wilson
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Re: *Joey Preston*

Dear Honorable Chairperson Thompson and Members of the Council:

I represent Mr. Joey Preston. Regretfully, it has come to Mr. Preston's attention that certain existing Council Members have made statements that they and certain newly elected Council Members intend, after January 2009, to prevent him from carrying out his duties as County Administrator. The news of the apparent agenda of certain Members of the Council is quite discouraging to Mr. Preston, personally, and from the standpoint of the good people of Anderson County. Certain Council Members have hindered Mr. Preston's ability to perform his duties as County Administrator for at least seven years now. Those attempts have, thus far, been most unfortunate for the people of Anderson County, but Mr. Preston has overcome the efforts of those who would stymie him in the performance of his duties. That the efforts will now escalate is unacceptable and intolerable. Because of his dedication to his position and the people of Anderson County, Mr. Preston has dealt with the ever increasing efforts to hinder his job performance to this point. However, to learn of the new assault he faces after the November election by those who would obstruct progress is more than he can endure. Mr. Preston considers the intent of certain members of Council and their allies to prevent him from performing his job as an anticipatory breach of his employment contract. In light of that breach, which is obviously motivated by the political and personal interests of those behind the

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obstructionist scheme, Mr. Preston views himself as terminated without cause. Mr. Preston would very much like to continue to serve the people of Anderson County and had hoped to do so for years to come. However, the political and personal agenda of the obstructionists has rendered his ability to serve the people of Anderson County beyond January 1, 2009 impossible. Please accept this correspondence as notice by Mr. Preston that his employment contract has been anticipatorily breached and that performance thereunder has been rendered impossible by certain Members of the Council and their cohorts. Please have the County's chosen attorney or representative contact me to discuss.

Sincerely,

Robert E. Hoskins

REH:laf

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

AGENDA
ANDERSON COUNTY COUNCIL
Regular Meeting - November 18, 2008 - 6:00 p.m.
Historic Courthouse – Council Chambers – Second Floor
Chairman Michael Thompson, Presiding

Certified to be a true and correct copy of the records of Anderson County Council.
Linda N. Eddleman
Deputy Clerk - Anderson County Council
Dated 10/24/2012

1. **CALL TO ORDER**: Chairman Michael Thompson
2. **INVOCATION AND PLEDGE OF ALLEGIANCE**: Council Member Bill McAbee
3. **APPROVAL OF MINUTES**: November 3, 2008 Meeting
4. **CITIZEN COMMENTS**: Agenda Matters
5. **INDUSTRIAL ANNOUNCEMENTS**: Mr. Joey Preston/Ms. Heather Jones (requested 10 minutes/allotted 10)
6. **ASSESSMENT OF THE FISCAL IMPACT OF PROJECTED POPULATION GROWTH STUDY**: Mr Joey Preston (requested 15 minutes/allotted 10)
7. **RESOLUTIONS**: **#R2008-049** - a resolution recognizing an Anderson County Resident for more than fifty years of service - Mr. Joey Preston (allotted 14 minutes)
8. **COMMUNITY AWARD PRESENTATION**: Ms. Gracie S. Floyd (allotted 10 minutes)
9. **PRESENTATION OF RESOLUTION**: **#R2008-046** – a resolution recognizing and honoring the First Responders who risked their lives to save others on October 12, 2008; and other matters related thereto - Ms. Gracie S. Floyd (allotted 10 minutes)
10. **EMPLOYEE OF THE MONTH FOR OCTOBER AND NOVEMBER, 2008 AND A SPECIAL PROCLAMATION**: Mr. Derrick Singleton, Human Resources Committee Chair (requested 15 minutes/allotted 10)
11. **ORDINANCES – THIRD READING:**
    a. **#2008-043** – an ordinance authorizing amendments to a Lease, dated September 29, 1966, with the Anderson-Oconee-Pickens Mental Health Center, for the purpose of updating and revising the Lease and, to lease additional Anderson County Property to the Anderson-Oconee-Pickens Mental Health Center; and other matters related thereto. **PUBLIC HEARING (No time limit on public hearing)** - Mr. Joey Preston/Mr. Tom Martin (allotted 7 minutes)
    b. **#2008-051** – an ordinance authorizing the execution and delivery of a second amended Lease Agreement between Anderson County and Robert Bosch LLC (Formerly Robert Bosch Corporation) and adding Associated Fuel Pump Systems Corporation as a sponsor; and other matters related thereto. – Mr. Joey Preston/Ms. Heather Jones (allotted 7 minutes)
12. **ORDINANCES – SECOND READING**: **#2008-056** – an ordinance to amend Ordinance #98-019, as previously amended by Ordinance #99-029, 2000-63, 2001-014, 2001-046, 2002-017, 2002-036, 2003-022, 2003-047, 2003-051, 2003-053, 2003-054, 2004-004, 2004-044, 2004-047, 2004-048, 2005-032, 2005-043, 2006-027, 2007-007, 2008-024 and 2008-054 relating to the Industrial/Business Park of Anderson and Greenville Counties so as to enlarge the park. - **PUBLIC HEARING (No time limit on public hearing)** – Mr. Joey Preston/Mr. Tom Martin (allotted 14 minutes)
13. **ORDINANCES – FIRST READING:**
    a. **#2008-055** – a rezoning request from Curtis H. Ellison, Jr. (owner) for rezoning of 54 67 acres from R-A (Residential Agricultural) to R-20 (Single Family Residential) on Hendricks Road near Three and Twenty Road (TMS #066-05-09-011). The rezoning is to allow for development of a single-family residential subdivision. **PUBLIC HEARING (No time limit on public hearing)** - Mr. Jeff Ricketson (allotted 21 minutes)
    b. **#2008-057** – an ordinance to authorize the leasing of certain Anderson County Space and Facilities at the property formerly known as McCants Middle School; and other matters related thereto. - Mr Joey Preston/Mr. Tom Martin (allotted 21 minutes)
    c. **#2008-058** – an ordinance to authorize the leasing of certain athletic fields for recreational purposes at the property formerly known as McCants Middle School; and other matters related thereto. – Mr. Joey Preston/Mr. Tom Martin (allotted 21 minutes)
14. **DISCUSSION OF SECTION 2-362 OF THE ANDERSON COUNTY CODE**: Mr Bob Waldrep (requested 10 minutes/allotted 10)

County Administrator
Joey R Preston

Council Members
Michael G Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

[illegible]aldrep
District 1

[illegible] S. Floyd
[illegible] 2

Larry E Greer
District 3

Ron Wilson
District 6

M Cindy Wilson
District 7

Clerk to Council
Linda N Eddleman

Anderson County
All-America City

2002 J. Mitchell Graham Award Winner
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15. **DISCUSSION OF SECTION 2-366 OF THE ANDERSON COUNTY CODE**: Mr. Bob Waldrep (requested 10 minutes/allotted 10)

16. **DISCUSSION OF THE AUTHORITY OF COUNTY COUNCIL TO EMPLOY THE ADMINISTRATOR**: Mr. Bob Waldrep (requested 10 minutes/allotted 10)

17. **APPOINTMENTS**:
    a. Various Boards/Commissions - All Distncts (requested 5 minutes/allotted 5)
    b. Worklink Workforce Investment Board (requested 5 minutes/allotted 5)

18. **REQUESTS BY COUNCIL MEMBERS**:
    a. Requests – Mr. Bob Waldrep (requested 2 minutes/allotted 2)
    b. Requests – Ms. Gracie S. Floyd (requested 2 minutes/allotted 2)
    c. Requests – Mr. Larry E. Greer (requested 2 minutes/allotted 2)
    d. Requests – Mr. Bill McAbee (requested 2 minutes/allotted 2)
    e. Requests – Mr. Michael Thompson (requested 2 minutes/allotted 2)
    f. Requests – Mr. Ron Wilson (requested 2 minutes/allotted 2)
    g. Requests – Ms. M. Cindy Wilson (requested 2 minutes/allotted 2)

19. **ADMINISTRATOR'S REPORT**:
    a Letters of Appreciation:
        1. For: Animal Control Officer Jason Hanks From: the Raezer Family
        2. For: Ms. Michelle Strange and Anderson Keep America Beautiful From: U.S. Army Corps of Engineers
        3 For: Sheriff's Office Aviation Unit commitment to aviation safety From: Mr. Thomas Harris, Phoenix Aviation Inspection Services
        4. For: Mr. Joey Preston, Mr. Holt Hopkins and Road Maintenance Staff From: Mr. Randall Spearman
        5. For: Mr. Joey Preston From: Leadership Team for the Anderson County Nurse Family Partnership
    b. Certificates and Training:
        1 Mr. Joey Preston – Basic Program in Economic Development
        2. Mr. Mike Freeman – Elected President of the (CASC) County Assessors of South Carolina
    c. Reports:
        1. Paving Report
        2. Recreation Report
        3. Building and Codes Monthly Report
        4. Monthly Animal Control and Litter Control Reports
    d. Letter from Ike Brissey and Anderson County Fire Department
    e. Standard and Poor's and Moody's Investors Rating of Anderson County's GO Bonds
    f. Broadway Lake to begin lowering water level last week of November 2008
    g. Letter to Ms. M Cindy Wilson from Mr. Joey Preston concerning Stevenson Road
    h. Letter to Mr. Joey Preston from Ms. M. Cindy Wilson concerning Cheddar Youth Center
    i. Bid for GO Bonds for Anderson County
    j. A Profile of Anderson County Government
    k. Request for funding for the Anderson Free Clinic
    l. CD with GL 65 Revenue Summary, GL 65 Appropriation Summary, GL015 Appropriation Ledger, and GL016 Revenue Ledger

20. **CITIZENS COMMENTS**: Other Matters

21. **REMARKS FROM COUNCIL MEMBERS**:

22. **ADJOURNMENT**

ANDERSON COUNTY COUNCIL
ANDERSON, SOUTH CAROLINA
Regular Meeting – November 18, 2008 - 6:00 p.m.
Linda N. Eddleman, Clerk to Council

MINUTES

All area newspapers, radio stations and television stations were informed of this meeting in compliance with the guidelines set forth in the *Freedom of Information Act.*

PRESENT

Chairman Michael Thompson, Presiding
Bob Waldrep – District #1
Gracie S. Floyd – District #2
Larry E. Greer - District #3
Vice Chairman Bill McAbee - District #4
Ron Wilson - District #6
M. Cindy Wilson – District #7
Joey Preston – Administrator
Tom Martin – County Attorney
Linda N. Eddleman – Clerk to Council

A verbatim transcript of the meeting is hereto attached for your approval.

The meeting adjourned at 8:15 p.m.

Respectfully submitted,

Linda N. Eddleman, CCC

Linda N. Eddleman, CCC
Clerk to County Council

Certified to be a true and
accurate copy of the records
of Anderson County Council.

Linda N. Eddleman
Clerk - Anderson County Council
Date 12/15/09

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State of South Carolina)

County of Anderson)

ANDERSON COUNTY COUNCIL MEETING

NOVEMBER 18, 2008

IN ATTENDANCE:

MICHAEL THOMPSON, CHAIRMAN
BOB WALDREP
CINDY WILSON
LARRY GREER
GRACIE FLOYD
BILL MCABEE
RON WILSON

MICHAEL THOMPSON: We will begin our meeting, regular council meeting for November 18, 2008, six p.m. We will have an invocation and pledge of allegiance by council member Bill McAbee.

INVOCATION AND PLEDGE OF ALLEGIANCE

MICHAEL THOMPSON: We have a vehicle with the lights on. It's a dark blue Honda Civic LX, South Carolina tax 804 5CY. If you're driving that, your lights are on. Mr. Ron Wilson sent word that he is running late. So please note that we are beginning the meeting without him. And if I sound like I'm out of breath, that's because I am. I've got that crud and just bear with me. Approval of the minutes for November the 3rd, 2008. Chair moves to approve. Is there a second.

LARRY GREER: Second.

MICHAEL THOMPSON: We have a second. Any discussion? Seeing and hearing no one, chair calls for the vote. All in favor, please vote. It is unanimous. We have citizens comments, agenda matters. How many, Mr. Martin?

TOM MARTIN: Mr. Chairman, you have one agenda matters.

MICHAEL THOMPSON: Okay. Instructions. Meetings of county council are legislative meetings based upon the representative form of government and are regulated by parliamentary procedures and are not town meetings. Accordingly, the citizens' agenda is for the receipt of citizens' opinions, comments and input. It is not a time for debate, question and answer or dialogue. Each person will be allowed not more than three minutes to address the county council. You are asked to please refrain from addressing members of the audience by name. Please direct your comments to the council chair and only to the council chair. When you come forward, please give your name, address and the county council district in which you live and agenda item on which you wish to speak.

TOM MARTIN: Mark Powell.

MARK POWELL: My name is Mark Powell. I live on Hogg Road in Williamston. Cindy Wilson's district, district seven. Just as a plea from everything on the agenda tonight and in the past, in the modern age we live, for us to have to call our council member and ask for detailed descriptions of what these agenda matters really are, I mean, if you look at the ones you give us tonight, the thing for the Greenville County, Pickens, Anderson County industrial park, that's all it says. We have no clue exactly what you're necessarily up to. So if you could post those

on the internet on the Anderson County website so that we the citizens who care and are concerned and want to be informed without having to call everyday. Like today we had no opportunity. We did not have our agenda listed on the internet website of Anderson County today. I was told that the scanner was broken or wasn't working. I would like to think that in the world we live, instead of having to pay an employee to sit there and scan a hundred and fifty-nine pages from two weeks ago -- actually it was four weeks ago -- instead of scanning onto the computer, it is all given to you in the form of a disc I am sure as far as the minutes from the last meeting, so if that could be listed on the internet you would not have to have an employee sitting there scanning a hundred and fifty something pages to list it on the computer. I would think the reason you don't do that is you don't want us to get a copy of Anderson County, quote, unquote, minutes, to be able to modify it technically to make it look like it's the real minutes when it could be a fraudulent one. But you can also do Word documents in such a way they can be locked and they cannot be messed with. I would please ask you that you would allow us to have information on Anderson County's website so that we can be informed without having to call our representative or the county council or the county offices and taking up precious times of ours, as well as our employees and our council members so we can be informed. Thank you very much.

MICHAEL THOMPSON: Item number five, industrial announcements. Mr. Preston and Ms. Jones.

JOEY PRESTON: Mr. Chair, we've got some news to provide to council tonight concerning some industries that are expanding. I'm gonna ask Ms. Heather Jones to come forward. Heather provided council members with a news release and a copy of a memo prior to the council meeting. Heather.

HEATHER JONES: Good evening, ladies and gentlemen, Mr. Chairman, Mr. Preston, members of council and Mr. Martin. Thank you for the opportunity to come tonight and just give you an update on not only some of our existing industries, but a little bit of good news about our pipeline and economic development projects as a whole. Later on this evening I hope that you'll look favorably upon third reading for AFCO as they look to expand in Anderson County in a very competitive project with Mexico. As previously noted, that's a forty-eight million dollar plus expansion, with the opportunity for twenty new jobs. In addition to that opportunity tonight, the letter that I provided

outlines that Orian Rugs has recently announced that they will also be expanding in an eighteen million dollar expansion and creating the opportunity for fifty new employees at that facility in Anderson. Thirdly, the Clemson University Advance Material Center a few weeks ago also announced that they will have two new client companies out there. One in optics and optical fibers, a Florida company, and the other one a medical device company that does coatings for medical devices. So those two companies together providing about ten jobs at the advance material center in the research and high technology economy. The other existing industry that I wanted to mention this evening is Walgreens. They've been a success story for us since they arrived to Anderson. But they continue to be a success story. And recently they were allocated a hundred and sixty new stores for which this distribution center would serve. And in that new announcements, they will be able to add an additional fifty jobs. They're currently at five hundred and fifty-eight employees and the addition will bring them to six oh eight. And just as a point of record, as we all know, their strides to bring about employment opportunities for the declared disabled, they're at thirty-eight percent right now in their employment pool. So in addition to these announcements, you will also see on the press release that we're at about eighty-four million dollars to date on investment in the county and we continue to work on those. We have four more existing industries that we're working with right now and hope to be able to bring those to fruition by the end of the year. And then we have eleven projects in the pipeline that we're currently working with to bring new industry business to Anderson County. And if you will note, that's a very diversified group of folks. We've talked about automotive, we've talked about advance materials, we've talked about distribution. But in additional to those, we're also seeing aeronautics, customer care centers and a variety of other diversified industry sectors for Anderson County.

MICHAEL THOMPSON: Any comments from council?

GRACIE FLOYD: I have one.

MICHAEL THOMPSON: Ms. Floyd.

GRACIE FLOYD: Thank you. The last paragraph of this thing, of the letter that you gave us tonight, reads, and I'd like to read it, okay, because it says a lot.

MICHAEL THOMPSON: Go ahead.

GRACIE FLOYD: Thank you. It says, although the economy has been on a downward tractory

(sic) across the nation, our county's rich and diverse offering, low taxes, qualified work force, ample training facilities, quality research and education available at Clemson University and state of the art technology industries help us to remain stable during these difficult economic times. Anderson County has much to offer which has helped us maintain our appeal to industry looking for a new home, as well as provide fertile soil for the expansion and growth of our industries. Now, doesn't that say a lot about us? Doesn't that say a lot about us? Doesn't that make you think, are they talking about us? I mean after all the negativism we've been hearing lately. And you say, hey, that's us, rich and diverse, offering low taxes, qualified work force. I'm proud of this. I'm proud of the fact that this is happening to us.

HEATHER JONES: Thank you.

GRACIE FLOYD: All you have to do is just keep on keeping on.

MICHAEL THOMPSON: Anyone else? Thank you, Ms. Jones.

HEATHER JONES: Thank you very much for your time.

GRACIE FLOYD: Uh-huh (affirmative). Good job.

MICHAEL THOMPSON: Item number six, assessment of the fiscal impact of projected population growth study. Mr. Preston, ten minutes.

JOEY PRESTON: Mr. Chair, I'm gonna ask Mr. Jeff Ricketson to come forward and introduce our guest tonight -- that's with us tonight.

JEFF RICKETSON: Mr. Chairman and members of the council, for the last couple of decades we've had some pretty robust growth and development in Anderson County and during that time there's been a lot of discussion among you all and previous councils about what that growth means for the fiscal impacts on Anderson County. And we've had a study done recently, you have a copy of that in your agenda, and with us tonight we have Mr. Bill Molnar and Mr. Dave Lamie from Clemson, who are going to give a brief presentation on that, on their findings.

BILL MOLNAR: Good evening and thank you very much for having this evening. I want to thank the county council as well as Mr. (Microphone turned off) -- there we go -- for working with us and helping us to move this project along. I also would like to introduce Wallace Campbell. Wallace is a graduate student in Applied Economics at Clemson and helped us with the project in the last three months. As Jeff had

mentioned, what we took a look at is the estimated expenses and revenues due to growth over the next twenty years. This project was started earlier this year and what I'd like to do is turn this over to Dr. Lamie so he can tell you about the results.

DAVE LAMIE: Very well, and thank you very much for having me here this evening. We've got about ten slides up here to show you. And I'm not sure if you can see them from where you're sitting, but -- oh, you do have them on your monitors. Okay. Very well. And you have the report as well, which provides much more detail than we're going to be showing tonight. So these are just some highlights basically of what was in the report. First of all, kind of the purpose of a fiscal impact assessment, I'm not sure if you've had one done here in the county before, but the primary purpose of this, again, is to look at the costs and revenues associated with projected residential and population growth in the county. Your own planning department has a set of estimates out there that they've had I guess published for a couple of years anyway projecting growth to go from about a hundred and -- just under a hundred and ninety-four thousand in 2008 to roughly two hundred and eighty thousand by two thousand twenty-eight. So it's of interest to know what kind of housing demand is that gonna generate and what kind of tax base is that gonna generate and what kind of associated costs of providing government services is that going to generate as well, and to compare those. So if you go into the literature you'll see a lot of studies out there, a lot of them done by the American Farmland Trust and others that kind of bring the point home that growth -- residential growth does not always pay for itself. In many cases it's been proven that it's not paying for itself. We have a need to do some planning and budgeting in order to make the kinds of changes that might be necessary at this point in time so that we've not always finding ourselves catching up in the future and we want our management to prepare for the effects of this growth. Our approach in this study, a couple of things we did here. One is we spent quite a bit of time interviewing the Anderson County staff and officials to get a good handle on where housing prices, at least were I guess back earlier this year, spring and summer. Things have changed somewhat since then. To get an idea of population growth in general and in particular kind of what we think the spacial allocation of that population growth might be. And then to get a good handle on the idea of where the capital projects needed to support

that growth, the infrastructure projects, transportation, roads and bridges, sanitation department needs, and those sorts of things were and what kind of excess capacity you might currently have in the system that could be taken advantage of that could absorb some of that growth or where you might have needs to actually engage in some additional infrastructure development. We used a per capita multiplier method to basically kind of get at the operational expenses that we would expect to occur over time, and a lot more of the detail of the actual specific assumptions we made in the study, again, are in that report. The baseline model assumptions are, as you can see up here, we looked at single family housing and multi-family housing. We had our occupancy rates, as you can see there, higher in single family housing than multi-family housing. We had per unit occupancy rates which were the same in both. And allocated ninety-five percent of this new population growth in the single family housing. And most folks that were looking at our assumptions thought that we were probably pretty well on target with that. Average market value for housing around a hundred and sixty thousand dollars in the baseline year. And the population growth rate again at just under two percent, one point six four. And we had a housing inflation rate of three percent. We all know that at least here in the short term, I'm not sure specifically what's happened to your housing market, but we know nationally we've seen a decline in housing values and we've seen some -- we know what's happening with the economy on the national level. But some of the short term implications of our study might be in need of adjustment perhaps. But longer term, over a twenty year period, we think that these things will kind of catch back on and the housing demand will grow at these rates. The sources of revenue, they came from the population growth. I can see here we have property tax revenue. We have non-tax revenues. We have increases in local business activity we accounted for, and the structure of revenue has not changed much over time as a result of growth. You can see we have 2008 structure of revenue and 2028. The operating expenses, again we used this per capita method, which you can read more about in the report. But this is basically from 2008 to 2028 what we expect to be happening to operating expenditures. They aren't going down. We would expect that with the three percent growth of inflation, but also with that almost two percent growth in population for this to be occurring over time. And this is the

expenses from the growth related capital projects. So these are the big capital projects that we would basically see annualized into principal and interest payments on fifteen year, four percent bond financing, in most of these projects or in all of these projects. And you basically add those principal and interest payments onto those operating costs you saw on the previous slide to get at the total expenses. So this slide here is really one that kind of summarizes all of that information, the top line being the total expenses from growth, the middle line being the total revenues from growth, and the yellow line being the net result of those two. So again these are revenues and expenses just associated with that increment of growth felt, not the overall financial picture of local government. We looked at a couple of alternative scenarios just to kind of see how sensitive these results might be to these and a couple that the staff wanted to see, was a ten percnet additional population growth just in case those estimates, we were under on them, what would happen if we bumped it by an additional ten percent over that twenty year period? We looked at another one at twenty percent. And then we looked at what would happen if housing values went to two hundred thousand -- or started at two hundred thousand rather than a hundred and sixty thousand average over that period. Now that's one we may want to revisit these days, but that was an assumption that we were looking at, or a scenario we were looking at, you know, roughly nine months ago or so. The basic conclusion of all of this work, I think if you want to boil it down, is that the tax revenues the growth is expected to generate will pretty well cover the general day to day operating costs as we've estimated them. It's when the large capital expenditures come into play that it looks like you're probably going to come up short. And if we did have a scenario of declining housing prices, which again it looks like we might have that in the short run, then that would make this even a little more troublesome perhaps because we wouldn't have the same amount of property tax coming from those houses, fair market value assessments. Some possible solutions, if this indeed is a problem that requires a solution, is that we might want to reduce our service quality, implying that we might want to reduce the cost of providing services where we can. We may want to assign these costs to those who are creating the expense. I know you've visited some of these issues before, but the idea of impact fees and its action, possibly some special tax districts. You may want to consider

additional taxes, fees and charges. And you may want to do whatever you can with growth management to try to create a compact growth pattern which most studies will show you, and it's a pretty kind of logical thing to think about, compact growth typically requires lower service charges, reducing the cost of you providing service to those -- to that new growth. That's all we have.

JEFF RICKETSON: Are there any questions?

MICHAEL THOMPSON: Any questions from council?

CINDY WILSON: May I?

MICHAEL THOMPSON: Ms. Wilson, yes.

CINDY WILSON: Thank y'all very much for your very thought provoking presentation. We've definitely got some very tough decisions facing us in the next few months. But I'm -- how in the world do we figure out what exactly our population is? Every document I look at we have a different 2008 population figure, and that makes it all the more difficult to project out. In your document there were two different numbers, and then in our agenda, for example, under the Moody's and Standard & Poor's rating information, they have, according to the South Carolina Association of Counties, the county statistics and populations, they have us listed at 2008, one hundred and seventy-nine thousand nine hundred and eighty-one.

BILL MOLNAR: Let me quickly explain. First of all, we used the numbers that were supplied to us from the county as a baseline. Then what we did was, we did a sensitivity analysis using two different growth rates to see if there was substantial difference in those numbers. So that even if there was some discrepancy in regards to the actual starting place, when you start to look at a sensitivity analysis, you can see that there's a range of possibilities and that the growth may fall in between some of those, but at least to give you an idea of some of the projected possibilities in the next twenty years. So it was one of those things -- we can't, as well, tell you exactly how many folks are here either. But using those estimations, we hope that the population growth falls within those ranges as we look out twenty years.

BILL MCABEE: Point of order, Mr. Chairman.

MICHAEL THOMPSON: What is your point of order, Mr. McAbee?

BILL MCABEE: Time has expired for this item.

MICHAEL THOMPSON: Okay. Do we wish to extend time? No? Okay. Moving on. Thank you, gentlemen.

BILL MOLNAR: Thank you.

MICHAEL THOMPSON: Resolution 2008-049, a resolution recognizing an Anderson County resident for more than fifty years of service. Mr. Preston, do you want to invite our honoree to come forward?

JOEY PRESTON: Yes, sir. I'm going to ask members of the Civil Air Patrol to come forward. Captain Driver, if you would, please. Mr. Chair, if you would come down, please.

MICHAEL THOMPSON: Let me read the caption and take care of some business. A resolution recognizing Anderson County resident Jerry A. Jordan for more than fifty years of continuous service to Anderson County, the State of South Carolina and the United States of America, through his active participation in the Civil Air Patrol, and other matters related thereto. The chair moves to approve. Is there a second?

CINDY WILSON: Second.

MICHAEL THOMPSON: We have a second. Any discussion? All in favor of Resolution 2008-049, please vote. The vote is unanimous. I've asked Mr. Preston to read this since I'm short winded tonight. So please bear with us.

JOEY PRESTON: Whereas, the Anderson County Council is elected by and representative of the citizens of Anderson County and is therefore deeply involved in and affected by all the events in the lives of its citizens. And whereas, the Civil Air Patrol is an auxiliary branch of the United States Air Force with a mission to serve America by performing Homeland Security and humanitarian missions for our community, states and nation, developing our country's youth and educating our citizens on the importance of air and space power. Whereas, Mr. Jerry A. Jordan has actively participated in a mission of the Civil Air Patrol for over fifty years and encompasses the goal of the Civil Air Patrol to build the finest force of citizen volunteers in the United States to perform the necessary missions for America. Whereas, Mr. Jordan has continuously associated himself with the local civil air patrol squadrons no matter where he has lived, starting in Anderson County and including Greenwood, Greenville, Clemson and Charlotte, and has served his Civil Air Patrol in various capacities, including communications, cadet programs, search and rescue observer and instructor. And whereas, Mr. Jordan has volunteered his energy and many, many hours in the Civil Air Patrol, has attained the rank of Lieutenant Colonel in the Civil Air Patrol. Whereas, throughout his life Mr. Jordan has demonstrated the

Civil Air Patrol's core values of integrity, volunteer service, excellence and respect, both through his active participation in the Anderson Amateur Radio Club, which voluntarily assists law enforcement and rescue agencies by providing communications at various public and non-profit events, especially through his marriage of forty-eight years to the love of his life, Marcella. And he has instilled those same core values in his children, Lanny, Brad, Janet and Derrick. Whereas, Anderson County desires to honor and recognize Mr. Jordan for more than fifty years of service to Anderson County, the State of South Carolina, the United States of America through his continuous active membership and participation in the Civil Air Patrol. Now therefore, it is hereby resolved by the Anderson County Council in meeting duly assembled that Anderson County, a body politic incorporate and political subdivisions in the State of South Carolina hereby honors and recognizes Mr. Jerry A. Jordan for more than fifty years of service to Anderson County, the State of South Carolina and the United States of America through its continuous active membership and participation in the Civil Air Patrol. Mr. Jordan, thank you for your dedication, participation, volunteerism and for providing an example to the citizens of Anderson County for your integrity and your values.

APPLAUSE

JOEY PRESTON: We'll ask Ms. Jordan and any of the children that are here tonight if y'all will come forward.

MALE: Jerry has been a friend of mine for a good number of years. This is a man I can call on any time, night and day, because I have called on him any time night or day, whether it be three o'clock in the afternoon or four o'clock in the morning when the Air Force Rescue Coordination Center calls us, we have to launch an aircraft within two hours. And unless Jerry is in Texas visiting the kids, he's usually there for us, along with all the other members in our mission crews.

MALE: Lieutenant Colonel Jerry Jordan, on behalf of Major General Amy Quarter, Civil Air Patrol National Commander, Colonel Joseph R. Vasquez, Middle East Region Commander and Colonel Emerson Smith, South Carolina Wing Commander, please accept this plaque for your fifty plus years of service to the Civil Air Patrol. Also take into your possession your new Civil Air Patrol I.D. card which has an infinite expiration date. Signed, Ralph Driver, Major Commander, South Carolina Wing Group One.

APPLAUSE

MALE: I'd also like to thank the citizens of Anderson County for supporting our organization. We reactivated this squadron in Anderson in 2006 through the help of Mr. Holt Hopkins, Mr. John Ferguson, who we recruited as a member, Mr. Joey Preston and you'll also be happy to know that now the Civil Air Patrol brings in excess of a hundred thousand dollars in revenues to the Anderson County Airport every year through maintenance costs and fuel sales. Thank you, Mr. Chairman.

JERRY JORDAN: Well, all I can say is wow, I'm amazed, I'm overwhelmed. But I've had a good time serving Anderson County. We also participate with the Radio Club and the Public Safety Department. And just glad to be of service.

APPLAUSE

MICHAEL THOMPSON: Item number 8, community award presentation, Ms. Gracie S. Floyd.

GRACIE FLOYD: Thank you, Mr. Chair. We have about roughly fifteen community organizations out in Anderson County, which we're very, very proud. Tonight a community has asked to be recognized for a special award that they would like to give. At this time I'd like to ask the leaders of the Homeland Park Community, please to come forward.

FEMALE: Good evening. Actually tonight I need Mr. Thompson to come down here, please. We're presenting this award to you for your dedication, your support and always being there no matter what time, day or night, I've called you to bug you with stupid little questions. And on behalf of the Homeland Park Fire Department and the Community Task Force, we wanted to say thank you so much for your support.

MICHAEL THOMPSON: Thank you. Well, they surprised me. I did not know this was coming. But it was my goal four years ago to establish a Community Task Force in each precinct of district five. And in four years I was able to do one. So it's not easy. But I did establish the task force with the help of Gracie Floyd who was my mentor on this, and I thank you, Gracie. And I thank Doreen and Michael for stepping forward and volunteering. People love to call you and tell you what they want and need, but they don't want to put any elbow grease to it. And Michael and Doreen, they are the elbow grease for Homeland Park. They make a lot of things happen for me. And I want to thank you for this honor and thank you for volunteering. Thanks to the Homeland Park Fire Department. They open up their doors to the task

force, gave us a place to meet, and cut the lights on and turned on the heat and air and all that stuff, and didn't say a word. They were there for us. Thank you, Chief Woody, and guys. Thank you, everyone.

APPLAUSE

CHIEF WOODY: As chief of the fire department, I just want to thank Mr. Thompson for all he's done, for not only the fire department, but like we said, the community. He's brought the community and the fire department a lot closer to help the community and the fire department not only serve Homeland Park Community but to better serve Anderson County as a whole. Thank you.

APPLAUSE

MICHAEL THOMPSON: Item number 9, presentation of Resolution R2008-046, a resolution recognizing and honoring the first responders who risked their lives to save others on October the 12th, 2008, and other matters related thereto. Ms. Gracie S. Floyd.

GRACIE FLOYD: Thank you. Mr. Chairman, we did this last meeting, so all we have to do this meeting is to present it. Okay. We approved and accepted it. Okay. May I ask that the responders please come to the front, the guys and the ladies who worked during that fire. Please come down to the front. This gives me great pleasure to do this, because, number one, this fire was in my district. And I've heard about the courageous work that you did in helping those people. And it says, whereas, the Anderson County Council is elected by and representative of the citizens of Anderson County and is therefore deeply involved in and affected by all events in the lives of its citizens. And whereas, on October the 12th, 2008, a devastating fire occurred at Heatherwood Apartments, a residential facility for seniors and individuals with special needs in the City of Anderson, Anderson, South Carolina. And due to the quick, methodical and professional acts of police, officers, firefighters, dispatchers, emergency medical technicians, paramedics, emergency service and other first responders, forty-five victims of the fire were saved and no lives were lost. Whereas, the county wishes to recognize that it takes a special kind of courage to knowingly and intentionally run into danger in order to protect people and property. And council further wishes to recognize that the team work displayed during those early morning hours by the dedicated individuals, departments and organizations is proof of what can be accomplished when the individuals, departments and organizations of Anderson County work

together as a team to save lives. And whereas, because of Anderson County and its people are once again reminded of the valor demonstrated every day by first responders who selflessly face injury and death while protecting the public from fire and other devastations, Anderson County Council desires to honor those who risked their lives on October the 12th, 2008, and desire to express its sincere appreciation for those departments. Now, therefore, it be resolved by Anderson County in a meeting duly assembled that Anderson County, acting by and through its county council, hereby honors and recognizes the professionalism and selfless acts. When I call your name if you're here, I just want you to step out. The selfless acts of Lieutenant Wayne Logan, Engineer Ronnie Eskew, Firefighter David Irby, Firefighter Michael Hobbs, Sergeant Keith Loudermilk, Engineer Brian Durham, Engineer Jermaine Galloway, Engineer Steven Hayes, Firefighter Glenn Warnock, Firefighter Billy McCullough, Firefighter Jonathan Taylor, Firefighter Chris Hagood, Firefighter Alex Beuhler, Lieutenant Travis Scott, Sergeant Holly Hamilton, Officer Matthew Stipe, Officer Jada Burgin, Officer Joe Hayes, Officer Billy Jones, Officer Barrett Ryan, Officer Kevin Looney, Officer Michael Roberson, Officer Kevin Pearson, Deputy Lee Meaders, Deputy Josh Paynes, Deputy Nikki Holbrooks, Trooper Josh Durham, Trooper, Benji Ross, Deputy Chief Ike Brissey and Charles King. And the others of you whose names were not called but who will be placed on this plaque if it's supposed to be. Okay? You risked your lives to help those people at Heatherwood. Anderson County hereby further recognizes and expresses sincere appreciation to the Anderson City Fire Department, the Anderson City Police Department, the Anderson County Fire Department, the Anderson County Sheriff's Office, the Anderson County Highway Patrol, Emergency Services, Rescue Squad and the Community Emergency Response Team, with special thanks to Lori Parkinson, Red Cross of the Upstate, the Anderson County HAZMAT Team, and the Anderson City Transit, South Carolina DHEC, the Anderson Housing Authority, the Cornerstone Assembly of God Rescue Team, the Broadway Volunteer Fire Station, the Centerville Volunteer Fire Station, the Hopewell Volunteer Fire Station, the Anderson County District Five Ladder Team and the Homeland Park Volunteer Fire Station. Anderson County recognized that without this team work, specialism, the courage and organization displayed by these organizations, many could have lost their lives in the fire on October the 12th. To our heroes, it is

not adequate. Thank you. This resolution shall take effect and be in force immediately as of today, right now.

APPLAUSE

GRACIE FLOYD: See, they didn't think that I knew you were the chief. Come on up, please. Chief, I want to present this to you. I know that you will find a place in -- somewhere to just know just how much we care and that we do appreciate all of you all of the time. And I just thank you so much. And I want you to say something.

CHIEF: On behalf of all of the first responders, it's a great honor to be able to stand up in front of you and receive this kind of recognition. Without these firefighters and all those who were not able to be with us this evening from all the other emergency response agencies, it was a tremendous success. God was with us that evening. He intervened. He helped us save the lives and to save the lives of our first responders. As I've reminded our folks before, that we're only as good as what we do on our next call. But we can dedicate to you and I can speak for all of these men and women that are here today, that on our next call we will continue to work together as well as we did on the early morning of October the 12th. Thank you very much.

APPLAUSE

GRACIE FLOYD: Okay. I want to do something really special and really scary. But this was in district two, this was in district two. What I want to do is to invite you to dinner Okay? I want to take you to dinner. We won't do it tonight because we'll be here all night. But I will work it out with the chief. He said there's about a hundred of you that did this. I want to go eat with you. I want to sit down and just try to show you how much I care and how much I -- and this will be out of my own pocket All right. So you can stop wondering now. This will be out of my own pocket. But I will let you know. And I just thank you so much.

APPLAUSE

CHIEF: Thank you very much.

GRACIE FLOYD: Mr. Chairman, that's it, and I thank you.

MICHAEL THOMPSON: Item number 10, Employee of the Month for October and November, 2008, and a special proclamation, Mr. Derrick Singleton. Mr. Singleton, you have ten minutes.

DERRICK SINGLETON: Mr. Chairman, members of council, Mr. Preston, on behalf of the Anderson County

Human Resource Committee, I'd like to present the employee of the month for October 2008, Michael Poole. Michael if you'll come up, family, Joe Moss, Tony Owens, please come up.

END OF TAPE 1, SIDE 1

DERRICK SINGLETON: ... plaque, Employee of the Month, Anderson County, October 2008. Congratulations.

APPLAUSE

MALE: I'll tell you a little bit about why we nominated Michael. He was going to a job site and noticed an unusual natural gas odor. Took the initiative to call Bernie. Bernie contacted Fort Hill Natural Gas and discovered there was a six inch blow-off valve that had ruptured on a line. Fort Hill reported a lot of gas loss there and there could have been a hazard.

APPLAUSE

DERRICK SINGLETON: We appreciate what you do, Michael, every day. And I would like to thank Mr. Preston and county council for recognizing the employees we have.

APPLAUSE

MICHAEL POOLE: Thank you.

DERRICK SINGLETON: The employee of the month for November is J.R. Harris. J.R., if you and your family would like to come up. On behalf of Anderson County Human Resource Committee, I'd like to present this plaque and also a thirty dollar gift card, chamber check, Employee of the Month, November 2008.

APPLAUSE

J.R. HARRIS: I thank council and Mr. Preston and all. I thank the people I work with. That's the only way I can do my job. And I thank my family for putting up with the late nights some nights that we put in and all. They do put up with a lot. We have two kinds. I know my wife does. Thank y'all.

APPLAUSE

DERRICK SINGLETON: I get to work with J.R. everyday, so I can testify, you know, that employees like J.R. and Michael Poole, I serve on the H.R. Committee, I see these nominations come in, and it's really a shame that we can't recognize twenty employees every month. That's the type employees that we do have. J.R. is the type employee, he has never desired attention but he deserved attention. And I'm sure there's employees in Holt's department and our department and, you know, departments throughout that we have employees like this that's never recognized but they're always willing to jump in, get the job done, and I really appreciate what J.R. has done. Also, Greg

Smith was not able to be here tonight to say congratulations. We're proud to have you in our division. J.R.'s mom works in Register of Deeds, and you were an employee of the month too?

FEMALE: Last year.

DERRICK SINGLETON: So it runs in the family. Allen, would you like to say something?

ALLEN: J.R., I work with him everyday. He is very diligent professionally in his work and I appreciate everything you do.

APPLAUSE

DERRICK SINGLETON: We also have another presentation. Michael, if you would like to come forward. Angie Stringer, Bree Rhodes, Mr. Preston.

MICHAEL CUNNINGHAM: Mr. Chairman, council, Ms. Singleton, my role is to be the official reader of the proclamation from the Human Resources Committee, and they asked me to do that and I was certainly proud to do that. If you'll listen up, Mr. Preston. A proclamation by the Human Resources Committee on behalf of Anderson County employees recognizing County Administrator Joey R. Preston for his leadership, vision, dedication and contributions to the Anderson County community and all Anderson County employees. Whereas, Joey R. Preston came to Anderson County in 1996 to assume the duties of county administrator. During his employ he has exhibited qualities of leadership that have brought honor and positive recognition to Anderson County from respected outside individuals, private organizations and government agencies. The South Carolina General Assembly recognized Mr. Preston for his outstanding success as a county administrator and being one of the most innovative and effective local government officials in South Carolina in 2005. Other honors and awards includes City and County Magazine's Leader of the Year 2002, Salvation Army Volunteer of the Year 2001, Anderson Independent Publishing Company's Pointing the Way Leadership Award, 263d AAMDC Volunteer of the Year 2006, People Choice Winner in the 263d AAMDC and Cancer Association of Anderson's Dancing for Our Heroes in 2007, 263d Order of St. Barbara in 2008. And whereas, Joey R. Preston has encouraged excellence and high performance from county employees, leading by his example. Under his leadership, Anderson County has earned consistently clean, unqualified audits, Government Finance Officers Association Budget Presentation Award for three consecutive years, Government Finance Officers Association's Excellence in Government Performance for eleven consecutive years,

All America City since 2000, South Carolina Association of Counties, Barrett Lawrimore Award in 2002 and 2006, runner-up in 2008, the J. Mitchell Graham Award in 2001 and 2002, National Association of Counties NACIO Award 2006 and 2008, the International Association of Emergency Managers Interagency Disaster Preparedness Award in 2006. And whereas, Joey R. Preston's efforts have stirred motivation, fostered progressive dynamics among county employees that resulted in a better work environment with improved benefits. In 1996 Preston worked with council to institute a wage and compensation study, evaluating, comparing and ensuring employee benefits are in line with private industry, thereby laying a foundation to recruit and retain a quality workforce. Due to Mr. Preston's efforts the employee retention rate is significantly increase. And whereas, Joey R. Preston has championed staff development, working to further educational and training opportunities for staff and thereby helping individuals further their individual career goals while simultaneously improving the county's overall skill base and increasing the quality and efficiency of service to Anderson County residents. And whereas, Joey R. Preston has continuously worked with the personnel department to recognize employees for their service for the county through the creation of the Human Resources Committee's Employee of the Month Program, annual employee picnics, the annual Christmas dinner, employee Christmas recognition in the form of Chamber checks, and most recently the 401K match for employees' retirement. And whereas, Joey R. Preston has fostered and encouraged a spirit of communication and diversity within the workplace by helping to host the first South Carolina Legislative Black Caucus Economic Development Conference in Anderson County in 2003 and continuing to promote and encourage diversity within the county, including the Human Relations Council, Senior Citizens Program and Special Populations Program. And whereas, Joey R. Preston has effectively nurtured a culture of volunteerism by assuming his place as a role model of servant leadership and civic mindedness, actively participating in charitable organizations and thereby encouraging county employees to volunteer. Under his leadership, employees have exceeded goals in raising funds and collecting bicycles for the Salvation Army during the holidays, held various canned food and toy drives for organizations such as Good Neighbor Cupboard and Meals on Wheels, participated in the Alzheimer's Bowling Tournament, participated in the March of Dimes walks,

collected items for deployed soldiers and raised funds for soldiers during the annual Celebrate Anderson event. And whereas, the Anderson County Human Resources Committee, on behalf of all Anderson County employees, desires to honor Joey R. Preston for his outstanding dedication to Anderson County employees and the community in which we live, work and play. Now therefore, it is hereby resolved by the Human Resources Committee on behalf of Anderson County employees, the employees of Anderson County hereby recognize Joey R. Preston for his leadership, commitment and support of Anderson County, South Carolina, its employees and residents. Mr. Preston, under your leadership our county has flourished in so many ways. You truly exemplify the qualities of servant leadership. Your dedication to this community and to the employees who serve with you is appreciated. This proclamation shall take effect and be in force immediately upon enactment. Resolved in meeting duly assembled this 18th day of November, 2008. Derrick Singleton, Chairman of Human Resource Committee and I believe it's signed by the rest of the members of the Human Resource Committee.

APPLAUSE

JOEY PRESTON: I really don't know what to say. I didn't expect this tonight. Excuse me. No honor, no recognition could mean as much to me as this one tonight. To know that employees would take the time to do this. I truly am touched. I tell you what, it takes a lot to choke me up. I want to say that all the things you read about, the administration, were really the result of the hard work of the county employees. I was only the person that kind of directed the choir. I also want to thank the county council members that I work with, work for, in Anderson, because none of this would have been possible without the support of county council. On behalf of myself and my family, I thank you for that. How in the world did you keep it from me? Thank you so much.

APPLAUSE

DERRICK SINGLETON: Thank you, Mr. Chairman.

MICHAEL THOMPSON: Thank you. At this time we'll take a ten minute break.

BREAK

MICHAEL THOMPSON: We are on item 11A, ordinances third readings. Ordinance 2008-043, an ordinance authorizing amendments to a lease dated September 29, 1966, with the Anderson-Oconee-Pickens Mental Health Center for the purpose of updating and revising the lease and to lease additional Anderson County property to the Anderson-Oconee-Pickens Mental

Health Center and other matters related thereto. There is a public hearing on this. Instructions for a public hearing. Any person desiring to do so may speak at a public hearing for a reasonable period of time as long as he or she is speaking to the issue under consideration. The chairman exercises control of the public hearing to ensure that no person abuses the public hearing process by engaging in unreasonably lengthy comments, clearly repetitive comments, profane, abusive, offensive or inappropriate comments. With that being said the public hearing is now open. Anyone wishing to speak on this ordinance may come forward. Please state your name and address before speaking and speak to the chair and only to the council chair. Public hearing is now open. Seeing and hearing no one, the public hearing is now closed. Chair moves to approve Ordinance 2008-043. Is there a second? We have a second by Mr. Waldrep. We are in discussion. Any discussion? Seeing and hearing none, the chair calls for the vote. All in favor of Ordinance 2008-043, please vote. The vote is unanimous. Ordinance 2008-051, an ordinance authorizing the execution and delivery of a second amended lease agreement between Anderson County and Robert Bosch, formerly Robert Bosch Corporation, and adding Associate Fuel Pump Systems Corporation as a sponsor, and other matters related thereto. The chair moves to approve. Is there a second?

CINDY WILSON: Second.

MICHAEL THOMPSON: We have a second by Ms. Wilson. We are in discussion. Any discussion? Seeing and hearing none, the chair calls for the vote. All in favor of Ordinance 2008-051, please vote. Please vote. Unanimous. Item number 12, ordinance's second reading. Ordinance 2008-056, an ordinance to amend Ordinance 98-019 as previously amended by Ordinance 99-029 and others relating to the Industrial Business Park of Anderson and Greenville Counties so as to enlarge the park. There is a public hearing on this also. The same instructions read previously applies to this public hearing also. That being said, the public hearing is now open. If anyone wishes to speak, come forward. Seeing and hearing none, the public hearing is now closed. Chair moves to approve Ordinance 2008-056. Is there a second? We have a second by Mr. McAbee. We are in discussion. Any discussion? Seeing and hearing none, the chair calls for the vote. All in favor of Ordinance 2008-056, please vote. The vote is unanimous. Ordinance's first reading. Let me catch my breath. Ordinance 2008-055, a rezoning request from

Curtis H. Ellison, Jr. for rezoning of 54.67 acres from RA to R20 on Hendricks Road near Three and Twenty Road. The zoning is to allow for development of a single family residential subdivision. There is a public hearing on this. Same instructions read earlier regarding public hearings apply. With that being said, the if anyone wishes to speak come forward. The public hearing is open. Seeing and hearing no one, the public hearing is now closed. The chair moves to approve Ordinance 2008-055. Mr. Greer seconds. Any discussion? No discussion. Chair calls for the vote. All in favor of Ordinance 2008-055, please vote. Unanimous. Ordinance 2008-057, an ordinance to authorize the leasing of certain Anderson County space and facilities at the property formerly known as McCants Middle School, and other matters related thereto. Chair moves to approve. Is there a second?

BILL MCABEE: Second.

MICHAEL THOMPSON: Mr. McAbee seconds. Any discussion?

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: I was wondering if I could get some information regarding the asbestos situation. I understood that that building had had asbestos in it and that that had been the reason for not using it before. Is there any information that we have on that?

JOEY PRESTON: Yes, sir. The asbestos is now being evaded. We ordered a contract a few weeks ago and it should be finished so the construction can begin sometime around the first of the year.

BOB WALDREP: Okay. Thank you.

MICHAEL THOMPSON: Anyone else? The chair calls for the vote, Ordinance 2008-057. All in favor, please vote. Unanimous. Ordinance 2008-058, an ordinance to authorize the leasing of certain athletic fields for recreation purposes at the property formerly known at McCants Middle School and other matters related thereto. The chair moves to approve. Is there a second?

BILL MCABEE: Second.

MICHAEL THOMPSON: Second by Mr. McAbee. Any discussion?

CINDY WILSON: Yes, Mr. Chairman, just a question.

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: I know that the Salvation Army will be using part of McCants as per our previous vote. Does this mean that those young people can go out and use the grounds since the City of Anderson will

be leasing the old athletic grounds? Will that be ...

MICHAEL THOMPSON: Mr. Preston.

JOEY PRESTON: Mr. Chair, the city currently uses the football field which is the field that we're currently discussing. And this lease formalizes that agreement. They have been keeping up and maintaining it and they have included that football field in the city's long range recreation plan, along with all the other property that still belongs to School District Five that surrounds it. So it is public property and it can be utilized. But the city is leasing it and they'll be coordinating and managing the use of those fields.

CINDY WILSON: All right. Thank you.

MICHAEL THOMPSON: Anyone else? Chair calls for the vote, Ordinance 2008-058. All in favor, please vote. Unanimous.

RON WILSON: Mr. Chairman.

MICHAEL THOMPSON: Mr. Wilson.

RON WILSON: I would like to, at this time, amend the agenda ---

MICHAEL THOMPSON: Okay.

RON WILSON: -- to allow me a few moments to speak about some of the activity of the Personnel Committee, and specifically the letter from attorney Hoskins which was sent to all of us and to discuss that matter at this point.

MICHAEL THOMPSON: Is that a motion?

RON WILSON: That is a motion.

MICHAEL THOMPSON: Is there a second?

BILL MCABEE: Second.

MICHAEL THOMPSON: We have a second to amend the agenda. We have a motion to amend the agenda and a second by Mr. McAbee. All in favor of amending the agenda ---

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Yes, Mr. Waldrep, you have the floor.

BOB WALDREP: I certainly would not to in anyway hinder Mr. Wilson's attempt or efforts to make a report at this point, but I just had kind of hoped that I'd be able to go down the list of some things. This is a surprise to me to amend the agenda at this particular time. I was wondering if he could possibly defer that until after we -- I had had an opportunity to give a little bit of the history of the agenda that I had put on there for Items 14, 15 and 16, and I think that we would have an orderly and timely recounting of the matters that the subcommittee has been involved in. I would ask for some consideration to just simply move

those items down to below Item 16. I would make that in the form of an amendment.

CINDY WILSON: Second.

MICHAEL THOMPSON: Mr. Waldrep has amended Mr. Wilson's motion to amend the agenda to be placed after Item 16, and it was seconded by Ms. Wilson. So we are still in discussion regarding the amending of the agenda and placing it after 16.

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: Mr. Wilson, I have a question. Are you planning to do this in your capacity as chairman of the personnel committee or are you doing this in your capacity as an individual council member?

RON WILSON: I would do it as both.

MICHAEL THOMPSON: Anyone else? Hearing and seeing no one, ---

GRACIE FLOYD: Vote on ---

MICHAEL THOMPSON: Yes, I know. That's where I'm going. To place Mr. Wilson's motion to amend after Item 16. All in favor of placing the motion to amend after Item 16, please vote. All in favor. Two. Oppose. One, two, three -- are you voting?

GRACIE FLOYD: Yes.

MICHAEL THOMPSON: One, two, three, four, five. Five opposed. So we're not placing it at Item 16. We're back to the original motion. All in favor of amending the agenda to hear from Mr. Ron Wilson on the agenda, please vote. Five. Oppose. One, two. Okay. Two. Mr. Wilson, you have the floor.

RON WILSON: Thank you, Mr. Chairman. Several weeks ago we were given a letter by Mr. Hoskins from Mr. Preston and then this body a few weeks ago voted to put it in the hands of the personnel committee. We've had a couple of meetings. We've had extensive discussions with the attorney that was hired by this body, Mr. Bright, and what I'm about to do, I'm going to do myself. It has not been voted on by the committee. I've had -- we've had Mr. Bright to talk with Mr. Preston's attorney, I have. And we proposed talking with him to see what was the best solution for this. And we have a situation in this county, regardless of which side you're on, that's become I think very detrimental to it. And so I instructed Mr. Bright to talk with them to see what could be hammered out. I think we've been given a window to deal with this matter and to deal with it in a way that will give us a brighter future in this county. If we don't deal with it now, how long will it go on and how expensive will it become? And so with those two things in

consideration, I'm going to pass out this down the line. No one has seen this except Mr. Bright and myself. And no one on this committee knows much about this. I've talked a little bit with Larry Greer in the last couple of days about it, and I think this is a possible solution. I have some other copies which I'll be glad to give to the press. And you can vote it down, you can tear it up, you can start over, you can do whatever you want to, but at least it's a beginning point to do something. And so my suggestion is that we move forward with this. It does not give Mr. Preston everything he wanted. It gives him some -- I know there's different schools of thought. There's some people that think his contract is not worth the paper it's written on. I've heard that and I've read that. Not many attorneys agree with that. Some do. And it'll have to be tried in court. And I'd prefer to get beyond this and move on. But I'm one person and that's it. But that's my proposal and we can go from there. And I'll make a motion to that effect, that this agreement which has been drawn up, would be adopted by the council. And there's reasonable expectation that it would be signed.

BOB WALDREP: Point of order, Mr. Chairman.

MICHAEL THOMPSON: What is your point of order, Mr. ...

BOB WALDREP. My point of order is that if Mr. Wilson is speaking for the personnel committee, and I assume that he is, I thought that there would be certain procedures to follow the code that recommendations would be turned over to the council, we would have an opportunity to look at this. I think that this is probably the most (someone coughing) action that I've ever seen anybody take in view of the fact that Ms. Wilson and I were even barred from the last meeting and the negotiations that went on in that committee, which I think is in violation of the sections that I wanted to refer to. I'm really troubled and concerned by what I consider to be a very high handed proposal that is a surprise, maybe not to some of you, but certainly to me. And I think however you feel about me, you have to regard the fact that I represent the same number of people basically that members of this council does. So I'd ask, Mr. Chairman, if you would just take a look at the rules that require the personnel committee to come back and to provide the council this opportunity at the next meeting -- now, this technique that was used in this body tonight, I think, violates every principal of

fairness and notice to this council. And I just strenuously object to it.

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: No, ma'am.

CINDY WILSON: I ---

MICHAEL THOMPSON: I said, no, ma'am. Mr. Waldrep made an objection and I have to make a ruling. Mr. -- in Mr. Wilson's talk, he said that he was speaking as a council member. So he is not representing the personnel committee. Therefore he is speaking as a member of this council. There will be order in this chamber or you will be removed. I do not -- I am sick, I barely can talk, and I'm not putting up with a lot of junk.

CINDY WILSON: Mr. Chairman, point of order.

MICHAEL THOMPSON: Ms. Wilson, I have the floor. So Mr. Waldrep, we voted to amend the agenda to allow Mr. Wilson to speak and he has spoken, and he has made a motion as a member of this council. So your objection is overruled.

BOB WALDREP: Well, Mr. Chairman, just a point of information, then, if I may have that privilege?

MICHAEL THOMPSON: Yes, sir. Go ahead.

BOB WALDREP: This is stamped as a confidential document. Is that correct?

MICHAEL THOMPSON: Yes, sir.

BOB WALDREP: Do I understand that confidentiality is to extend just beyond -- just within this particular body here? Are we to share this now if we're gonna be voting on something? How could this be confidential?

CINDY WILSON: Mr. Chairman.

BOB WALDREP: Just a minute. I just need a ---

MICHAEL THOMPSON: Mr. Waldrep, a severance agreement and release claim was presented by a member of this council and he made it in the form of a motion. So we are gonna sit here and talk among us and eventually vote on this up or down, whichever way you see fit. So that is, that is what I think should happen, since ---

BOB WALDREP: We're talking about big money here, Mr. Chairman, and we're gonna vote and not allow the people of the county to know anything about the terms of spending a lot of money in this case?

MICHAEL THOMPSON: Well, Mr. Waldrep, we have a republican form of government and the people elect representatives and it is the representative's job to

make the hard decisions. So that's what we're gonna have to do.

BOB WALDREP: Mr. Chairman, I just think this is a sad day in the life of any republic when those elected officials would run roughshod over the procedures and the information that should be shared. I think when their tax money is having to pay for this, that they should have an opportunity -- or at least we should have an opportunity to meet in executive session to discuss it if we can't discuss it confidentially out here. I would amend this to move that we go to executive session to have some kind of reasonable discussion since this is the first time, the very first time, that I've seen this document.

CINDY WILSON: Second.

MICHAEL THOMPSON: Mr. Waldrep, it is my understanding that we have to do this in open forum. Am I right, Mr. Martin, that this needs to be done in open forum?

TOM MARTIN: Mr. Chairman, you may discuss in executive session. If any action is taken that would ahve to be done in open session.

MICHAEL THOMPSON: Okay.

CINDY WILSON: Mr. Chairman, I have been trying to point out that this appears -- this about a million and a half dollars appears to be a breach of the Freedom of Information Act. I think we need a legal opinion on this before it's voted on. This is a breach of the Freedom of Information.

MICHAEL THOMPSON: Ms. Wilson, the council voted five to two to amend the agenda, and in that discussion that Mr. Wilson gave, he made a motion. So now we are dealing with the motion. And his motion is to present a severance agreement and release of claims, which he handed to all council members, and I too am seeing this for the first time.

CINDY WILSON: But Mr. Chairman, I think this council needs some legal counsel as to the legality of such a huge amount of money that's to be voted on according to Mr. Wilson tonight. As I read our own County Codes of Ordinances, we were to have had a report made to us first. And then there also are rules regarding the Freedom of Information Act.

RON WILSON: And that's covered in this document.

CINDY WILSON: There are also rules involving what the state laws are and case law indicating our individual and collective legal liability in such a matter as this.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Hold up. Ms. Wilson, any member of council may put anything he or she wishes on the agenda.

CINDY WILSON: That's true, but it's not on the agenda.

MICHAEL THOMPSON: Ms. Wilson, I'm talking. Please let me give my ruling. Any member of council may put anything he or she desires on the agenda.

CINDY WILSON: If you're one of the five.

MICHAEL THOMPSON: Mr. Wilson gave a proper motion to amend the agenda. It was voted on by council and so the item is properly on the agenda. And then he moved forward and made a motion to present this severance package. So we are going to deal with this. Okay? So let's move on.

CINDY WILSON: I think we need a legal -- some legal advice as to its legality.

MICHAEL THOMPSON: Ms. Wilson, tomorrow you can call any law you want to, okay, but tonight we're gonna deal with this.

CINDY WILSON: Bless your heart.

MICHAEL THOMPSON: Anybody else?

BOB WALDREP: Mr. Chairman, one other matter I'd like to say, is because it seems like we've ---

MICHAEL THOMPSON: Mr. Waldrep, I believe Mr. McAbee asked for the floor.

BILL MCABEE: Yes, Mr. Chairman, I call for the question.

END OF TAPE 1, SIDE 2

MICHAEL THOMPSON: All in favor of calling for the question, please vote. Five. All opposed. Two. Okay. We're calling for the question. We have a severance agreement and release of claims presented by Mr. Ron Wilson as a member of council, not as a member of this -- of the personnel committee. All in favor of this agreement, please vote. Five. Oppose. Two. The severance agreement and release of claims passes five two.

LARRY GREER: Mr. Chairman.

CINDY WILSON: A million and a half dollars. That is absurd.

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: The chamber will please come to order. Chief, anyone else speaks out, escort them out. I'm doing good to talk, much less breathe and talk. Anyone else will be escorted out. Who called for the floor?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: In my conversations with Mr. Wilson, the sum that's listed in the severance agreement, and it is not one and a half million ---

CINDY WILSON: Well, then we never had a chance to get a full ---

MICHAEL THOMPSON: Ms. Wilson, Mr. Greer has the floor.

LARRY GREER: I called our finance departmetn and asked them to look at the general fund budget to see if there was an area in which they could locate this amount of money. At this time I'm gonna pass out to the council members this ---

CINDY WILSON: Does this mean you already saw this before we did? Thank you.

LARRY GREER: This is a transfer of funds to an account to cover the contract buyout. It would be transferred from various accounts to account number 001-5831-000-020 entitled contract buyout. And it has sources of the funds and the total at the bottom. And at this time I move that council approve this transfer.

BILL MCABEE: Second.

MICHAEL THOMPSON: I think we need to put it on the agenda.

LARRY GREER: It's part of Mr. Wilson's item.

MICHAEL THOMPSON: Is this part of your item, Mr. ---

RON WILSON: Yes.

MICHAEL THOMPSON: Yes. Okay.

CINDY WILSON: But it's already been voted on. Shouldn't it have a separate amendment?

MICHAEL THOMPSON: Mr. -- oh, excuse me. Hold on.

GRACIE FLOYD: While we're in pause here ---

MICHAEL THOMPSON: So this is basically giving information telling us where the money is coming from, the amounts of money coming from each account ---

LARRY GREER: And the account it's being transferred from.

MICHAEL THOMPSON: Okay. And it totals one million one hundred forty thousand one hundred twenty-two dollars.

CINDY WILSON: That's different than what's in the contract we just voted on. And also ---

MICHAEL THOMPSON: Ms. Wilson, you don't have the floor.

CINDY WILSON: I have lots of question you won't answer.

MICHAEL THOMPSON: So this is a motion to

accept?

LARRY GREER: A motion to approve this transfer.

MICHAEL THOMPSON: We have a motion to approve. Mr. McAbee, you seconded it. Now we are in discussion. And Ms. Wilson, now you have the floor.

CINDY WILSON: Thank you, sir. Tell me about this department 5831. Is that an existing department or is this something that was just created? I don't have my chart of accounts with me.

LARRY GREER: That's an account given to me by -- Mr. Chairman, if I may?

MICHAEL THOMPSON: You may, Mr. Greer.

LARRY GREER: That account number was given to me by the finance staff, so if they're here they can respond to it. If not, then it stands as submitted.

MICHAEL THOMPSON: So anyone ---

CINDY WILSON: Is it in our budget already?

LARRY GREER: Ms. Wilson, I -- Mr. Chairman, if I may?

MICHAEL THOMPSON: Yes.

CINDY WILSON: Is there someone here from the finance department?

LARRY GREER: Ms. Wilson, you asked a question, I'm going to do my best to answer you.

CINDY WILSON: But you just said that the finance ---

LARRY GREER: If you'll let me talk.

CINDY WILSON: Okay.

MICHAEL THOMPSON: Ms. Wilson, you are out of order. Please let Mr. Greer talk. He has the floor.

LARRY GREER: The handout or the paperwork that I just gave you lists the various accounts. These accounts were looked at by the finance department and they can locate those funds that can be transferred out of those department. Most of them are vacant positions or new positions that have not been filled and that's where the funds are coming from in the vast majority of the cases. I'm assuming that this account for the contract buyout is an account that was created for the contract buyout.

CINDY WILSON: Mr. Chairman.

MICHAEL THOMPSON: Yes, ma'am.

CINDY WILSON: There was a letter that was sent to our administrator and to the media today requesting that we freeze hiring, so if that -- our letter went out earlier than this came before us, this really puts us in a difficult position, because if you're talking about new positions, I think that was

over half a million dollars that we were hoping to save the county in these dire economic times. And it would be a wise thing for us to freeze the hiring because we have many good and wonderful employees that we wanted to be able to keep in place and just simply not hire new people. You know, this comes right back to the lack of transparency, the lack of procedure in this county following our laws and our ordinances. I think that we should move to table this until we get the answers from our finance department and from legal counsel. I think y'all are setting yourselves up individually, even after you go off council, for potential lawsuits.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: She made a motion to table.

BOB WALDREP: Second.

MICHAEL THOMPSON: We have a second to table. No discussion on tabling. All in favor to table this item that Mr. Greer presented, please vote. Two. Oppose to tabling. Five. Ms. Floyd.

GRACIE FLOYD: Ms. Wilson made reference to asking the county to freeze employment. Did the council vote on that, on that request?

MICHAEL THOMPSON: Ms. Floyd, that was a letter signed by two members of council and three council members elect, so it really has no value here.

GRACIE FLOYD: Okay. Good.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: Mr. McAbee calls for the question. All in favor of calling for the question ---

BILL MCABEE: We need a second, don't we?

MICHAEL THOMPSON: We need a second.

GRACIE FLOYD: I second.

MICHAEL THOMPSON: All right. Thank you. All in favor of calling for the question, please vote. Five. Oppose. Two. Will you please restate your motion, Mr. Greer. I'm out of breath.

LARRY GREER: My motion was to approve the transfers as passed out.

MICHAEL THOMPSON: And it was seconded by Mr. Greer -- Mr. McAbee. All in favor of approving these transfers, please vote. Five. Oppose. Two. Motion to approve the transfers as listed has passed.

GRACIE FLOYD: Employees, county employees, do any of you have a cough drop or a mint or something that we can share up here? We would appreciate it. Thank you.

MICHAEL THOMPSON: Anyone else? Moving on.

Ms. Floyd.

GRACIE FLOYD: Do we need to vote to reconsider this?

MICHAEL THOMPSON: Are we voting to reconsider this?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: At this time I move to reconsider the motion to approve these transfers.

MICHAEL THOMPSON: And the severance package?

LARRY GREER: We have to do them one at a time.

MICHAEL THOMPSON: Have to do them one at a time. We have a motion to reconsider the transfers. Was that seconded?

CINDY WILSON: Second.

MICHAEL THOMPSON: We have a second to reconsider. We are now in reconsideration.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Hold up.

BOB WALDREP: Point of information.

MICHAEL THOMPSON: Hold up. I'm trying to find out what's going on here. Mr. Martin, we have a motion to reconsider and a second. We just vote and then we're back in discussion. Is that right? Okay. We have a motion to reconsider and a second. Mr. Waldrep, what was your question?

BOB WALDREP: My question is, is this a reconsideration of all transfers or some transfers?

MICHAEL THOMPSON: It's the entire list of transfers that's on these pages that Mr. Greer handed out to make up the 1.14 million dollars to add to this buyout.

BOB WALDREP: Well, could I ask Mr. Greer the question of what the point is of going one way and then going the other?

MICHAEL THOMPSON: Mr. Waldrep, we need to get the question on the floor first. So we need to get the reconsideration passed by vote.

BOB WALDREP: Okay. I'm sorry. I'd ---

CINDY WILSON: Just a moment, please. May I have ---

MICHAEL THOMPSON: All in favor of reconsidering, please vote.

CINDY WILSON: I have a question before ---

MICHAEL THOMPSON: You don't have the floor though, do you?

CINDY WILSON: I asked for it.

MICHAEL THOMPSON: All in favor of reconsideration, please vote. We're voting. Four,

five. Opposed to reconsidering. Mr. Wilson abstains. Who didn't vote? Who did I miss? How do you vote?

BILL MCABEE: I voted for reconsideration.

MICHAEL THOMPSON: Oh, it's six, zero and one. Motion to reconsider has passed. Now we're back in discussion.

CINDY WILSON: All right, Mr. Chairman, may I have the floor, please?

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: All right. What is the value of the 2006 GMC Yukon, what is the value of the benefit plans to be maintained and sponsored and so forth? I mean, remember, we haven't even had a chance to read this thing.

BILL MCABEE: Point of order, Mr. Chairman.

CINDY WILSON: What is the ---

BILL MCABEE: Point of order, Mr. Chairman.

CINDY WILSON: You're interrupting, sir.

BILL MCABEE: I'm raising a point of order which takes precedence over anything you're saying.

CINDY WILSON: No, it does not.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Ms. Wilson, Mr. McAbee is correct. A point of order takes precedence and may interrupt a person who has the floor. Now, Mr. McAbee, what is your point of order?

BILL MCABEE: This is not germane to the subject at hand. The subject at hand is the transfers.

MICHAEL THOMPSON: Mr. McAbee, your point of order is correct. Ms. Wilson, we are talking only about the transfers. There is no Denali or anything else on here that you mentioned. So Mr. McAbee is correct.

CINDY WILSON: But it doesn't seem to be reflecting the complete amount of money that will be owed to the administrator.

MICHAEL THOMPSON: The subject under discussion is the transfers. Anyone else?

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: Mr. McAbee called for the question. Ms. Floyd seconds. All in favor of calling for the question, please vote. Five. Oppose. Two. The item has been reconsidered and it has passed. No. Put me on track, Mr. Martin.

TOM MARTIN: The item is still on the floor, but you have just voted to call for the

question.

MICHAEL THOMPSON: Oh, I'm sorry.

TOM MARTIN: Now the question is to voted on.

MICHAEL THOMPSON: Now we vote on the question. Thank you. All in favor of the transfers, please vote. We're voting on the transfers. How are you voting? Five. Oppose. Two. Now we're done with this, Mr. Martin?

BILL MCABEE: Mr. Chairman. I move reconsideration of Mr. Wilson's original motion.

MICHAEL THOMPSON: Is there a second?

GRACIE FLOYD: Second.

MICHAEL THOMPSON: We have a motion to reconsider the severance agreement and release claims by Mr. McAbee. We have a second by Ms. Floyd. All in favor of reconsidering the severance agreement and release of claims, please vote. Am I doing this right, Mr. -- all in favor to reconsider.

BOB WALDREP: I mean, can't we have any discussion on anything about ---

MICHAEL THOMPSON: Once we get to that point, yes, sir, we can.

BOB WALDREP: Well, I just wondered ---

MICHAEL THOMPSON: First we've got to get the item on the floor. And now we're voting to reconsider this buyout plan and I'm wanting to take a vote.

CINDY WILSON: This is like buying a pig in a poke. This is crazy.

MICHAEL THOMPSON: All in favor of reconsidering the buyout, please let me see your hands again. Four, five. Opposed?

BOB WALDREP: Mr. Chairman, I'm gonna abstain. I just can't figure out what in the world you're doing.

BILL MCABEE: Mr. Chairman. Mr. Chairman. Mr. Chairman.

MICHAEL THOMPSON: One moment, Mr. McAbee. I have a five, zero and one. Who didn't vote?

BILL MCABEE: Mr. Waldrep.

MICHAEL THOMPSON: Mr. Wilson abstains.

BOB WALDREP: I abstain.

MICHAEL THOMPSON: Okay. Two abstains. Okay.

CINDY WILSON: You can add me to abstaining. This is ridiculous.

MICHAEL THOMPSON: Okay. We still have the majority, so that's okay.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee, we are now in discussion, Mr. Waldrep, on the buyout.

BOB WALDREP: Yes, sir.
MICHAEL THOMPSON: Mr. McAbee requests the floor.
BILL MCABEE: I call for the question.
MICHAEL THOMPSON: Mr. McAbee calls ---
BOB WALDREP: Mr. Chairman, point of order.
MICHAEL THOMPSON: We have a call for the ---
BOB WALDREP: I know, but I've got a point of order. That's -- even Mr. McAbee said that trumps all other motions.
MICHAEL THOMPSON: Okay. Mr. Waldrep, your point of order.
BOB WALDREP: My point of order is why can't we discuss anything here tonight? Why can't we -- like we're voting on things and we don't have any numbers to vote on. We're just reconsidering matters. And Mr. Chairman, I don't think I've ever been witness to such a railroaded situation where the public interest is involved. And we're talking about a great deal of money here. And right I don't know specifically what ---
MICHAEL THOMPSON: What's your point of order?
GRACIE FLOYD: This isn't a point of order.
BOB WALDREP: -- what kind of money we're talking about. How can we vote on something if we don't -- if we can't even articulate the amount that we're voting on?
MICHAEL THOMPSON: Mr. Waldrep, I understand your question. However, Mr. McAbee had the floor and he did make the motion to call for the question, and I am bound to follow Robert's Rules. Do I have a second?
RON WILSON: Second.
MICHAEL THOMPSON: We have a second. All in favor of calling for the question, please vote. I didn't get a count. I'm sorry. Four. Four. Against. Three. Four, three. It still passed, four, three. We are in the -- all in favor of -- I've lost my train of thought, Mr. Martin. Where am I?
TOM MARTIN: You're now voting on the original motion.
MICHAEL THOMPSON: Of the severance agreement and release? All in favor of the severance agreement and release of claims, please vote. Four. Five. Five. Opposed. Abstain. How are you guys voting down there?
CINDY WILSON: I'm voting against this. This is still a railroad job and we're lacking our fiduciary ---
MICHAEL THOMPSON: Ms. Wilson, you don't have

the floor. I'm just asking how you vote.

CINDY WILSON: And y'all don't have good sense.

GRACIE FLOYD: Mr. Chair, are you through with that?

MICHAEL THOMPSON: No, ma'am, I'm still trying to get my vote here. The vote is five, one and Mr. Waldrep abstain. So it's five, one and one. It passes again.

GRACIE FLOYD: Okay. Mr. Chairman.

MICHAEL THOMPSON: Ms. Floyd.

GRACIE FLOYD: Mr. Chairman, in the form of a motion I think that I want to make a motion that we at this time hire our new administrator and I would like to hire -- I would like to put in the motion that we hire Michael Cunningham. I have the contract available.

BILL MCABEE: Mr. Chairman, I second.

MICHAEL THOMPSON: Okay. Lord help us

BOB WALDREP: Mr. Chairman, are we ever gonna move on the agenda or is everybody just kind of picking up as they go.

CINDY WILSON: This is not even on the agenda.

GRACIE FLOYD: It was amended in Mr. Wilson's -- no, it was added when Mr. Wilson did his -- asked to put ---

CINDY WILSON: His was a severance agreement ---

MICHAEL THOMPSON: No one has the floor.

GRACIE FLOYD: I apologize.

MICHAEL THOMPSON: We are passing out information that Ms. Floyd wanted to present. She made a motion and it was seconded by Mr. McAbee. No one has been recognized for discussion.

GRACIE FLOYD: Mr. Chairman.

MICHAEL THOMPSON: Ms. Floyd.

GRACIE FLOYD: Thank you. It was -- this was all a part of Mr. Wilson's ---

MICHAEL THOMPSON: Motion to amend, I understand.

GRACIE FLOYD: Okay. Thank you.

MICHAEL THOMPSON: Please move forward.

GRACIE FLOYD: I'm through.

MICHAEL THOMPSON: Okay. We have a motion on the floor to accept the master employment agreement to hire our current assistant administrator, Mr. Michael Cunningham, as our new administrator. Mr. Cunningham, will you please come to the mike? The chair retains the floor, so I'm speaking for myself. I did speak to

members of council and to members of the personnel committee, and I did make my desires known, what I wanted as the representative and Mr. Cunningham has done an excellent job as our assistant administrator and it was my wish and desire that he would be nominated. And that is as far as I took it.

CINDY WILSON: Mr. Chairman, may I ---

MICHAEL THOMPSON: No, ma'am, I have the floor.

CINDY WILSON: It appears like y'all have had secret meetings.

GRACIE FLOYD: Oh, God.

MICHAEL THOMPSON: No, ma'am, I have a telephone and I know how to use it, and that's what I did. I telephoned Mr. Greer up and I went to see Mr. Wilson in person. So that's what I did. Mr. Cunningham, how long have you been with Anderson County?

MICHAEL CUNNINGHAM: Ten years.

MICHAEL THOMPSON: How long have you served in the capacity of county administrator? I mean assistant, I'm sorry?

MICHAEL CUNNINGHAM: 2002.

MICHAEL THOMPSON: Wow.

MICHAEL CUNNINGHAM: So that's six years.

MICHAEL THOMPSON: That's it. I have been to his office several times. He has a dual degree from University of South Carolina and from Clemson, so he should make everybody happy. And it's a master's degree in public administration. Is that correct? Is that what I saw?

MICHAEL CUNNINGHAM: Yes, sir.

MICHAEL THOMPSON: Okay. Thank you, Mr. -- that's all for me. We are still in discussion on this.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: I'm still trying to understand how the machinery works here. I think you were just quoted a moment ago, to quote yourself, that you had had a discussion with Mr. Wilson, that you had been telephoning members of the council ---

MICHAEL THOMPSON: No, sir, I said I telephoned Mr. Greer, one person.

BOB WALDREP: And who else?

MICHAEL THOMPSON: And I went and saw Mr. Wilson.

BOB WALDREP: And who else?

MICHAEL THOMPSON: That's it.

BOB WALDREP: Just those?

MICHAEL THOMPSON: That's just it.

BOB WALDREP: And then you told them to

talk to other people? How have you all communicated here?

MICHAEL THOMPSON: No, sir. No, sir.

BOB WALDREP: Mr. Chairman, I've got to tell you that you have created here probably the most preposterous scenario of how this council had gotten together without any recommendations, without any notice to anybody, and hammered out an agreement just out of thin air. And you cannot tell me that this council has not been communicating and meeting, which is a total violation of the law. And I think you know that. And I think these council members know that too. And I think that these council members will enjoy the opportunity to discuss their communications at another time.

MICHAEL THOMPSON: Mr. Waldrep, what I did was talked to Mr. Greer, who is a member of the personnel committee, and I spoke to Mr. Wilson, who is the chairman. And I made my wishes and desires known and that's where I left it. Who else spoke to these gentlemen, I do not know.

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: As a member of council, I felt it was my duty and obligation to make my wishes and desires known, and that's what I did.'

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: Yes, ma'am.

CINDY WILSON: It appears that your wishes and your desires may not reflect the people who had originally elected you. It appears that there have been secret meetings. And how else do you get all these massive legal documents without some report to council. There's a process that we have absolutely put asunder here. We have not followed rules. We have not followed laws here, both local and state. And I think you're all in for a rude awakening.

MICHAEL THOMPSON: Okay. Anyone else?

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: We have a call for the question. Is there a second?

RON WILSON: Second.

MICHAEL THOMPSON: Mr. Wilson seconds All in favor for calling for the question, please vote. Four. Opposed. Three. All in favor of the master employment agreement as presented by Ms. Floyd to hire Mr. Michael Cunningham as the new county administrator of Anderson County, please vote. Five. Oppose. Two. Motion passes.

BILL MCABEE: Mr. Chairman.
MICHAEL THOMPSON: One moment. Where did he go? Mr. Cunningham, congratulations, you will be soon, apparently, the new county administrator.
BILL MCABEE: Mr. Chairman.
MICHAEL THOMPSON: Mr. McAbee.
BILL MCABEE: I move reconsideration of Ms. Floyd's motion and ---
MICHAEL THOMPSON: I understand. Is there a second to reconsider?
GRACIE FLOYD: Second.
MICHAEL THOMPSON: Any discussion?
CINDY WILSON: Yes, Mr. Chairman.
MICHAEL THOMPSON: Yes, ma'am, Ms. Wilson.
CINDY WILSON: It was my understanding that when a county hires an administrator that there should be applications, there should be discussion. Again, I know now what you're doing with the reconsideration. I had forgotten that this was a new edict I think as of last year ---
GRACIE FLOYD: You taught us that one.
CINDY WILSON: -- where ---
MICHAEL THOMPSON: Ms. Floyd, please.
CINDY WILSON: -- where you are -- you think that you're making this airtight by reconsidering. And I just want to point out that as a county councilman who's been sued multiple times by the current administrator and other parties related thereto, this is just such an incredible day for Anderson County that we would have no discussion. The public has not even had a chance to see how their money is being spent.
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: They haven't had a chance to see any of this.
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: There are clauses in ---
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: And also in the master ---
MICHAEL THOMPSON: Ms. Wilson, there is a point of order on the floor that takes precedence. Please yield.
MICHAEL THOMPSON: Mr. McAbee.
BILL MCABEE: Thank you, Mr. Chairman. The matter at hand is the reconsideration, not the contract.
CINDY WILSON: But it's a reconsideration

of the contract.

BILL MCABEE: We haven't voted to reconsider to yet discuss the contract.

CINDY WILSON: But we still haven't read ---

MICHAEL THOMPSON: Ms. Wilson, Mr. McAbee is correct. We're only voting to if or not to reconsider this. We're not into details of the contract. So Mr. McAbee is correct. All in favor -- the chair calls for the vote on reconsideration. All in favor of reconsidering Mr. Cunningham's master employment agreement, please vote. One, two, three, four. Oppose. One. Abstain.

CINDY WILSON: I'm abstaining.

MICHAEL THOMPSON: Two abstains. Okay. It passes. Now, Ms. Wilson, we are in discussion on the contract. Do you wish the floor?

CINDY WILSON: I wish that we could table this so we have a chance to read it and ask questions and receive answers. When you make motions and approve the expenditure of millions of dollars without due diligence, without public information, this is unbelievable.

MICHAEL THOMPSON: Okay. Anyone else?

CINDY WILSON: Absolutely unbelievable.

MICHAEL THOMPSON: Anyone else?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: Accusations have been made tonight that members of this council have participated in illegal meetings. My understanding that a quorum of this council is four or more and that a meeting between any other members of council or discussion between any other members of council, as long as it's not four, collectively discussing or working together, it is not an illegal meeting. There is nothing wrong with individual council members discussing things among themselves. And that's what has occurred in this instance. Mr. Martin, am I correct, that it's not illegal for two or three council members to discuss an item or for council members to discuss items over the telephone?

TOM MARTIN: Mr. Chairman.

MICHAEL THOMPSON: Mr. Martin.

TOM MARTIN: Thank you. Mr. Greer, that is correct.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: May I ask Mr. Martin a question?

MICHAEL THOMPSON: Sure. Go right ahead.
BOB WALDREP: Mr. Martin, you're representing to this council now that these kind of telephone conferences are perfectly legal in violation of what I would allege to be in violation of the Freedom of Information Act that council can contact each other on the phone and have phone meetings like this?
MICHAEL THOMPSON: Mr. Martin.
TOM MARTIN: Thank you, Mr. Chairman. Mr. Waldrep, I was asked a very specific question, and that is, whether council members constituting less than a quorum of council may discuss matters outside of formal meeting, and the answer is yes. I've not called it a meeting. I've not called it anything. I simply answered the question.
BOB WALDREP: So between two people, but those two people then one of those calls another and another, and so you don't consider that to be a violation? Would that be a violation for two people to meet and then one of those people call a third and then that third calls a fourth, that you don't consider that to be a violation?
TOM MARTIN: Mr. Chairman.
MICHAEL THOMPSON: Mr. -- sorry. Mr. Martin.
TOM MARTIN: Thank you. Mr. Waldrep, I would want more specifics about how the discussions were conducted. But in a nutshell, no, I don't think that would constitute a meeting.
BOB WALDREP: Okay. Do you know who drafted these contracts?
TOM MARTIN: I do know who drafted the one for Mr. Cunningham. I did.
BOB WALDREP: Oh, you did. How about the one for Mr. Preston's buyout?
TOM MARTIN: I have no idea.
BOB WALDREP: Once again, into the darkness of politics. Thank you.
LARRY GREER: Mr. Chairman.
MICHAEL THOMPSON: Mr. Greer.
LARRY GREER: For the record, I'm gonna state as of December the 31st, I will have served on this council for ten years. I have never participated in an illegal meeting of four council members or more. I have walked away in some instances to avoid that. If you accuse me of that, you're telling an untruth.
MICHAEL THOMPSON: Chair calls for the vote on the reconsideration of Mr. Cunningham's ---
BILL MCABEE: We already voted.
MICHAEL THOMPSON: Where are we then?

BILL MCABEE: On the contract. We're waiting on the contract.

MICHAEL THOMPSON: On this, the reconsideration, right? That's where I was going. All in favor to vote on the reconsideration of Mr. Cunningham's contract, please vote. In favor of, please vote.

BILL MCABEE: In favor of the contract.

MICHAEL THOMPSON: Yes, in favor of the contract.

CINDY WILSON: No. I thought that was reconsideration?

MICHAEL THOMPSON: Oppose. Abstain. Five, one and one.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Listen, I'm ready to go. Have we taken care of business.

CINDY WILSON: No. We still have plenty more left on the agenda.

MICHAEL THOMPSON: I'm sick. I'm doing good to breathe and I'm going home.

BILL MCABEE: I move to adjourn.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Is that in the form of a motion?

BILL MCABEE: Yes.

BOB WALDREP: Mr. Chairman, point of order. Point of order, Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep, what is your point of order?

BOB WALDREP: We still have some items on the agenda, and I just think it's totally inappropriate for us to adjourn without the opportunity to discuss some very important matters which have ---

BILL MCABEE: Mr. Chairman, point of order.

MICHAEL THOMPSON: Hold up, please. Mr. Waldrep, Mr. McAbee had the floor and he made a motion to adjourn. It was seconded by Mr. Greer, so it is a proper motion. So I have to go with the flow. I have to call for the vote. All in favor of adjourning, please vote. Five. Oppose. We are adjourned.

MEETING ADJOURNED AT 8:15 P.M.

ANDERSON COUNTY COUNCIL
ANDERSON, SOUTH CAROLINA
Regular Meeting – November 18, 2008 - 6:00 p.m.
Linda N. Eddleman, Clerk to Council

MINUTES

All area newspapers, radio stations and television stations were informed of this meeting in compliance with the guidelines set forth in the *Freedom of Information Act.*

PRESENT

Chairman Michael Thompson, Presiding
Bob Waldrep – District #1
Grace S. Floyd – District #2
Larry E. Greer - District #3
Vice Chairman Bill McAbee - District #4
Ron Wilson - District #6
M. Cindy Wilson – District #7
Joey Preston – Administrator
Tom Martin – County Attorney
Linda N. Eddleman – Clerk to Council

A verbatim transcript of the meeting is hereto attached for your approval.

The meeting adjourned at 8.15 p.m.

Respectfully submitted,

Linda N. Eddleman, CCC

Linda N. Eddleman, CCC
Clerk to County Council

Certified to be a true and correct copy of the records of Anderson County Council.

Linda N. Eddleman
Clerk - Anderson County Council
Date: 12/15/09

PENGAD 800-631-6989
PLAINTIFF'S EXHIBIT 5a

State of South Carolina)
County of Anderson)

ANDERSON COUNTY COUNCIL MEETING

NOVEMBER 18, 2008

IN ATTENDANCE:

MICHAEL THOMPSON, CHAIRMAN
BOB WALDREP
CINDY WILSON
LARRY GREER
GRACIE FLOYD
BILL MCABEE
RON WILSON

MICHAEL THOMPSON: We will begin our meeting, regular council meeting for November 18, 2008, six p.m. We will have an invocation and pledge of allegiance by council member Bill McAbee.

INVOCATION AND PLEDGE OF ALLEGIANCE

MICHAEL THOMPSON: We have a vehicle with the lights on. It's a dark blue Honda Civic LX, South Carolina tax 804 5CY. If you're driving that, your lights are on. Mr. Ron Wilson sent word that he is running late. So please note that we are beginning the meeting without him. And if I sound like I'm out of breath, that's because I am. I've got that crud and just bear with me. Approval of the minutes for November the 3rd, 2008. Chair moves to approve. Is there a second.

LARRY GREER: Second.

MICHAEL THOMPSON: We have a second. Any discussion? Seeing and hearing no one, chair calls for the vote. All in favor, please vote. It is unanimous. We have citizens comments, agenda matters. How many, Mr. Martin?

TOM MARTIN: Mr. Chairman, you have one agenda matters.

MICHAEL THOMPSON: Okay. Instructions. Meetings of county council are legislative meetings based upon the representative form of government and are regulated by parliamentary procedures and are not town meetings. Accordingly, the citizens' agenda is for the receipt of citizens' opinions, comments and input. It is not a time for debate, question and answer or dialogue. Each person will be allowed not more than three minutes to address the county council. You are asked to please refrain from addressing members of the audience by name. Please direct your comments to the council chair and only to the council chair. When you come forward, please give your name, address and the county council district in which you live and agenda item on which you wish to speak.

TOM MARTIN: Mark Powell.

MARK POWELL: My name is Mark Powell. I live on Hogg Road in Williamston. Cindy Wilson's district, district seven. Just as a plea from everything on the agenda tonight and in the past, in the modern age we live, for us to have to call our council member and ask for detailed descriptions of what these agenda matters really are, I mean, if you look at the ones you give us tonight, the thing for the Greenville County, Pickens, Anderson County industrial park, that's all it says. We have no clue exactly what you're necessarily up to. So if you could post those

be leasing the old athletic grounds? Will that be ...

MICHAEL THOMPSON: Mr. Preston.

JOEY PRESTON: Mr. Chair, the city currently uses the football field which is the field that we're currently discussing. And this lease formalizes that agreement. They have been keeping up and maintaining it and they have included that football field in the city's long range recreation plan, along with all the other property that still belongs to School District Five that surrounds it. So it is public property and it can be utilized. But the city is leasing it and they'll be coordinating and managing the use of those fields.

CINDY WILSON: All right. Thank you.

MICHAEL THOMPSON: Anyone else? Chair calls for the vote, Ordinance 2008-058. All in favor, please vote. Unanimous.

RON WILSON: Mr. Chairman.

MICHAEL THOMPSON: Mr. Wilson.

RON WILSON: I would like to, at this time, amend the agenda ---

MICHAEL THOMPSON: Okay.

RON WILSON: -- to allow me a few moments to speak about some of the activity of the Personnel Committee, and specifically the letter from attorney Hoskins which was sent to all of us and to discuss that matter at this point.

MICHAEL THOMPSON: Is that a motion?

RON WILSON: That is a motion.

MICHAEL THOMPSON: Is there a second?

BILL MCABEE: Second.

MICHAEL THOMPSON: We have a second to amend the agenda. We have a motion to amend the agenda and a second by Mr. McAbee. All in favor of amending the agenda ---

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Yes, Mr. Waldrep, you have the floor.

BOB WALDREP: I certainly would not to in anyway hinder Mr. Wilson's attempt or efforts to make a report at this point, but I just had kind of hoped that I'd be able to go down the list of some things. This is a surprise to me to amend the agenda at this particular time. I was wondering if he could possibly defer that until after we -- I had had an opportunity to give a little bit of the history of the agenda that I had put on there for Items 14, 15 and 16, and I think that we would have an orderly and timely recounting of the matters that the subcommittee has been involved in. I would ask for some consideration to just simply move

those items down to below Item 16. I would make that in the form of an amendment.

CINDY WILSON: Second.

MICHAEL THOMPSON: Mr. Waldrep has amended Mr. Wilson's motion to amend the agenda to be placed after Item 16, and it was seconded by Ms. Wilson. So we are still in discussion regarding the amending of the agenda and placing it after 16.

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: Mr. Wilson, I have a question. Are you planning to do this in your capacity as chairman of the personnel committee or are you doing this in your capacity as an individual council member?

RON WILSON: I would do it as both.

MICHAEL THOMPSON: Anyone else? Hearing and seeing no one, ---

GRACIE FLOYD: Vote on ---

MICHAEL THOMPSON: Yes, I know. That's where I'm going. To place Mr. Wilson's motion to amend after Item 16. All in favor of placing the motion to amend after Item 16, please vote. All in favor. Two. Oppose. One, two, three -- are you voting?

GRACIE FLOYD: Yes.

MICHAEL THOMPSON: One, two, three, four, five. Five opposed. So we're not placing it at Item 16. We're back to the original motion. All in favor of amending the agenda to hear from Mr. Ron Wilson on the agenda, please vote. Five. Oppose. One, two. Okay. Two. Mr. Wilson, you have the floor.

RON WILSON: Thank you, Mr. Chairman. Several weeks ago we were given a letter by Mr. Hoskins from Mr. Preston and then this body a few weeks ago voted to put it in the hands of the personnel committee. We've had a couple of meetings. We've had extensive discussions with the attorney that was hired by this body, Mr. Bright, and what I'm about to do, I'm going to do myself. It has not been voted on by the committee. I've had -- we've had Mr. Bright to talk with Mr. Preston's attorney, I have. And we proposed talking with him to see what was the best solution for this. And we have a situation in this county, regardless of which side you're on, that's become I think very detrimental to it. And so I instructed Mr. Bright to talk with them to see what could be hammered out. I think we've been given a window to deal with this matter and to deal with it in a way that will give us a brighter future in this county. If we don't deal with it now, how long will it go on and how expensive will it become? And so with those two things in

consideration, I'm going to pass out this down the line. No one has seen this except Mr. Bright and myself. And no one on this committee knows much about this. I've talked a little bit with Larry Greer in the last couple of days about it, and I think this is a possible solution. I have some other copies which I'll be glad to give to the press. And you can vote it down, you can tear it up, you can start over, you can do whatever you want to, but at least it's a beginning point to do something. And so my suggestion is that we move forward with this. It does not give Mr. Preston everything he wanted. It gives him some -- I know there's different schools of thought. There's some people that think his contract is not worth the paper it's written on. I've heard that and I've read that. Not many attorneys agree with that. Some do. And it'll have to be tried in court. And I'd prefer to get beyond this and move on. But I'm one person and that's it. But that's my proposal and we can go from there. And I'll make a motion to that effect, that this agreement which has been drawn up, would be adopted by the council. And there's reasonable expectation that it would be signed.

BOB WALDREP: Point of order, Mr. Chairman.

MICHAEL THOMPSON: What is your point of order, Mr. ...

BOB WALDREP: My point of order is that if Mr. Wilson is speaking for the personnel committee, and I assume that he is, I thought that there would be certain procedures to follow the code that recommendations would be turned over to the council, we would have an opportunity to look at this. I think that this is probably the most (someone coughing) action that I've ever seen anybody take in view of the fact that Ms. Wilson and I were even barred from the last meeting and the negotiations that went on in that committee, which I think is in violation of the sections that I wanted to refer to. I'm really troubled and concerned by what I consider to be a very high handed proposal that is a surprise, maybe not to some of you, but certainly to me. And I think however you feel about me, you have to regard the fact that I represent the same number of people basically that members of this council does. So I'd ask, Mr. Chairman, if you would just take a look at the rules that require the personnel committee to come back and to provide the council this opportunity at the next meeting -- now, this technique that was used in this body tonight, I think, violates every principal of

fairness and notice to this council. And I just strenuously object to it.

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: No, ma'am.

CINDY WILSON: I ---

MICHAEL THOMPSON: I said, no, ma'am. Mr. Waldrep made an objection and I have to make a ruling. Mr. -- in Mr. Wilson's talk, he said that he was speaking as a council member. So he is not representing the personnel committee. Therefore he is speaking as a member of this council. There will be order in this chamber or you will be removed. I do not -- I am sick, I barely can talk, and I'm not putting up with a lot of junk.

CINDY WILSON: Mr. Chairman, point of order.

MICHAEL THOMPSON: Ms. Wilson, I have the floor. So Mr. Waldrep, we voted to amend the agenda to allow Mr. Wilson to speak and he has spoken, and he has made a motion as a member of this council. So your objection is overruled.

BOB WALDREP: Well, Mr. Chairman, just a point of information, then, if I may have that privilege?

MICHAEL THOMPSON: Yes, sir. Go ahead.

BOB WALDREP: This is stamped as a confidential document. Is that correct?

MICHAEL THOMPSON: Yes, sir.

BOB WALDREP: Do I understand that confidentiality is to extend just beyond -- just within this particular body here? Are we to share this now if we're gonna be voting on something? How could this be confidential?

CINDY WILSON: Mr. Chairman.

BOB WALDREP: Just a minute. I just need a ---

MICHAEL THOMPSON: Mr. Waldrep, a severance agreement and release claim was presented by a member of this council and he made it in the form of a motion. So we are gonna sit here and talk among us and eventually vote on this up or down, whichever way you see fit. So that is, that is what I think should happen, since ---

BOB WALDREP: We're talking about big money here, Mr. Chairman, and we're gonna vote and not allow the people of the county to know anything about the terms of spending a lot of money in this case?

MICHAEL THOMPSON: Well, Mr. Waldrep, we have a republican form of government and the people elect representatives and it is the representative's job to

make the hard decisions. So that's what we're gonna have to do.

BOB WALDREP: Mr. Chairman, I just think this is a sad day in the life of any republic when those elected officials would run roughshod over the procedures and the information that should be shared. I think when their tax money is having to pay for this, that they should have an opportunity -- or at least we should have an opportunity to meet in executive session to discuss it if we can't discuss it confidentially out here. I would amend this to move that we go to executive session to have some kind of reasonable discussion since this is the first time, the very first time, that I've seen this document.

CINDY WILSON: Second.

MICHAEL THOMPSON: Mr. Waldrep, it is my understanding that we have to do this in open forum. Am I right, Mr. Martin, that this needs to be done in open forum?

TOM MARTIN: Mr. Chairman, you may discuss in executive session. If any action is taken that would ahve to be done in open session.

MICHAEL THOMPSON: Okay.

CINDY WILSON: Mr. Chairman, I have been trying to point out that this appears -- this about a million and a half dollars appears to be a breach of the Freedom of Information Act. I think we need a legal opinion on this before it's voted on This is a breach of the Freedom of Information.

MICHAEL THOMPSON: Ms. Wilson, the council voted five to two to amend the agenda, and in that discussion that Mr. Wilson gave, he made a motion. So now we are dealing with the motion. And his motion is to present a severance agreement and release of claims, which he handed to all council members, and I too am seeing this for the first time.

CINDY WILSON: But Mr. Chairman, I think this council needs some legal counsel as to the legality of such a huge amount of money that's to be voted on according to Mr. Wilson tonight. As I read our own County Codes of Ordinances, we were to have had a report made to us first. And then there also are rules regarding the Freedom of Information Act.

RON WILSON: And that's covered in this document.

CINDY WILSON: There are also rules involving what the state laws are and case law indicating our individual and collective legal liability in such a matter as this.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Hold up. Ms. Wilson, any member of council may put anything he or she wishes on the agenda.

CINDY WILSON: That's true, but it's not on the agenda.

MICHAEL THOMPSON: Ms. Wilson, I'm talking. Please let me give my ruling. Any member of council may put anything he or she desires on the agenda.

CINDY WILSON: If you're one of the five.

MICHAEL THOMPSON: Mr. Wilson gave a proper motion to amend the agenda. It was voted on by council and so the item is properly on the agenda. And then he moved forward and made a motion to present this severance package. So we are going to deal with this. Okay? So let's move on.

CINDY WILSON: I think we need a legal -- some legal advice as to its legality.

MICHAEL THOMPSON: Ms. Wilson, tomorrow you can call any law you want to, okay, but tonight we're gonna deal with this.

CINDY WILSON: Bless your heart.

MICHAEL THOMPSON: Anybody else?

BOB WALDREP: Mr. Chairman, one other matter I'd like to say, is because it seems like we've ---

MICHAEL THOMPSON: Mr. Waldrep, I believe Mr. McAbee asked for the floor.

BILL MCABEE: Yes, Mr. Chairman, I call for the question.

END OF TAPE 1, SIDE 2

MICHAEL THOMPSON: All in favor of calling for the question, please vote. Five. All opposed. Two. Okay. We're calling for the question. We have a severance agreement and release of claims presented by Mr. Ron Wilson as a member of council, not as a member of this -- of the personnel committee. All in favor of this agreement, please vote. Five. Oppose. Two. The severance agreement and release of claims passes five two.

LARRY GREER: Mr. Chairman.

CINDY WILSON: A million and a half dollars. That is absurd.

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: The chamber will please come to order. Chief, anyone else speaks out, escort them out. I'm doing good to talk, much less breathe and talk. Anyone else will be escorted out. Who called for the floor?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: In my conversations with Mr. Wilson, the sum that's listed in the severance agreement, and it is not one and a half million ---

CINDY WILSON: Well, then we never had a chance to get a full ---

MICHAEL THOMPSON: Ms. Wilson, Mr. Greer has the floor.

LARRY GREER: I called our finance departmetn and asked them to look at the general fund budget to see if there was an area in which they could locate this amount of money. At this time I'm gonna pass out to the council members this ---

CINDY WILSON: Does this mean you already saw this before we did? Thank you.

LARRY GREER: This is a transfer of funds to an account to cover the contract buyout. It would be transferred from various accounts to account number 001-5831-000-020 entitled contract buyout. And it has sources of the funds and the total at the bottom. And at this time I move that council approve this transfer.

BILL MCABEE: Second.

MICHAEL THOMPSON: I think we need to put it on the agenda.

LARRY GREER: It's part of Mr. Wilson's item.

MICHAEL THOMPSON: Is this part of your item, Mr. ---

RON WILSON: Yes.

MICHAEL THOMPSON: Yes. Okay.

CINDY WILSON: But it's already been voted on. Shouldn't it have a separate amendment?

MICHAEL THOMPSON: Mr. -- oh, excuse me. Hold on.

GRACIE FLOYD: While we're in pause here ---

MICHAEL THOMPSON: So this is basically giving information telling us where the money is coming from, the amounts of money coming from each account ---

LARRY GREER: And the account it's being transferred from.

MICHAEL THOMPSON: Okay. And it totals one million one hundred forty thousand one hundred twenty-two dollars.

CINDY WILSON: That's different than what's in the contract we just voted on. And also ---

MICHAEL THOMPSON: Ms. Wilson, you don't have the floor.

CINDY WILSON: I have lots of question you won't answer.

MICHAEL THOMPSON: So this is a motion to

accept?

LARRY GREER: A motion to approve this transfer.

MICHAEL THOMPSON: We have a motion to approve. Mr. McAbee, you seconded it. Now we are in discussion. And Ms. Wilson, now you have the floor.

CINDY WILSON: Thank you, sir. Tell me about this department 5831. Is that an existing department or is this something that was just created? I don't have my chart of accounts with me.

LARRY GREER: That's an account given to me by -- Mr. Chairman, if I may?

MICHAEL THOMPSON: You may, Mr. Greer.

LARRY GREER: That account number was given to me by the finance staff, so if they're here they can respond to it. If not, then it stands as submitted.

MICHAEL THOMPSON: So anyone ---

CINDY WILSON: Is it in our budget already?

LARRY GREER: Ms. Wilson, I -- Mr. Chairman, if I may?

MICHAEL THOMPSON: Yes.

CINDY WILSON: Is there someone here from the finance department?

LARRY GREER: Ms. Wilson, you asked a question, I'm going to do my best to answer you.

CINDY WILSON: But you just said that the finance ---

LARRY GREER: If you'll let me talk.

CINDY WILSON: Okay.

MICHAEL THOMPSON: Ms. Wilson, you are out of order. Please let Mr. Greer talk. He has the floor.

LARRY GREER: The handout or the paperwork that I just gave you lists the various accounts. These accounts were looked at by the finance department and they can locate those funds that can be transferred out of those department. Most of them are vacant positions or new positions that have not been filled and that's where the funds are coming from in the vast majority of the cases. I'm assuming that this account for the contract buyout is an account that was created for the contract buyout.

CINDY WILSON: Mr. Chairman.

MICHAEL THOMPSON: Yes, ma'am.

CINDY WILSON: There was a letter that was sent to our administrator and to the media today requesting that we freeze hiring, so if that -- our letter went out earlier than this came before us, this really puts us in a difficult position, because if you're talking about new positions, I think that was

over half a million dollars that we were hoping to save the county in these dire economic times. And it would be a wise thing for us to freeze the hiring because we have many good and wonderful employees that we wanted to be able to keep in place and just simply not hire new people. You know, this comes right back to the lack of transparency, the lack of procedure in this county following our laws and our ordinances. I think that we should move to table this until we get the answers from our finance department and from legal counsel. I think y'all are setting yourselves up individually, even after you go off council, for potential lawsuits.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: She made a motion to table.

BOB WALDREP: Second.

MICHAEL THOMPSON: We have a second to table. No discussion on tabling. All in favor to table this item that Mr. Greer presented, please vote. Two. Oppose to tabling. Five. Ms. Floyd.

GRACIE FLOYD: Ms. Wilson made reference to asking the county to freeze employment. Did the council vote on that, on that request?

MICHAEL THOMPSON: Ms. Floyd, that was a letter signed by two members of council and three council members elect, so it really has no value here.

GRACIE FLOYD: Okay. Good.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: Mr. McAbee calls for the question. All in favor of calling for the question ---

BILL MCABEE: We need a second, don't we?

MICHAEL THOMPSON: We need a second.

GRACIE FLOYD: I second.

MICHAEL THOMPSON: All right. Thank you. All in favor of calling for the question, please vote. Five. Oppose. Two. Will you please restate your motion, Mr. Greer. I'm out of breath.

LARRY GREER: My motion was to approve the transfers as passed out.

MICHAEL THOMPSON: And it was seconded by Mr. Greer -- Mr. McAbee. All in favor of approving these transfers, please vote. Five. Oppose. Two. Motion to approve the transfers as listed has passed.

GRACIE FLOYD: Employees, county employees, do any of you have a cough drop or a mint or something that we can share up here? We would appreciate it. Thank you.

MICHAEL THOMPSON: Anyone else? Moving on.

Ms. Floyd.

GRACIE FLOYD: Do we need to vote to reconsider this?

MICHAEL THOMPSON: Are we voting to reconsider this?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: At this time I move to reconsider the motion to approve these transfers.

MICHAEL THOMPSON: And the severance package?

LARRY GREER: We have to do them one at a time.

MICHAEL THOMPSON: Have to do them one at a time. We have a motion to reconsider the transfers. Was that seconded?

CINDY WILSON: Second.

MICHAEL THOMPSON: We have a second to reconsider. We are now in reconsideration.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Hold up.

BOB WALDREP: Point of information.

MICHAEL THOMPSON: Hold up. I'm trying to find out what's going on here. Mr. Martin, we have a motion to reconsider and a second. We just vote and then we're back in discussion. Is that right? Okay. We have a motion to reconsider and a second. Mr. Waldrep, what was your question?

BOB WALDREP: My question is, is this a reconsideration of all transfers or some transfers?

MICHAEL THOMPSON: It's the entire list of transfers that's on these pages that Mr. Greer handed out to make up the 1.14 million dollars to add to this buyout.

BOB WALDREP: Well, could I ask Mr. Greer the question of what the point is of going one way and then going the other?

MICHAEL THOMPSON: Mr. Waldrep, we need to get the question on the floor first. So we need to get the reconsideration passed by vote.

BOB WALDREP: Okay. I'm sorry. I'd ---

CINDY WILSON: Just a moment, please May I have ---

MICHAEL THOMPSON: All in favor of reconsidering, please vote.

CINDY WILSON: I have a question before ---

MICHAEL THOMPSON: You don't have the floor though, do you?

CINDY WILSON: I asked for it.

MICHAEL THOMPSON: All in favor of reconsideration, please vote. We're voting. Four,

five. Opposed to reconsidering. Mr. Wilson abstains. Who didn't vote? Who did I miss? How do you vote?

BILL MCABEE: I voted for reconsideration.

MICHAEL THOMPSON: Oh, it's six, zero and one. Motion to reconsider has passed. Now we're back in discussion.

CINDY WILSON: All right, Mr. Chairman, may I have the floor, please?

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: All right. What is the value of the 2006 GMC Yukon, what is the value of the benefit plans to be maintained and sponsored and so forth? I mean, remember, we haven't even had a chance to read this thing.

BILL MCABEE: Point of order, Mr. Chairman.

CINDY WILSON: What is the ---

BILL MCABEE: Point of order, Mr. Chairman.

CINDY WILSON: You're interrupting, sir.

BILL MCABEE: I'm raising a point of order which takes precedence over anything you're saying.

CINDY WILSON: No, it does not.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Ms. Wilson, Mr. McAbee is correct. A point of order takes precedence and may interrupt a person who has the floor. Now, Mr. McAbee, what is your point of order?

BILL MCABEE: This is not germane to the subject at hand. The subject at hand is the transfers.

MICHAEL THOMPSON: Mr. McAbee, your point of order is correct. Ms. Wilson, we are talking only about the transfers. There is no Denali or anything else on here that you mentioned. So Mr. McAbee is correct.

CINDY WILSON: But it doesn't seem to be reflecting the complete amount of money that will be owed to the administrator.

MICHAEL THOMPSON: The subject under discussion is the transfers. Anyone else?

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: Mr. McAbee called for the question. Ms. Floyd seconds. All in favor of calling for the question, please vote. Five. Oppose. Two. The item has been reconsidered and it has passed. No. Put me on track, Mr. Martin.

TOM MARTIN: The item is still on the floor, but you have just voted to call for the

question.
MICHAEL THOMPSON: Oh, I'm sorry.
TOM MARTIN: Now the question is to voted on.
MICHAEL THOMPSON: Now we vote on the question. Thank you. All in favor of the transfers, please vote. We're voting on the transfers. How are you voting? Five. Oppose. Two. Now we're done with this, Mr. Martin?
BILL MCABEE: Mr. Chairman. I move reconsideration of Mr. Wilson's original motion.
MICHAEL THOMPSON: Is there a second?
GRACIE FLOYD: Second.
MICHAEL THOMPSON: We have a motion to reconsider the severance agreement and release claims by Mr. McAbee. We have a second by Ms. Floyd. All in favor of reconsidering the severance agreement and release of claims, please vote. Am I doing this right, Mr. -- all in favor to reconsider.
BOB WALDREP: I mean, can't we have any discussion on anything about ---
MICHAEL THOMPSON: Once we get to that point, yes, sir, we can.
BOB WALDREP: Well, I just wondered ---
MICHAEL THOMPSON: First we've got to get the item on the floor. And now we're voting to reconsider this buyout plan and I'm wanting to take a vote.
CINDY WILSON: This is like buying a pig in a poke. This is crazy.
MICHAEL THOMPSON: All in favor of reconsidering the buyout, please let me see your hands again. Four, five. Opposed?
BOB WALDREP: Mr. Chairman, I'm gonna abstain. I just can't figure out what in the world you're doing.
BILL MCABEE: Mr. Chairman. Mr. Chairman. Mr. Chairman.
MICHAEL THOMPSON: One moment, Mr. McAbee. I have a five, zero and one. Who didn't vote?
BILL MCABEE: Mr. Waldrep.
MICHAEL THOMPSON: Mr. Wilson abstains.
BOB WALDREP: I abstain.
MICHAEL THOMPSON: Okay. Two abstains. Okay.
CINDY WILSON: You can add me to abstaining. This is ridiculous.
MICHAEL THOMPSON: Okay. We still have the majority, so that's okay.
BILL MCABEE: Mr. Chairman.
MICHAEL THOMPSON: Mr. McAbee, we are now in discussion, Mr. Waldrep, on the buyout.

BOB WALDREP: Yes, sir.
MICHAEL THOMPSON: Mr McAbee requests the floor.
BILL MCABEE: I call for the question.
MICHAEL THOMPSON: Mr. McAbee calls ---
BOB WALDREP: Mr. Chairman, point of order.
MICHAEL THOMPSON: We have a call for the ---
BOB WALDREP: I know, but I've got a point of order. That's -- even Mr. McAbee said that trumps all other motions.
MICHAEL THOMPSON: Okay. Mr. Waldrep, your point of order.
BOB WALDREP: My point of order is why can't we discuss anything here tonight? Why can't we -- like we're voting on things and we don't have any numbers to vote on. We're just reconsidering matters. And Mr. Chairman, I don't think I've ever been witness to such a railroaded situation where the public interest is involved. And we're talking about a great deal of money here. And right I don't know specifically what ---
MICHAEL THOMPSON: What's your point of order?
GRACIE FLOYD: This isn't a point of order.
BOB WALDREP: -- what kind of money we're talking about. How can we vote on something if we don't -- if we can't even articulate the amount that we're voting on?
MICHAEL THOMPSON: Mr. Waldrep, I understand your question. However, Mr. McAbee had the floor and he did make the motion to call for the question, and I am bound to follow Robert's Rules. Do I have a second?
RON WILSON: Second.
MICHAEL THOMPSON: We have a second. All in favor of calling for the question, please vote. I didn't get a count. I'm sorry. Four. Four. Against. Three. Four, three. It still passed, four, three. We are in the -- all in favor of -- I've lost my train of thought, Mr. Martin. Where am I?
TOM MARTIN: You're now voting on the original motion.
MICHAEL THOMPSON: Of the severance agreement and release? All in favor of the severance agreement and release of claims, please vote. Four. Five. Five. Opposed. Abstain. How are you guys voting down there?
CINDY WILSON: I'm voting against this. This is still a railroad job and we're lacking our fiduciary ---
MICHAEL THOMPSON: Ms Wilson, you don't have

the floor. I'm just asking how you vote.

CINDY WILSON: And y'all don't have good sense.

GRACIE FLOYD: Mr. Chair, are you through with that?

MICHAEL THOMPSON: No, ma'am, I'm still trying to get my vote here. The vote is five, one and Mr. Waldrep abstain. So it's five, one and one. It passes again.

GRACIE FLOYD: Okay. Mr. Chairman.

MICHAEL THOMPSON: Ms. Floyd.

GRACIE FLOYD: Mr. Chairman, in the form of a motion I think that I want to make a motion that we at this time hire our new administrator and I would like to hire -- I would like to put in the motion that we hire Michael Cunningham. I have the contract available.

BILL MCABEE: Mr. Chairman, I second.

MICHAEL THOMPSON: Okay. Lord help us.

BOB WALDREP: Mr. Chairman, are we ever gonna move on the agenda or is everybody just kind of picking up as they go.

CINDY WILSON: This is not even on the agenda.

GRACIE FLOYD: It was amended in Mr. Wilson's -- no, it was added when Mr. Wilson did his -- asked to put ---

CINDY WILSON: His was a severance agreement ---

MICHAEL THOMPSON: No one has the floor.

GRACIE FLOYD: I apologize.

MICHAEL THOMPSON: We are passing out information that Ms. Floyd wanted to present. She made a motion and it was seconded by Mr. McAbee. No one has been recognized for discussion.

GRACIE FLOYD: Mr. Chairman.

MICHAEL THOMPSON: Ms. Floyd.

GRACIE FLOYD: Thank you. It was -- this was all a part of Mr. Wilson's ---

MICHAEL THOMPSON: Motion to amend, I understand.

GRACIE FLOYD: Okay. Thank you.

MICHAEL THOMPSON: Please move forward.

GRACIE FLOYD: I'm through.

MICHAEL THOMPSON: Okay. We have a motion on the floor to accept the master employment agreement to hire our current assistant administrator, Mr. Michael Cunningham, as our new administrator. Mr. Cunningham, will you please come to the mike? The chair retains the floor, so I'm speaking for myself. I did speak to

members of council and to members of the personnel committee, and I did make my desires known, what I wanted as the representative and Mr. Cunningham has done an excellent job as our assistant administrator and it was my wish and desire that he would be nominated. And that is as far as I took it.

CINDY WILSON: Mr. Chairman, may I ---

MICHAEL THOMPSON: No, ma'am, I have the floor.

CINDY WILSON: It appears like y'all have had secret meetings.

GRACIE FLOYD: Oh, God.

MICHAEL THOMPSON: No, ma'am, I have a telephone and I know how to use it, and that's what I did. I telephoned Mr. Greer up and I went to see Mr. Wilson in person. So that's what I did. Mr. Cunningham, how long have you been with Anderson County?

MICHAEL CUNNINGHAM: Ten years.

MICHAEL THOMPSON: How long have you served in the capacity of county administrator? I mean assistant, I'm sorry?

MICHAEL CUNNINGHAM: 2002.

MICHAEL THOMPSON: Wow.

MICHAEL CUNNINGHAM: So that's six years.

MICHAEL THOMPSON: That's it. I have been to his office several times. He has a dual degree from University of South Carolina and from Clemson, so he should make everybody happy. And it's a master's degree in public administration. Is that correct? Is that what I saw?

MICHAEL CUNNINGHAM: Yes, sir.

MICHAEL THOMPSON: Okay. Thank you, Mr. -- that's all for me. We are still in discussion on this.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: I'm still trying to understand how the machinery works here. I think you were just quoted a moment ago, to quote yourself, that you had had a discussion with Mr. Wilson, that you had been telephoning members of the council ---

MICHAEL THOMPSON: No, sir, I said I telephoned Mr. Greer, one person.

BOB WALDREP: And who else?

MICHAEL THOMPSON: And I went and saw Mr. Wilson.

BOB WALDREP: And who else?

MICHAEL THOMPSON: That's it.

BOB WALDREP: Just those?

MICHAEL THOMPSON: That's just it.

BOB WALDREP: And then you told them to

talk to other people? How have you all communicated here?

MICHAEL THOMPSON: No, sir. No, sir.

BOB WALDREP: Mr. Chairman, I've got to tell you that you have created here probably the most preposterous scenario of how this council had gotten together without any recommendations, without any notice to anybody, and hammered out an agreement just out of thin air. And you cannot tell me that this council has not been communicating and meeting, which is a total violation of the law. And I think you know that. And I think these council members know that too. And I think that these council members will enjoy the opportunity to discuss their communications at another time.

MICHAEL THOMPSON: Mr. Waldrep, what I did was talked to Mr. Greer, who is a member of the personnel committee, and I spoke to Mr. Wilson, who is the chairman. And I made my wishes and desires known and that's where I left it. Who else spoke to these gentlemen, I do not know.

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: As a member of council, I felt it was my duty and obligation to make my wishes and desires known, and that's what I did.'

CINDY WILSON: Mr. Chairman, may I?

MICHAEL THOMPSON: Yes, ma'am.

CINDY WILSON: It appears that your wishes and your desires may not reflect the people who had originally elected you. It appears that there have been secret meetings. And how else do you get all these massive legal documents without some report to council. There's a process that we have absolutely put asunder here. We have not followed rules. We have not followed laws here, both local and state. And I think you're all in for a rude awakening.

MICHAEL THOMPSON: Okay. Anyone else?

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Mr. McAbee.

BILL MCABEE: I call for the question.

MICHAEL THOMPSON: We have a call for the question. Is there a second?

RON WILSON: Second.

MICHAEL THOMPSON: Mr. Wilson seconds. All in favor for calling for the question, please vote. Four. Opposed. Three. All in favor of the master employment agreement as presented by Ms. Floyd to hire Mr. Michael Cunningham as the new county administrator of Anderson County, please vote. Five. Oppose. Two. Motion passes.

BILL MCABEE: Mr. Chairman.
MICHAEL THOMPSON: One moment. Where did he go? Mr. Cunningham, congratulations, you will be soon, apparently, the new county administrator.
BILL MCABEE: Mr. Chairman.
MICHAEL THOMPSON: Mr. McAbee.
BILL MCABEE: I move reconsideration of Ms. Floyd's motion and ---
MICHAEL THOMPSON: I understand. Is there a second to reconsider?
GRACIE FLOYD: Second.
MICHAEL THOMPSON: Any discussion?
CINDY WILSON: Yes, Mr. Chairman.
MICHAEL THOMPSON: Yes, ma'am, Ms. Wilson.
CINDY WILSON: It was my understanding that when a county hires an administrator that there should be applications, there should be discussion. Again, I know now what you're doing with the reconsideration. I had forgotten that this was a new edict I think as of last year ---
GRACIE FLOYD: You taught us that one.
CINDY WILSON: -- where ---
MICHAEL THOMPSON: Ms. Floyd, please.
CINDY WILSON: -- where you are -- you think that you're making this airtight by reconsidering. And I just want to point out that as a county councilman who's been sued multiple times by the current administrator and other parties related thereto, this is just such an incredible day for Anderson County that we would have no discussion. The public has not even had a chance to see how their money is being spent.
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: They haven't had a chance to see any of this.
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: There are clauses in ---
BILL MCABEE: Point of order, Mr. Chairman.
CINDY WILSON: And also in the master ---
MICHAEL THOMPSON: Ms. Wilson, there is a point of order on the floor that takes precedence. Please yield.
MICHAEL THOMPSON: Mr. McAbee.
BILL MCABEE: Thank you, Mr. Chairman. The matter at hand is the reconsideration, not the contract.
CINDY WILSON: But it's a reconsideration

of the contract.

BILL MCABEE: We haven't voted to reconsider to yet discuss the contract.

CINDY WILSON: But we still haven't read ---

MICHAEL THOMPSON: Ms. Wilson, Mr. McAbee is correct. We're only voting to if or not to reconsider this. We're not into details of the contract. So Mr. McAbee is correct. All in favor -- the chair calls for the vote on reconsideration. All in favor of reconsidering Mr. Cunningham's master employment agreement, please vote. One, two, three, four. Oppose. One. Abstain.

CINDY WILSON: I'm abstaining.

MICHAEL THOMPSON: Two abstains. Okay. It passes. Now, Ms. Wilson, we are in discussion on the contract. Do you wish the floor?

CINDY WILSON: I wish that we could table this so we have a chance to read it and ask questions and receive answers. When you make motions and approve the expenditure of millions of dollars without due diligence, without public information, this is unbelievable.

MICHAEL THOMPSON: Okay. Anyone else?

CINDY WILSON: Absolutely unbelievable.

MICHAEL THOMPSON: Anyone else?

LARRY GREER: Mr. Chairman.

MICHAEL THOMPSON: Mr. Greer.

LARRY GREER: Accusations have been made tonight that members of this council have participated in illegal meetings. My understanding that a quorum of this council is four or more and that a meeting between any other members of council or discussion between any other members of council, as long as it's not four, collectively discussing or working together, it is not an illegal meeting. There is nothing wrong with individual council members discussing things among themselves. And that's what has occurred in this instance. Mr. Martin, am I correct, that it's not illegal for two or three council members to discuss an item or for council members to discuss items over the telephone?

TOM MARTIN: Mr. Chairman.

MICHAEL THOMPSON: Mr. Martin.

TOM MARTIN: Thank you. Mr. Greer, that is correct.

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: May I ask Mr. Martin a question?

MICHAEL THOMPSON: Sure. Go right ahead.
BOB WALDREP: Mr. Martin, you're representing to this council now that these kind of telephone conferences are perfectly legal in violation of what I would allege to be in violation of the Freedom of Information Act that council can contact each other on the phone and have phone meetings like this?
MICHAEL THOMPSON: Mr. Martin.
TOM MARTIN: Thank you, Mr. Chairman. Mr. Waldrep, I was asked a very specific question, and that is, whether council members constituting less than a quorum of council may discuss matters outside of formal meeting, and the answer is yes. I've not called it a meeting. I've not called it anything. I simply answered the question.
BOB WALDREP: So between two people, but those two people then one of those calls another and another, and so you don't consider that to be a violation? Would that be a violation for two people to meet and then one of those people call a third and then that third calls a fourth, that you don't consider that to be a violation?
TOM MARTIN: Mr. Chairman.
MICHAEL THOMPSON: Mr. -- sorry. Mr. Martin.
TOM MARTIN: Thank you. Mr. Waldrep, I would want more specifics about how the discussions were conducted. But in a nutshell, no, I don't think that would constitute a meeting.
BOB WALDREP: Okay. Do you know who drafted these contracts?
TOM MARTIN: I do know who drafted the one for Mr. Cunningham. I did.
BOB WALDREP: Oh, you did. How about the one for Mr. Preston's buyout?
TOM MARTIN: I have no idea.
BOB WALDREP: Once again, into the darkness of politics. Thank you.
LARRY GREER: Mr. Chairman.
MICHAEL THOMPSON: Mr. Greer.
LARRY GREER: For the record, I'm gonna state as of December the 31st, I will have served on this council for ten years. I have never participated in an illegal meeting of four council members or more. I have walked away in some instances to avoid that. If you accuse me of that, you're telling an untruth.
MICHAEL THOMPSON: Chair calls for the vote on the reconsideration of Mr. Cunningham's ---
BILL MCABEE: We already voted.
MICHAEL THOMPSON: Where are we then?

BILL MCABEE: On the contract. We're waiting on the contract.

MICHAEL THOMPSON: On this, the reconsideration, right? That's where I was going. All in favor to vote on the reconsideration of Mr. Cunningham's contract, please vote. In favor of, please vote.

BILL MCABEE: In favor of the contract.

MICHAEL THOMPSON: Yes, in favor of the contract.

CINDY WILSON: No. I thought that was reconsideration?

MICHAEL THOMPSON: Oppose. Abstain. Five, one and one.

BILL MCABEE: Mr. Chairman.

MICHAEL THOMPSON: Listen, I'm ready to go. Have we taken care of business.

CINDY WILSON: No. We still have plenty more left on the agenda.

MICHAEL THOMPSON: I'm sick. I'm doing good to breathe and I'm going home.

BILL MCABEE: I move to adjourn

BOB WALDREP: Mr. Chairman.

MICHAEL THOMPSON: Is that in the form of a motion?

BILL MCABEE: Yes.

BOB WALDREP: Mr. Chairman, point of order. Point of order, Mr. Chairman.

MICHAEL THOMPSON: Mr. Waldrep, what is your point of order?

BOB WALDREP: We still have some items on the agenda, and I just think it's totally inappropriate for us to adjourn without the opportunity to discuss some very important matters which have ---

BILL MCABEE: Mr. Chairman, point of order.

MICHAEL THOMPSON: Hold up, please. Mr. Waldrep, Mr. McAbee had the floor and he made a motion to adjourn. It was seconded by Mr. Greer, so it is a proper motion. So I have to go with the flow. I have to call for the vote. All in favor of adjourning, please vote. Five. Oppose. We are adjourned.

MEETING ADJOURNED AT 8:15 P.M.

Plaintiff's Exhibit 6
Video of County Council Meeting
Volume 6, page 1983

RECORD ON APPEAL
Anderson County v. Joey Preston
Appellate Case No: 2013-002499



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STATE OF COURT CAROLINA

CONFIDENTIAL DOCUMENT

COUNTY OF ANDERSON

SEVERANCE AGREEMENT AND RELEASE OF CLAIMS

AGREEMENT made and entered into this 18 day of NOVEMBER, 2008, by and between the County of Anderson, the Anderson County Council (hereinafter referred to collectively as "the County"), and Joey R. Preston (hereafter "Employee");

WHEREAS, Employee is currently employed by the County in the position of County Administrator;

WHEREAS, Employee and the County have mutually agreed that Employee is to be terminated as set forth herein;

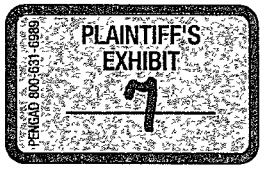
WHEREAS, Employee recognizes and agrees that it shall be in the best interest of Employee and of the County that the terms and conditions of Employee's termination of employment be expressly set forth and that the severance payments and benefits that the County is agreeable to providing Employee from and after his termination be similarly set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter made by Employee and the County, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged by Employee and the County,

IT IS AGREED THAT:

1. Effective January 1, 2009 (hereafter "the effective date"), the employment relationship between Employee and the County shall be terminated. After the effective date, Employee will not be obligated to perform any further services for the County

2. Employee is currently employed as Administrator for the County. Employee agrees to relinquish that position at the end of business on November 30, 2008. For the period from December 1, 2008 through December 31, 2008, Employee agrees to continue in the employment of the County on a full-time basis as a consultant to assist the acting/interim Administrator in assuming and performing his/her duties. Employee shall continue his current pay and benefits through December 31, 2008. Employee recognizes that his continued employment for the time period from December 1, 2008 through December 31, 2008, shall be at the direction and control of the acting/interim County Administrator and the County Council, acting through its Chairman. Moreover, Employee shall devote his full attention, energies, and commitment to assisting in the smooth transition of responsibilities from Employee to the acting/ interim County Administrator.



3. Employee agrees to devote his full time and attention to his duties through December 31, 2008, and he agrees not to make any negative or derogatory remarks, comments, representations, or observations about the County, County Council, or the governance of the County through December 31, 2008.

4. The County shall pay to Employee, on or before November 30, 2008, the sum of $1,139,833.00, less appropriate state and federal withholding, to be allocated and paid as follows:

a. $359,258.00 to be paid to the South Carolina Retirement System to pay for retirement service credits for Mr. Preston as provided for under state law;

b. $780,575.00 to be paid to Mr. Preston on or before November 30, 2008, in the form of a severance benefit. - FIT SIT FC

County shall also tender to Mr. Preston the title to the 2006 GMC Yukon that he is currently driving as a County vehicle,

5. As of the effective date, Employee's participation in any and all employee benefit plans maintained, sponsored, and/or participated in by the County shall cease in accordance with the terms of those plans. Employee shall be entitled to continue and/or convert such plans to individual coverage based on current elections to the extent permitted by law and the respective plan document. In the event that Employee timely elects to continue his group health plan coverage, pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), Employee shall be fully responsible for paying the entire share of premiums for such coverage (up to a total of 18 months) if he elects such coverage. This provision is not intended to and does not affect any vested right Employee may have in any State or County benefit plan. Mr. Preston shall be eligible for retiree health benefits to the same extent as any other retired employee of Anderson County.

6. In consideration of the County's agreement to provide Employee with the severance payments described in this Agreement, Employee, for himself, his heirs, his legal representatives, and his assigns, hereby covenants irrevocably never to make any claim or demand, or to commence, cause, or permit to be instituted or prosecuted, any suit, charge, proceeding, or action at law or in equity, against the County of any of its Council members, employees, managers, officers, board members, or any of its affiliated parts, entities, or subsidiaries, as well as the successors and assigns of those entities and persons, by reason of any claim, demand, or cause of action which Employee may now have, or may hereinafter acquire, relating to his employment, and/or the termination of his employment, with the County, expressly including, but not limited to, the termination of and/or the conditions of his employment with the County. The parties expressly covenant for themselves, their legal representatives, their heirs, and assigns, that this Agreement may be treated as a complete defense to any legal, equitable, or administrative action that may be brought, instituted, or taken by Employee against the County, related to Employee's employment, and/or the termination of his employment, or the conditions of his employment, and shall forever be a complete bar to the commencement or prosecution of any action, suit, charge, claim, or legal proceeding relating in any way to Employee's employment or termination of employment.

7. Employee specifically agrees that the waiver in the preceding paragraph includes any and all rights or claims against the County under the Age Discrimination in Employment Act, as amended ("ADEA"), 29 U.S.C. § 621, *et seq.*, that arose on or before the execution of this Agreement. In consideration of this waiver of rights under the ADEA, Employee acknowledges that he has accepted the consideration set forth in the preceding paragraphs of this Agreement. This consideration is over and above those amounts to which Employee is otherwise entitled under the County's policies. Employee further acknowledges that prior to signing this Agreement, he was given a copy of this Agreement as a written directive from the County advising him to consult an attorney before signing, and advising him that he had 21 days in which to consider signing.

8. The County agrees and hereby covenants irrevocably never to make any claim or demand, or to commence, cause or permit to be instituted or prosecuted, any claim, charge, proceeding or action at law or in equity against Mr. Preston, his heirs, legal representatives, or assigns, by reason of any claim, demand or cause of action which the County may now have, or may hereinafter acquire, relating to Mr. Preston's employment with the County or his actions as an employee on behalf of the County, expressly including, but not limited to, all actions taken by Mr. Preston within the scope and course of his employment as County Administrator.

9. Except for the provisions of paragraph 5(A), which provisions are hereby incorporated into this Agreement, the Master Employment Agreement entered into between the County and Employee and dated July 22, 1998 shall, upon payment of the benefits set forth in paragraph 4 above, be deemed to be fully performed and satisfied.

10. Employee acknowledges that, except as set forth herein, the County owes Employee no wages, back pay, retirement, accrued vacation, sick or other leave, profit sharing benefits or benefits under any other benefit plan, or any other amounts for any other reason. This Agreement does not alter any vested right Employee may have under any benefit plan maintained by the County of the State of South Carolina, and Employee's right to any such benefit shall be controlled by the plan document.

11. The parties agree that Employee shall be responsible for his share of any and all federal, state, or local tax liability (including, but not limited to, taxes, fines, penalties, and interest) that could arise as a result of any of the payments set forth in paragraph 4 above.

12. The parties agree that each paragraph of this Agreement and each provision within each paragraph is severable from the remainder of the Agreement, and further agree that if a portion of this Agreement shall be severed, the remainder of this Agreement shall be enforced according to its terms.

13. The parties to this Agreement agree that neither party, without the consent of the other, or except as may be required by law, either directly or indirectly, shall voluntarily disclose any of the terms of the Severance Agreement or the circumstances surrounding the termination of the employment relationship between Employee and the County, except to say that Employee elected to resign his position. This provision shall not prohibit the parties from discussing this matter with their respective attorneys or tax or financial consultants, neither shall it prohibit the County from discussing this matter with County officials on a need-to-know basis. The parties

also understand that the County may be required, by law, to share the Agreement with a requesting third party pursuant to the provisions of the South Carolina Freedom of Information Act. Any such disclosure shall be limited by the request and any limitations under South Carolina law.

14. Both parties understand and agree that their respective obligations to perform under this Agreement are conditioned upon performance of the parties' agreements and covenants as set forth herein.

15. This Agreement shall inure to and be binding upon the parties hereto, their respective heirs, legal representatives, successor, and assigns.

16. This Agreement shall be construed in accordance with the laws of the State of South Carolina.

17. This Agreement constitutes the entire understanding of the parties, and no representation, promise, or inducement not included herein shall be binding upon the parties.

18. This Agreement may be changed orally, but only by an agreement in writing signed by the parties.

19. Employee specifically acknowledges that he has been advised to consult with an attorney regarding this Agreement, that he has been advised that he has 21 days to consider signing this Agreement, and that he has 7 days to revoke this Agreement after it has been signed.

IN WITNESS WHEREOF, the parties set their hands and seals this 18 day of NOVEMBER, 2008.

Witnessed by:

As to Anderson County

Teresa W. Worden

As to Anderson County Council

Teresa W. Worden

Signed, sealed and delivered:

ANDERSON COUNTY

By: Michael Thompson

W. Ed McAbee, Jr.

ANDERSON COUNTY COUNCIL

By: Michael Thompson

W. Ed McAbee, Jr.

"THE COUNTY"

As to Joey Preston

Joey Preston

"EMPLOYEE"

260-1276

ANDERSON COUNTY
SOUTH CAROLINA
Making News. Making Progress.

PURSUANT TO ANDERSON COUNTY BUDGET ORDINANCE WHICH PERMITS THE ADMINISTRATOR TO TRANSFER APPROPRIATIONS BETWEEN OBJECT CLASSIFICATIONS CODES WITHIN A DEPARTMENT AND BETWEEN DEPARTMENTAL ACCOUNTS. THE FOLLOWING TRANSFERS ARE AUTHORIZED:

DEPARTMENT: Between Departments

FROM:	TO: [redacted] Contract Buy-Out	AMOUNT:
	Building Maintenance	
	Custodian (Vacant)	14,865
	Retirement	1,390
	Social Security	917
	Medicare	214
	Health Insurance	2,250
	Economic Development	
	Research Manager (Vacant)	28,841
	Recruitment Spec (Vacant)	42,691
	Secretary III (Vacant)	18,733
	Retirement	8,475
	Social Security	4,724
	Medicare	1,308
	Health Insurance	6,750
	Treasurer	
	Acct Clerk (Vacant)	20,262
	Retirement	1,902
	Social Security	1,256
	Medicare	303
	Health Insurance	2,250
	Assessor	
	Appraiser (Vacant)	25,639
	Retirement	2,407
	Social Security	1,589
	Medicare	371
	Health Insurance	2,250
	Clerk of Court	
	Clerk II (Vacant)	16,853
	Retirement	1,563
	Social Security	1,032
	Medicare	241
	Health Insurance	2,250
	Purchasing	
	Buyer II (Vacant)	23,704
	Retirement	2,225
	Social Security	1,469
	Medicare	343
	Health Insurance	2,250

County Administrator

Joey R. Preston

Council Members

Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council

Linda N. Eddleman

Anderson County

PLAINTIFF'S EXHIBIT 8

PENGAD 800-631-6989

2001, 2002 J. Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

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(864) 260-4000 · (864) 260-4548 fax
www.andersoncountysc.org

0011/0031

12/22/2008 13:01 FAX

MIS	
Network Engineer (Vacant)	31,194
3 -Technical Support (New)	46,791
Retirement	3,361
Social Security	4,745
Medicare	1,130
Health Insurance	15,111
Park Police	
Officer (New)	9,741
Retirement	1,076
Social Security	603
Medicare	141
Health Insurance	4,287
Animal Shelter	
Supervisor (New)	12,819
Caretaker (New)	9,006
Retirement	2,048
Social Security	1,352
Medicare	315
Health Insurance	8,574
Coroner	
Secretary (New)	8,659
Retirement	813
Social Security	536
Medicare	125
Health Insurance	4,287
Communications	
Operator (Vacant)	18,733
6 - Operator (New)	56,196
Retirement	7,033
Social Security	4,641
Medicare	1,081
Health Insurance	27,972
Technical Services	
2 - Radio Technicians (New)	37,952
Retirement	3,562
Social Security	2,352
Medicare	550
Health Insurance	8,574
Road and Bridges	
Accounting Clerk (Vacant)	20,262
2 - Laborer (Vacant)	29,610
MEO (Vacant)	20,262
Truck Driver (Vacant)	18,733
Retirement	8,343
Social Security	5,507
Medicare	1,285
Health Insurance	11,250
Fleet Service	
Lead Technician (New)	16,221
Retirement	1,523
Social Security	1,006
Medicare	235
Health Insurance	4,287

12/22/2008 13:01 FAX 0012/0031

Family Court	
Data Entry Clerk (Vacant)	15,397
Retirement	1,445
Social Security	954
Medicare	222
Health Insurance	2,250
10% of Budgeted Fuel	
Administration	1,100
Building Grounds	2,500
Economic Development	450
Treasurer	250
Assessor	1,720
Finance Division Director	180
Community Development	70
Museum	75
Special Popufations	95
Senior Citizens	25
Public Information	200
Farmer's Market	175
Development Standards	65
Purchasing	450
M I S	230
Park Police	2,200
Animal Shelter	1,000
E P D	645
Coroner	750
Compliance	3,650
Public Safety	825
Communications	500
Technical Services	400
Roads and Bridges	52,320
Transportation	1,000
Fleet	1,200
Building Codes	2,000
ASEC	800
Sports Center	500
T\O - Infrastructure	329,339
TOTAL	1,140,122

Total needed for buy-out of Anderson County Administrator, Joey R. Preston

APPROVAL OF COUNCIL:

District 1 - Robert L. Waldrep	*District 2 - Gracie S. Floyd*
District 3 - Larry E. Greer	*District 4 - Bill McAbee*
District 5 - Michael G. Thompson	*District 6 - Ron G. Wilson*
District 7 - M. Cindy Wilson	

DATED: _____

STATE OF SOUTH CAROLINA)
) MASTER EMPLOYMENT AGREEMENT
COUNTY OF ANDERSON)

THIS AGREEMENT made and entered into this 19 day of NOVEMBER, 2008, by and between the County of Anderson, State of South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter referred to as (the "County") and Michael J. Cunningham (hereinafter sometimes referred to as "Administrator"), both of whom understand and agree as follows:

WITNESSETH

WHEREAS, the County, acting by and through its governing body, the Anderson County Council (hereinafter referred to as the "Council"), desires to employ the services of Michael J. Cunningham as Administrator of Anderson County and enters into this agreement as a binding legal and contractual obligation and commitment pursuant to Section 4-9-620 of the South Carolina Code of Laws, 1976, as amended; and

WHEREAS, it is the desire of the Council to establish certain conditions of employment and to provide certain benefits for and to set working conditions of the Administrator; and

WHEREAS, it is the desire of the Council (1) to secure and retain the services of the Administrator and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring the Administrator's morale and peace of mind with respect to future security, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Administrator, and (4) to provide a just means for terminating the Administrator's services at such time as he may be unable fully to discharge his duties due to age or disability or when the County may desire to otherwise terminate his employment; and

WHEREAS, the Administrator desires to accept employment as Administrator of Anderson County under the terms and conditions of employment as referenced herein:

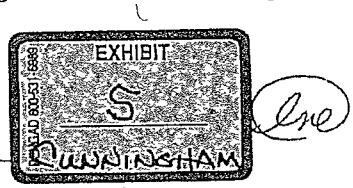
NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. DUTIES

County hereby agrees to employ Michael J. Cunningham as the Administrator of Anderson County to perform the functions and duties specified in Section 4-9-630 of the South Carolina Code of Laws, 1976, as Amended, and to perform such other legally permissible and proper duties and functions as the Council shall from time to time assign, whether by job description or otherwise.

Section 4-9-660 of the South Carolina Code of Laws, 1976, as amended, which governs dealings between and among Council, its members, the Administration, and County employees, directs and governs the Administrator's performance of duties on behalf of Council and requires: "Except for the purposes of inquiries and investigations relating to formal criminal charges





involving personal gain to the Administrator, the council shall deal with County officers and employees who are subject to the direction and supervision of the County Administrator solely through the Administrator, and neither the council nor its members shall give orders or instructions to any such officers or employees."

The Administrator is, and shall be, the employee of the County Council, the governing body of the County. Even though the Administrator acts for and represents the County in many or most regards, in the conduct of day-to-day business of the County, by law and by this Agreement, nevertheless he should, to the extent consistent with the Agreement and the law of the state, always conduct himself and the affairs of his office, in such a manner as to bring credit to the County and the County Council, and to reflect the County Council as the ultimate source of authority for the action being conducted.

SECTION 2. TERM

A. The Administrator serves at the pleasure of Council, and nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Anderson County Council to terminate the services of the Administrator at any time, subject only to the provisions set forth in Section 3, Paragraphs A, B, and C of this Agreement.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Administrator to resign at any time from his position with the County, subject only to the provision set forth in Section 3, Paragraph D of this Agreement.

C. The Administrator agrees to remain in the exclusive employ of the County from December 1, 2008 the first day of his employment with the County under this Master Employment Agreement until November 30, 2011 a date three (3) years from such first day of employment under this Master Employment Agreement, and to neither seek nor accept employment nor become employed by any other employer until said termination date, unless said termination date is effected as hereinafter provided.

The term "employed" shall not be construed to include occasional teaching, writing, speaking, or consulting performed on personal time off, even if outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the County or interfere with Administrator's execution of duties for the County. In the event travel is required for such non-County related business, the Council shall be notified in advance. De Minimis use of County owned equipment for the purposes noted in this paragraph is hereby authorized, expressly as part of the compensation to Administrator for performance of his duties.

D. In the event written notice of intent to not renew this Agreement is not given by either party to this Agreement to the other at least ninety (90) days prior to any annual anniversary of the date first above written, this agreement shall be extended on the same terms and conditions as herein provided, all for a new term consisting of the term then remaining at such annual anniversary date plus an additional period of one (1) year; such that the maximum effective term of this Agreement shall never exceed three (3) years and not be less than the respective term remaining

when any notice of intent to not renew is given. Said agreement shall continue thereafter for a continuing, annually renewable term consisting of the respective term then remaining at such annual anniversary date unless written notice of intent to not renew is given by either party to this Agreement to the other at least ninety (90) days prior to any subsequent annual anniversary of the date first above written.

SECTION 3. TERMINATION AND SEVERANCE PAY

Termination with Cause

A. Grounds for termination with cause shall be the conviction of the Administrator of any crime involving personal gain to himself, any crime involving moral turpitude (as defined in South Carolina state law) or
the refusal of the Administrator to perform the duties of this office. For the purposes of this section the duties of his office include maintaining reasonable, consistent office hours, except during such times as the duties of his office require his absence or as noted elsewhere in this Agreement, compliance with the laws and Constitution of the State of South Carolina, performance of the duties set forth in Section 1 of this Agreement, and compliance with the lawful directives of the Council passed in open, public meetings of said Council which do not conflict with or invade the responsibilities and authority conferred on the Administrator by the South Carolina Constitution or Code of Laws. If a majority of Council members feel that the Administrator is not in compliance with the above duties, then said members shall cause a certified mail, return receipt requested letter to be sent to the Administrator advising him of his non-compliance and stating a reasonable length of time offered him for correction. If, after such reasonable time period has passed, the Administrator fails to correct the noted non-compliance he may be terminated with cause and shall not be entitled to severance pay, but shall be entitled to all compensation and benefits accrued yet unpaid at the date of termination.

Illness and Disability

In the event the Administrator shall suffer serious illness or injury during the contract period, he shall be afforded a minimum of 90 work days as a recovery period before he may be deemed to be in violation of the terms of his contract and subject to the provisions relating to termination with cause. Council may upon public vote extend this recovery period. Nothing in this Agreement shall be construed as to exempt such 90 work day (or longer, as authorized by Council) recovery period from the normal County rules governing use of leave and sick time and leave-without-pay to cover time absent from work. Further, nothing in this Agreement is intended to negate or diminish the Administrator's entitlements, benefits, or rights under any applicable law or regulation, it being the intent of the Parties that this Agreement is in addition to, not in lieu of, all applicable laws and regulations.

Termination Without Cause

B. If the Administrator is terminated for any reason other than those set out above, he shall be deemed to have been terminated without cause and shall be entitled to all pay and financial benefits remaining on his contract for the balance of the contract period in a lump sum or in incremental payments, as he, in his sole discretion, shall choose, as severance pay for such termination without cause. In addition, the Administrator shall also be compensated for all earned sick leave, vacation, holidays, compensatory time and other accrued benefits to date, calculated at the rate of pay in effect upon termination. The Administrator shall receive additional severance pay under this paragraph, based upon the length of his total service to the County, and computed at the rate of one month aggregate compensation under this Agreement for every two years of such service, based on his original date of hire with the County of April, 1998. The total severance pay under this Agreement shall not exceed thirty-six (36) months aggregate, total compensation at the rate of pay in effect upon termination. Further, in the event that Administrator is terminated by the Council as set forth in this Section (without cause), then in that event all life, health, dental, and disability insurance and all other County provided benefits for the Administrator shall continue in full force and coverage, at County expense, for a period of six (6) months or until similar coverage is provided to Michael J. Cunningham by a subsequent employer (and is in full force and effect) whichever comes first. Said continuation of group health insurance coverage shall be in addition and prior to any protection afforded Administrator by the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). Coverage under COBRA shall begin on the date all coverage extended under the severance provisions herein expire.

C. In the event the County at any time during the employment term reduces the salary, compensation, or other benefits of the Administrator in a greater percentage than an applicable across-the-board reduction for all County employees, or in the event the County refuses, following written notice, to comply with any other provision benefiting the Administrator herein, or if the Administrator is reassigned to another position within the County's employ then, in that event, the Administrator may, at his sole option, be deemed to be "terminated without cause" at the date of such reduction or such refusal to comply, or such other act enumerated in this Section, all within the meaning and context of the severance pay provisions herein contained, and all with the same effect and rights as described in Subsection B of this Section 3.

D. In the event the Administrator voluntarily resigns his position with the County before expiration of the aforesaid term of employment, then the Administrator shall give the County three (3) months notice in advance of such intent to resign and, if he should fail to give such notice, shall forfeit a proportionate amount of salary equal to the salary due for the period by which he fails to give such three (3) months notice as a liquidated damage penalty for failure to give adequate notice to the County.

E. Contemporaneously with the delivery of all severance pay and entitlements hereinabove set out, the Administrator agrees to execute and deliver to the County a release, releasing the County of all further claims that the Administrator may have against the County.

SECTION 4. SALARY

County agrees to pay the Administrator for his services rendered pursuant hereto an initial annual base salary of One Hundred Twenty-Five Thousand and 00/xx Dollars ($125,000.00), payable in installments at the same time as other employees of the County are paid, plus an annual dollar for dollar match of 401K contribution, not to exceed Five Thousand Dollars ($5,000), annually to the Administrator's designated 401K deferred compensation plan. County further agrees to adjust Administrator's base salary at the same times and in the same relative degree or percentage as it adjusts those of other employees of the County. Further, the County agrees to pay the Administrator on or about every July 1, a pay step increase in gross salary consistent with the County's then current wage and compensation plan, but not less than two percent (2%) in any event, and based upon a satisfactory performance evaluation as covered in Section 12 of this Agreement. Finally, in addition to the foregoing, the County agrees to compensate the Administrator, at a daily and hourly rate based on his then current annual salary, for any accrued annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse.

SECTION 5. HOURS OF WORK

A. It is recognized that the Administrator must devote a great deal of his time outside normal office hours to business of the County, and to that end the Administrator will be allowed to take compensatory time off as he shall deem appropriate during said normal office hours.

B. The Administrator shall not spend more than ten (10) hours per week in teaching, consulting or other non-County connected business for compensation, without the express prior approval of Council.

C. Except as otherwise noted in this Agreement, the Administrator will observe the normal business and working hours of County government and will work sufficient hours to satisfactorily discharge the duties, obligations, and requirements of his office.

SECTION 6. AUTOMOBILE

The Administrator's duties require that he shall be provided with a monthly vehicle allowance of $700/month for his personal vehicle purchase and use, with the County providing the fuel for that vehicle, and that he be allowed a monthly reimbursement of cell phone and other electronic communication expenses.

SECTION 7. DUES AND SUBSCRIPTIONS

The County agrees to budget and to pay the professional dues and subscriptions of the Administrator necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional and community participation, growth and advancement.

SECTION 8. BUSINESS TRIPS FOR ANDERSON COUNTY

County does hereby agree to budget and pay the reasonable travel and subsistence expenses of the Administrator for official travel while on County business and for attendance at meetings, seminars and conventions. Meetings, seminars, and conventions, for these purposes, may include but are not limited to those sponsored by the South Carolina Association of Counties, International City & County Managers Association, Anderson Area Chamber of Commerce, and other professional associations of which the Administrator is a member.

SECTION 9. VACATION AND SICK LEAVE

The Administrator shall be entitled to and shall accrue annual vacation leave with pay and sick leave in the same manner as other employees of the County. Because Administrator has worked in local government in South Carolina for many years, which inures to the benefit of County in the form of significant experience, he was deemed, for all leave accrual purposes, to have been employed by County, at the time of hiring, for over ten (10) years and to have already accrued and have credited to his payroll and personnel accounts, at the time of hiring, the amount of vacation and sick leave which he would have accrued in one (1) year as an employee with over ten (10) years of County employment. The Administrator's date of hire will be deemed to be the date he actually first began work for the County, April 6, 1998, his first day of employment for the County. The Administrator shall be entitled to accrue and carry forward the maximum amounts of annual and sick leave authorized by County personnel policies, but shall be compensated for any annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse, in accordance with the terms and provisions of Section 4., hereof.

SECTION 10. BENEFIT PLANS

The Administrator shall be entitled to participate in all benefit plans as may be available, from time to time, to employees of the County in the same manner, including County contributions, and to the same extent of said employees to include, without limitation, state retirement plan and medical and other insurance plans.

SECTION 11. INSURANCE COVERAGE AND ANNUAL PHYSICAL

A. The County agrees to put into force, and make required premium payments for the Administrator, for an insurance policy providing 24-hour coverage for occupational as well as total and permanent disability income benefits, including residual benefits, with no expiration, no deductible, and no exclusion period. Said policy shall provide 75% income replacement for short term coverage, from the expiration of any accrued sick leave until long term coverage begins, and 60% income replacement for long term coverage. Said policy shall also be noncancelable and be guaranteed renewable, with cost of living provisions included.

B. The Administrator shall be covered by the same health and dental plans as all other employees and the County shall pay the Administrator's share of premiums for the Administrator for the health and dental plans, including family plans, elected by the Administrator and that coverage shall be in full force and effect immediately upon start of service to the County under this Agreement.

C. The County agrees to purchase and pay the required premiums for term life insurance policies, providing coverage equal in amount to four times the total annual aggregate compensation of the Administrator under this Agreement, with the beneficiary to be designated by the Administrator.

D. The Administrator agrees to submit once per calendar year to a complete physical examination, by a qualified physician of his choosing, the costs of which shall be paid by the County and/or County's insurance policy.

SECTION 12. PERFORMANCE EVALUATIONS

The Council shall review and evaluate the performance of the Administrator no later than February 1 of each year. The County agrees to increase base salary and/or other benefits of the Administrator at the time of said review, in such amounts and to such extent as provided in Section 4 in light of performance by the Administrator. It is further understood that merit increases based on annual performance evaluations and salary reviews are exclusive of any general costs-of-living increases provided to the Administrator and other employees. The Administrator shall receive all cost-of-living increases, if any, which the County may grant to its other employees, at the same time and in the same manner said increases are granted to those employees.

SECTION 13. SUSPENSION

The County may suspend the Administrator with full pay and benefits at any time during the term of this Agreement, but only if a majority of the Council and the Administrator agree, or, after a public hearing, a majority of the Council votes to suspend the Administrator for "just cause", provided however, that the Administrator shall be given written notice setting forth any charges at least ten (10) days prior to such hearing, by the Council members bringing such charges. "Just cause" is defined, and hereby limited, for the purposes of this Section to the following: (1) willful neglect of duty, as defined by law or this Agreement, (2) conviction of any crime involving moral turpitude, (3) violation of duties to the County of honesty and sobriety, or (4) any other act of similar nature, and of the same or greater seriousness.

SECTION 14. INDEMNIFICATION

The County shall defend, save harmless, and indemnify the Administrator against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of his duties as Administrator. The County may compromise and settle any such claim or suit and will pay the amount of any settlement or judgment rendered thereon. Said indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement, to provide full and

complete protection to the Administrator by the County as described herein, for any actions undertaken or committed in his capacity as Administrator, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following the Administrator's employment with County.

SECTION 15. CONFLICT OF INTEREST PROHIBITION.

It is further understood and agreed that because of the duties of the Administrator within and on behalf of the County of Anderson and its citizenry, the Administrator shall not during the term of this Agreement, individually, as a partner, joint venture, officer or shareholder, invest or participate in any business venture conducting business with Anderson County, or receiving economic development incentives from Anderson County, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without the prior approval of the Council.

SECTION 16. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

A. The Council shall fix such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Administrator, provided such terms and conditions are not inconsistent with, or in conflict with, the provisions of this Agreement or state law.

B. All policy provisions of the County relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist, or hereafter may be amended, shall also apply to the Administrator as they would be to other employees of the County, in addition to said benefits enumerated specifically for the benefit of the Administrator, herein or otherwise, except as herein provided.

C. Except as noted herein, the Administrator shall be entitled to receive the same vacation and sick leave benefits as are accorded department heads, including provisions governing payment therefore on termination of employment.

SECTION 17. GENERAL PROVISIONS

A. The text herein shall constitute the entire agreement between the parties.

B. This Agreement shall become effective commencing on the date of execution by the parties, as first above written.

C. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Administrator and the County and its successors.

D. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, in whole or in part, by any court of competent jurisdiction, the remainder of this Agreement or the portion thereof in question shall be deemed severable, shall not be affected thereby, and shall remain in full force and effect. It is the intent of

the parties to this Agreement that the Agreement be applied, executed, and enforced to the maximum extent possible, at any time, consistent with State law as then in effect, to the benefit of the Administrator. The Administrator shall receive the maximum benefit of each and every provision of this Agreement as may be permitted by law or the Constitution at any point in time.

IN WITNESS WHEREOF, the County of Anderson has caused this Agreement to be signed and executed in its behalf by the Chairman of the County Council, and duly attested by the Clerk to Council, and the Administrator has signed and executed this Agreement, all in triplicate, each of which will be considered an original copy, the day and year first above written.

ATTEST:

By: Linda N. Eddleman
Linda Eddleman
Its: Clerk to Council

ANDERSON COUNTY

By: Michael Thompson
Michael Thompson,
Its: Council Chairman

W. H. McCabe, Jr.
Vice Chairman

I ACCEPT THE FOREGOING TERMS AND CONDITIONS OF EMPLOYMENT:

By: Michael J. Cunningham
Michael J. Cunningham
Its: Administrator

Waiver of Attorney-Client Privilege and Consent to Produce File

Anderson County is currently in litigation with the former County Administrator, Joey Preston. The Ogletree Deakins law firm, and more particularly Tom Bright of the Ogletree Deakins law firm, was retained in the fall of 2008 to represent Anderson County for the sole purpose of dealing with the County's employment/contract issues with Mr. Preston. The County's engagement of the Ogletree Deakins law firm began in October 2008, and ended in December 2008, and was restricted to dealing with the employment/contract issues of then administrator, Joey Preston.

Anderson County has been made aware that counsel for Mr. Preston, Lane Davis, has issued a subpoena to the Ogletree Deakins law firm to produce its file pertaining to Ogletree Deakins law firm's representation of Anderson County in 2008 related to the Preston employment/contract issue. In an open session of the Anderson County Council the Council voted to waive any attorney-client privilege arising out of or attaching to the representation and advice received by Anderson County from Ogletree Deakins and/or Tom Bright. Ogletree Deakins, on the advice of outside counsel, is requesting a written waiver of the attorney-client privilege related to its representation of Anderson County regarding the Joey Preston employment/contract matters in 2008 ("the representation"), as well as a written consent for the Ogletree Deakins law firm to produce to Mr. Preston's attorney, Lane Davis, the Ogletree Deakins file related to the representation. Such consent constitutes a waiver of any claim of confidentiality under Rule 1.6 of the South Carolina Rules of Professional Conduct as to the content of that file, the representation of the County and/or any advice and communication by and between the Ogletree Deakins law firm and Anderson County.

Anderson County hereby waives any claim of attorney client privilege associated with the work performed by the Ogletree Deakins law firm and Tom Bright for Anderson County with respect to the representation. Anderson County hereby consents to the Ogletree Deakins law firm providing a copy of its file related to the representation to counsel for Mr. Preston, Lane Davis, and does hereby waive any claim of confidentiality under Rule 1.6 of the South Carolina Rules of Professional Conduct as to the representation.

Anderson County is represented by counsel in this matter, and it has sought the advice of counsel regarding this Waiver and Consent and the County understands that this Waiver and Consent could have a significant impact upon its ability in the future to prevent testimony by Mr. Bright as to his representation of Anderson County with regard to the representation.

Dated this the ____ day of November, 2011.

On behalf of the Anderson County Council

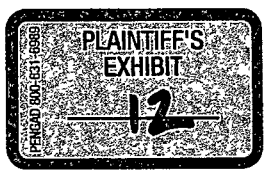


Bright, Thomas A.

From: Michael Thompson [mthompson@andersoncountysc org]
Sent: Wednesday, October 08, 2008 11 54 AM
To: Bright, Thomas A
Cc: Daniel, Buddy
Subject: RE Proposed Representation by Ogletree Deakins

Sensitivity: Confidential

Attachments: Foster Law Firm Ltr pdf





Foster Law Firm Ltr.pdf (1 MB)...

Hello Mr. Bright:

CONGRATULATIONS!

The Anderson County Council voted last night to hire you to respresent Anderson County in a contractual claim from the county administrator, Joey Preston. Attached is a letter I received from his attorney Mr. Robert Hoskins with the Foster Law Firm.

TIME IS OF THE ESSENCE. The sitting council only has about four meetings left before the new council is seated. Three of us will be replaced with new members. Our next regularly scheduled meeting is October 21.

I can be reached on my cell phone at 864-221-7992.

I look forward to working with you to resolve this matter.

Michael Thompson, MBA
Chairman, Anderson County Council

From: Daniel, Buddy [mailto:Buddy.Daniel@ogletreedeakins.com]
Sent: Tue 10/7/2008 12:34 PM
To· Michael Thompson
Subject: Proposed Representation by Ogletree Deakins

Good afternoon. Thank you for considering Ogletree Deakins as counsel in the pending matter with the county administrator. Attached is a brief overview of our firm, a description of our labor and employment practice, and a copy of Tom Bright's firm resume. As discussed, Tom has significant experience representing governmental entities in employment disputes. Tom's standard hourly billing rate is $325 per hour. Please call me to discuss any other question that you may have at this time.

Joel A. Daniel | Ogletree Deakins | 300 North Main Street (29601) Post Office Box 2757, Greenville, SC 29602 | Telephone (864) 271-1300 | Facsimile (864) 235-4754 | joel.daniel@odnss.com <mailto:joel.daniel@odnss.com> | www.ogletreedeakins.com <http://www.ogletreedeakins.com/>

Unless expressly stated to the contrary herein, (a) nothing contained in this message was intended or written to be used, can be used, nor may be relied upon or used, by any taxpayer for the purpose of avoiding penalties that could be imposed upon the taxpayer under the Internal Revenue Code of 1986, as amended; and (b) any written statement contained herein relating to any federal tax transaction or issue may not be used by any individual or entity to, recommend or support the promotion or marketing of any such transaction or issue.

This transmission is intended by the sender and proper recipient(s) to be confidential, intended only for the proper recipient(s) and may contain information that is privileged, attorney work product or exempt from disclosure under applicable law. If you are not the intended recipient(s), you are notified that the dissemination, distribution or copying of this message is strictly prohibited. If you receive this message in error, or are not the proper recipient(s), please notify the sender at either the e-mail address or telephone number above and delete this e-mail from your computer. Receipt by anyone other than the proper recipient(s) is not a waiver of any attorney-client, work product, or other applicable privilege. Thank you.

FOSTER LAW FIRM, L.L.P.
Attorneys and Counselors at Law

ROBERT E HOSKINS

PAUL J FOSTER, JR.
1928-1999

September 25, 2008

via HAND DELIVERY

Chairman Michael Thompson
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Bill McAbee
Vice Chair, Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Bob Waldrep
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Gracie S. Floyd
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Larry Greer
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Ron Wilson
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

M. Cindy Wilson
Anderson County Council
101 South Main Street
Anderson, South Carolina 29622

Re: *Joey Preston*

Dear Honorable Chairperson Thompson and Members of the Council:

I represent Mr. Joey Preston. Regretfully, it has come to Mr. Preston's attention that certain existing Council Members have made statements that they and certain newly elected Council Members intend, after January 2009, to prevent him from carrying out his duties as County Administrator. The news of the apparent agenda of certain Members of the Council is quite discouraging to Mr. Preston, personally, and from the standpoint of the good people of Anderson County. Certain Council Members have hindered Mr. Preston's ability to perform his duties as County Administrator for at least seven years now. Those attempts have, thus far, been most unfortunate for the people of Anderson County, but Mr. Preston has overcome the efforts of those who would stymie him in the performance of his duties. That the efforts will now escalate is unacceptable and intolerable. Because of his dedication to his position and the people of Anderson County, Mr. Preston has dealt with the ever increasing efforts to hinder his job performance to this point. However, to learn of the new assault he faces after the November election by those who would obstruct progress is more than he can endure. Mr. Preston considers the intent of certain members of Council and their allies to prevent him from performing his job as an anticipatory breach of his employment contract. In light of that breach, which is obviously motivated by the political and personal interests of those behind the

864.242.6200 • FAX 864 233 0290
www fosterfoster.com
601 EAST McBEE AVENUE, SUITE 104, GREENVILLE, SOUTH CAROLINA 29601
POST OFFICE BOX 2123, GREENVILLE, SOUTH CAROLINA 29602

obstructionist scheme, Mr. Preston views himself as terminated without cause. Mr. Preston would very much like to continue to serve the people of Anderson County and had hoped to do so for years to come. However, the political and personal agenda of the obstructionists has rendered his ability to serve the people of Anderson County beyond January 1, 2009 impossible. Please accept this correspondence as notice by Mr. Preston that his employment contract has been anticipatorily breached and that performance thereunder has been rendered impossible by certain Members of the Council and their cohorts. Please have the County's chosen attorney or representative contact me to discuss.

Sincerely,

Robert E Hoskins

REH:laf

Ryder, Diane K.

From: Ryder, Diane K
Sent: Tuesday, October 14, 2008 2 59 PM
To: 'pmcalister@andersoncountysc org'
Subject: Message from Thomas A Bright re· Joey Preston

Attachments: 1263_001 pdf
File: 0

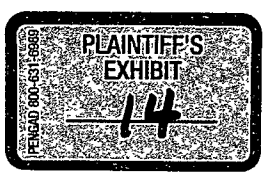


1263_001.pdf (454 KB)

Sent on behalf of Thomas A Bright
By Diane Ryder, Legal Assistant
Ogletree, Deakins, Nash, Smoak and Stewart, P C
P O. Box 2757
Greenville, South Carolina 29602
(864) 271-1300 - Phone
(864) 235-4754 - Fax

Unless expressly stated to the contrary herein, (a) nothing contained in this message was intended or written to be used, can be used, nor may be relied upon or used by any taxpayer for the purpose of avoiding penalties that could be imposed upon the taxpayer under the Internal Revenue Code of 1986, as amended; and (b) any written statement contained herein relating to any federal tax transaction or issue may not be used by any individual or entity to recommend or support the promotion or marketing of any transaction or issue

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Ogletree Deakins
ATTORNEYS AT LAW

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CONFIDENTIAL ATTORNEY pmcalister@andersoncountysc.org

MEMO

TO: PHYLLIS McALISTER
H.R. DIRECTOR, ANDERSON

FROM: THOMAS A. BRIGHT

DATE: OCTOBER 14, 2008

RE: JOEY R. PRESTON

Attached is a copy of Joey Preston's contract as Administrator. It was executed on July 22, 1998. It is my understanding that this is the only agreement that exists. I need for you to put together for me the current value of Mr. Preston's contract. You will note that the contract is a 3-year agreement that is renewed if no notice to cancel is issued prior to the 90th day before the anniversary date. If we assume that the contract is terminated pursuant to Section 3(B) (without cause), he would arguably be entitled to the balance of his compensation for the balance of the term. Again, choosing an arbitrary date of October 22 would mean that the balance of the term is 2 years and 9 months, exactly. Obviously, you would need to calculate, in addition to 2 years and 9 months, an additional 3 months of severance pay pursuant to Section 3(B). It would also be helpful to include the value of such benefits as automobile allowance, vacation and sick leave, insurance and retirement.

As we discussed by phone, obviously this communication is covered by the attorney/client privilege as this information is being put together at my request to provide legal advice to County Council.

Thank you for your help. I look forward to working with you. If you have any questions, please call me at 240-8352.

STATE OF SOUTH CAROLINA)
) MASTER EMPLOYMENT AGREEMENT
COUNTY OF ANDERSON)

THIS AGREEMENT made and entered into this 22nd day of July, 1998, by and between the County of Anderson, State of South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter referred to as "The County") and Joey R. Preston (hereinafter sometimes referred to as "Administrator"), both of whom understand and agree as follows:

WITNESSETH

WHEREAS, the County, acting by and through its governing body, the Anderson County Council (hereinafter referred to as the "Council"), desires to continue to employ the services of Joey R. Preston as Administrator of Anderson County and enters into this agreement as a binding legal and contractual obligation and commitment pursuant to Section 4-9-620 of the South Carolina Code of Laws, 1976, as amended; and

WHEREAS, it is the desire of the Council to establish certain conditions of employment and to provide certain benefits for and to set working conditions of the Administrator; and

WHEREAS, it is the desire of the Council (1) to secure and retain the services of the Administrator and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring the Administrator's morale and peace of mind with respect to future security, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Administrator, and (4) to provide a just means for terminating the Administrator's services at such time as he may be unable fully to discharge his duties due to age or disability or when the County may desire to otherwise terminate his employment; and

WHEREAS, the Administrator desires to continue employment as Administrator of Anderson County under the terms and conditions of employment as referenced herein:

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. DUTIES

County hereby agrees to employ and to continue to employ Joey R. Preston as the Administrator of Anderson County to perform the functions and duties specified in Section 4-9-630 of the South Carolina Code of Laws, 1976, as Amended, and to perform such other legally permissible and proper duties and functions as the Council shall from time to time assign, whether by job description or otherwise.

Section 4-9-660 of the South Carolina Code of Laws, 1976, as amended, which governs dealings between and among Council, its members , the Administration, and County employees, directs and governs the Administrator's performance of duties on behalf of Council and requires:

"Except for the purposes of inquiries and investigations, the council shall deal with county officers and employees who are subject to the direction and supervision of the county administrator solely through the administrator, and neither the council nor its members shall give orders or instructions to any such officers or employees."

SECTION 2. TERM

A. The Administrator serves at the pleasure of Council, and nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Anderson County Council to terminate the services of the Administrator at any time, subject only to the provisions set forth in Section 3, Paragraphs A, B, and C of this Agreement.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Administrator to resign at any time from his position with the County, subject only to the provision set forth in Section 3, Paragraph D of this Agreement.

C. The Administrator agrees to remain in the exclusive employ of the County from July 22, 1998 the first day of his employment with the County under this Master Employment Agreement until July 21, 2001 a date three (3) years from such first day of employment under this Master Employment Agreement, and to neither seek nor accept employment nor become employed by any other employer until said termination date, unless said termination date is effected as hereinafter provided.

The term "employed" shall not be construed to include occasional teaching, writing, speaking, or consulting performed on personal time off, even if outside compensation is provided for such services. Said activities are expressly allowed, provided that in no case is any activity allowed which would present a conflict of interest with the County or interfere with Administrator's execution of duties for the County. In the event travel is required for such non-County related business, the Council shall be notified in advance. De Minimis use of County owned equipment for the purposes noted in this paragraph is hereby authorized.

D. In the event written notice of intent to not renew this Agreement is not given by either party to this Agreement to the other at least ninety (90) days prior to any annual anniversary of the date first above written, this agreement shall be extended on the same terms and conditions as herein provided, all for a new term consisting of the term then remaining at such annual anniversary date plus an additional period of one (1) year; such that the maximum effective term of this Agreement shall never exceed three (3) years and not be less than the respective term remaining when any notice of intent to not renew is given. Said agreement shall continue thereafter for a continuing, annually renewable term consisting of the respective term then remaining at such annual anniversary date unless written notice of intent to not renew is given by either party to this Agreement to the other at least ninety (90) days prior to any subsequent annual anniversary of the date first above written.

SECTION 3. TERMINATION AND SEVERANCE PAY

Termination with Cause

A. Grounds for termination with cause shall be the conviction of the Administrator of any crime involving personal gain to himself, any crime involving moral turpitude (as defined in South Carolina state law) or the refusal of the Administrator to perform the duties of this office. For the purposes of this section the duties of his office include maintaining reasonable, consistent office hours, except during such times as the duties of his office require his absence or as noted elsewhere in this Agreement, compliance with the laws and Constitution of the State of South Carolina, performance of the duties set forth in Section 1 of this Agreement, and compliance with the lawful directives of the Council passed in open, public meetings of said Council which do not conflict with or invade the responsibilities and authority conferred on the Administrator by the South Carolina Constitution or Code of Laws. If a majority of Council members feel that the Administrator is not in compliance with the above duties, then said members shall cause a certified mail, return receipt requested letter to be sent to the Administrator advising him of his non-compliance and stating a reasonable length of time offered him for correction. If, after such reasonable time period has passed, the Administrator fails to correct the noted non-compliance he may be terminated with cause and shall not be entitled to severance pay, but shall be entitled to all compensation and benefits accrued yet unpaid at the date of termination.

Illness and Disability

In the event the Administrator shall suffer serious illness or injury during the contract period, he shall be afforded a minimum of 90 work days as a recovery period before he may be deemed to be in violation of the terms of his contract and subject to the provisions relating to termination with cause. Council may upon public vote extend this recovery period. Nothing in this Agreement shall be construed as to exempt such 90 work day (or longer, as authorized by Council) recovery period from the normal County rules governing use of leave and sick time and leave-without-pay to cover time absent from work. Further, nothing in this Agreement is intended to negate or diminish the Administrator's entitlements, benefits, or rights under any applicable law or regulation, it being the intent of the Parties that this Agreement is in addition to, not in lieu of, all applicable laws and regulations.

Termination Without Cause

B. If the Administrator is terminated for any reason other than those set out above, he shall be deemed to have been terminated without cause and shall be entitled to all pay and financial benefits remaining on his contract for the balance of the contract period in a lump sum or in incremental payments, as he, in his sole discretion, shall choose, as severance pay for such termination without cause. In addition, the Administrator shall also be compensated for all earned sick leave, vacation, holidays, compensatory time and other accrued benefits to date, calculated at the rate of pay in effect upon termination. The Administrator shall receive

additional severance pay under this paragraph, based upon the length of his total service to the County, and computed at the rate of one month aggregate compensation under this Agreement for every two years of such service, based on his date of hire of September 25, 1996. The total severance pay under this Agreement shall not exceed thirty-six (36) months aggregate, total compensation at the rate of pay in effect upon termination. Further, in the event that Administrator is terminated by the Council as set forth in this Section (without cause), then in that event all life, health, dental, and disability insurance and all other County provided benefits for the Administrator shall continue in full force and coverage, at County expense, for a period of six (6) months or until similar coverage is provided to Joey R. Preston by a subsequent employer (and is in full force and effect) whichever comes first. Said continuation of group health insurance coverage shall be in addition and prior to any protection afforded Administrator by the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). Coverage under COBRA shall begin on the date all coverage extended under the severance provisions herein expire.

C. In the event the County at any time during the employment term reduces the salary, compensation, or other benefits of the Administrator in a greater percentage than an applicable across-the-board reduction for all County employees, or in the event the County refuses, following written notice, to comply with any other provision benefitting the Administrator herein, or if the Administrator is reassigned to another position within the County's employ then, in that event, the Administrator may, at his sole option, be deemed to be "terminated without cause" at the date of such reduction or such refusal to comply, or such other act enumerated in this Section, all within the meaning and context of the severance pay provisions herein contained, and all with the same effect and rights as described in Subsection B of this Section 3.

D. In the event the Administrator voluntarily resigns his position with the County before expiration of the aforesaid term of employment, then the Administrator shall give the County three (3) months notice in advance of such intent to resign and, if he should fail to give such notice, shall forfeit a proportionate amount of salary equal to the salary due for the period by which he fails to give such three (3) months notice as a liquidated damage penalty for failure to give adequate notice to the County.

E. Contemporaneously with the delivery of all severance pay and entitlements hereinabove set out, the Administrator agrees to execute and deliver to the County a release, releasing the County of all further claims that the Administrator may have against the County.

SECTION 4. SALARY

County agrees to pay the Administrator for his services rendered pursuant hereto an initial annual base salary of Ninety-Five Thousand Dollars ($95,000), payable in installments at the same time as other employees of the County are paid, plus an annual payment of Five Thousand Dollars ($5,000) to the Administrator's designated 401K deferred compensation plan. County further agrees to adjust Administrator's base salary at the same times and in the same relative degree or percentage as it adjusts those of other employees of the County. Further, the County agrees to pay the Administrator on or about every July 1, a pay step increase in gross salary consistent with the County's then current wage and compensation plan, but not less than two percent (2%) in any event, and based upon a satisfactory performance evaluation as covered in Section 12 of this Agreement. Finally, in addition to the foregoing, the County agrees to compensate the Administrator, at a daily and hourly rate based on his then current annual salary, for any accrued annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse.

SECTION 5. HOURS OF WORK

A. It is recognized that the Administrator must devote a great deal of his time outside normal office hours to business of the County, and to that end the Administrator will be allowed to take compensatory time off as he shall deem appropriate during said normal office hours.

B. The Administrator shall not spend more than ten (10) hours per week in teaching, consulting or other non-county connected business for compensation, without the express prior approval of Council.

C. Except as otherwise noted in this Agreement, the Administrator will observe the normal business and working hours of County government and will work sufficient hours to satisfactorily discharge the duties, obligations, and requirements of his office.

SECTION 6. AUTOMOBILE

The Administrator's duties require that he shall have the exclusive and unrestricted use at all times during his employment with the County of a suitable automobile, with cellular telephone, provided at no cost to him by the County. The County shall be responsible for paying for liability, property damage, and comprehensive insurance and for the purchase, operation, fuel, maintenance, repair and regular replacement (at intervals of not less than every five (5) years or 100,000 miles, whichever comes first) of said automobile and cellular telephone.

SECTION 7. DUES AND SUBSCRIPTIONS

The County agrees to budget and to pay the professional dues and subscriptions of the Administrator necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional and community participation, growth and advancement.

SECTION 8. BUSINESS TRIPS FOR ANDERSON COUNTY

County does hereby agree to budget and pay the reasonable travel and subsistence expenses of the Administrator for official travel while on County business and for attendance at meetings, seminars and conventions of the South Carolina Association of Counties and the International City Managers Association and Anderson Area Chamber of Commerce.

SECTION 9. VACATION AND SICK LEAVE

The Administrator shall be entitled to and shall accrue annual vacation leave with pay and sick leave in the same manner as other employees of the County. Because Administrator has worked in local government in South Carolina for many years, which inures to the benefit of County in the form of significant experience, but was unable to transfer any of his accrued annual or sick leave, he was deemed, for all leave accrual purposes, to have been employed by County, at the time of hiring, for five (5) years and to have already accrued and have credited to his payroll and personnel accounts, at the time of hiring, the amount of vacation and sick leave which he would have accrued in one (1) year as an employee with five (5) years of County employment. The Administrator's date of hire will be deemed to be the date he actually began work for the County, September 25, 1996, his first day of employment. The Administrator shall be entitled to accrue and carry forward the maximum amounts of annual and sick leave authorized by County personnel policies, but shall be compensated for any annual leave, in excess of the maximum amount which the Administrator can carry forward to the next accounting year, which the Administrator would otherwise forfeit because of nonuse, in accordance with the terms and provisions of Section 4., hereof.

SECTION 10. BENEFIT PLANS

The Administrator shall be entitled to participate in all benefit plans as may be available, from time to time, to employees of the County in the same manner, including County contributions, and to the same extent of said employees to include, without limitation, state retirement plan and medical and other insurance plans.

SECTION 11. INSURANCE COVERAGE AND ANNUAL PHYSICAL

A. The County agrees to put into force, and make required premium payments for the Administrator, for an insurance policy providing 24-hour coverage for occupational as well as total and permanent disability income benefits, including

residual benefits, with no expiration, no deductible, and no exclusion period. Said policy shall provide 75% income replacement for short term coverage, from the expiration of any accrued sick leave until long term coverage begins, and 60% income replacement for long term coverage. Said policy shall also be noncancelable and be guaranteed renewable, with cost of living provisions included.

B. The Administrator shall be covered by the same health and dental plans as all other employees and the County shall pay the Administrator's share of premiums for the Administrator for the health and dental plans, including family plans, elected by the Administrator and that coverage shall be in full force and effect immediately upon start of service to the County under this Agreement.

C. The County agrees to purchase and pay the required premiums for term life insurance policies, providing coverage equal in amount to four times the total annual aggregate compensation of the Administrator under this Agreement, with the beneficiary to be designated by the Administrator.

D. The Administrator agrees to submit once per calendar year to a complete physical examination, by a qualified physician of his choosing, the costs of which shall be paid by the County and/or County's insurance policy.

SECTION 12. PERFORMANCE EVALUATIONS

The Council shall review and evaluate the performance of the Administrator no later than February 1 of each year. The County agrees to increase base salary and/or other benefits of the Administrator at the time of said review, in such amounts and to such extent as provided in Section 4 in light of performance by the Administrator. It is further understood that merit increases based on annual performance evaluations and salary reviews are exclusive of any general costs-of-living increases provided to the Administrator and other employees. The Administrator shall receive all cost-of-living increases, if any, which the County may grant to its other employees, at the same time and in the same manner said increases are granted to those employees.

SECTION 13. SUSPENSION

The County may suspend the Administrator with full pay and benefits at any time during the term of this Agreement, but only if a majority of the Council and the Administrator agree, or, after a public hearing, a majority of the Council votes to suspend the Administrator for "just cause", provided however, that the Administrator shall be given written notice setting forth any charges at least ten (10) days prior to such hearing, by the Council members bringing such charges. "Just cause" is defined, and hereby limited, for the purposes of this Section to the following: (1) willful neglect of duty, (2) conviction of any crime involving moral turpitude, (3)

violation of duties to the County of honesty and sobriety, or (4) any other act of similar nature, or of the same or greater seriousness.

SECTION 14. INDEMNIFICATION

The County shall defend, save harmless, and indemnify the Administrator against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of his duties as Administrator. The County may compromise and settle any such claim or suit and will pay the amount of any settlement or judgment rendered thereon. Said indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement, to provide full and complete protection to the Administrator by the County as described herein, for any actions undertaken or committed in his capacity as Administrator, regardless of whether the notice of filing of a lawsuit for such tort, claim, demand, or other legal action occurs during or following the Administrator's employment with County.

SECTION 15. CONFLICT OF INTEREST PROHIBITION.

It is further understood and agreed that because of the duties of the Administrator within and on behalf of the County of Anderson and its citizenry, the Administrator shall not during the term of this Agreement, individually, as a partner, joint venturer, officer or shareholder, invest or participate in any business venture conducting business with Anderson County, or receiving economic development incentives from Anderson County, except for stock ownership in any company whose capital stock is publicly held and regularly traded, without the prior approval of the Council.

SECTION 16. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

A. The Council shall fix such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Administrator, provided such terms and conditions are not inconsistent with, or in conflict with, the provisions of this Agreement or state law.

B. All policy provisions of the County relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist, or hereafter may be amended, shall also apply to the Administrator as they would be to other employees of the County, in addition to said benefits enumerated specifically for the benefit of the Administrator, except as herein provided.

C. Except as noted herein, the Administrator shall be entitled to receive the same vacation and sick leave benefits as are accorded department heads, including provisions governing payment therefor on termination of employment.

SECTION 17. GENERAL PROVISIONS

A. The text herein shall constitute the entire agreement between the parties.

B. This Agreement shall become effective commencing on the date of execution by the parties, as first above written and hereby expressly replaces and supersedes that Employment Agreement by and between the same parties dated July 16, 1996, except as to rights and benefits already accrued under that latter Employment Agreement to which the Administrator is entitled, all of which are hereby preserved and carried forward to this Master Employment Agreement.

C. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Administrator and the County and its successors.

D. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, in whole or in part, by any court of competent jurisdiction, the remainder of this Agreement or the portion thereof in question shall be deemed severable, shall not be affected, and shall remain in full force and effect. It is the intent of the parties to this Agreement that the Agreement be applied, executed, and enforced to the maximum extent possible, at any time, consistent with State law as then in effect, to the benefit of the Administrator. The Administrator shall receive the maximum benefit of each and every provision of this Agreement as may be permitted by law or the Constitution at any point in time.

IN WITNESS WHEREOF, the County of Anderson has caused this Agreement to be signed and executed in its behalf by the Chairman of the County Council, and duly attested by the Clerk to Council, and the Administrator has signed and executed this Agreement, all in triplicate, each of which will be considered an original copy, the day and year first above written.

ATTEST:

Linda N. Gilstrap
Clerk to Council

ANDERSON COUNTY

By: William A. Floyd, Council Chairman

I ACCEPT THE FOREGOING TERMS AND CONDITIONS OF EMPLOYMENT:

Joey R. Preston

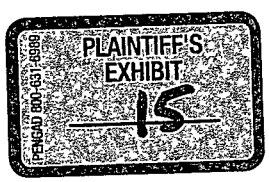
TERESA L. BANNISTER
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES: MAY 25, 2005

GRVL:71657

Ryder, Diane K.

From: Gina Humphreys [ghumphreys@andersoncountysc.org]
Sent: Friday, October 17, 2008 10.01 AM
To: Bright, Thomas A.
Cc: Ryder, Diane K.
Attachments: Preston - Contract info for T. Bright.xls

Tom,
Here is a spreadsheet that entails the value of Mr. Preston's contract Please call when you receive and we can review.
Gina Humphreys



CONTRACT TERMINATION WITHOUT CAUSE

SUMMARY OF ALL COMPENSATION AND BENEFITS THAT WOULD BE EXPENDED EITHER TO ADMINISTRATOR OR ON HIS BEHALF

	DESCRIPTION	2009 AMOUNT (12 MONTHS)	2010 AMOUNT (12 MONTHS)	2011 AMOUNT THRU 7/21 (6 5 MONTHS)	TOTALS 2009 THRU 7/21/2011
1	SALARY (CURRENT RATE PLUS 2% EACH YEAR)	$167,838	$171,195	$87,309	$426,342
2	SOCIAL SECURITY/MEDICARE TAXES - EMPLOYER	$8,758	$8,806	$6,679	$24,243
3	UNUSED VACATION PAY OUT (AS OF 9/30/08)	$40,424			$40,424
4	SICK AND COMP LEAVE (AS OF 9/30/08)	$64,415			$64,415
5	401(K) (PER CONTRACT)	$5,374	$5,374	$2,911	$13,659
6	401(K) COUNTY MATCH	$300	$300	$150	$750
7	LIFE INSURANCE (CURRENT RATES, ASSUME NO INCREASE)	$928	$928	$503	$2,359
8	RETIREMENT (9 39% employer portion only)	$15,760	$16,075	$8,198	$40,033
9	HEALTH INSURANCE (USED 2008 CURRENT RATES PLUS 5%)	$11,342	$11,909	$6,773	$30,024
10	DENTAL INSURANCE (USED 2008 CURRENT RATES PLUS 5%)	$416	$437	$249	$1,102
11	LONG-TERM DISABILITY (USED 2008 CURRENT RATES PLUS 5%)	$45	$47	$27	$119
12	OPTIONAL LIFE (USED 2008 CURRENT RATES PLUS 5%)	$794	$833	$473	$2,100
13	SUPPLEMENTAL LONG-TERM DISABILITY (CURRENT RATES PLUS 5%)	$277	$291	$166	$734
14	TELEPHONE (FY08 ACTUAL PLUS 5%)	$4,369	$4,588	$2,607	$11,564
15	FUEL (FY08 ACTUAL PLUS 5%)	$7,591	$7,970	$4,531	$20,092
16	ESTIMATED LEASE PAYMENTS ON VEHICLE ($50,000, 4 YEARS, 5%)	$8,484	$8,484	$4,596	$21,564
17	VEHICLE INSURANCE (FY08 ACTUAL PLUS 5%)	$817	$858	$488	$2,163
18	VEHICLE REPAIRS (FY08 ACTUAL PLUS 5%)	$2,000	$2,100	$1,194	$5,294
19	DUES AND SUBSCRIPTIONS (FY08 ACTUAL PLUS 5%)	$310	$310	$169	$789
20	ANNUAL PHYSICAL (ESTIMATE ONLY)	$500	$500	$500	$1,500
	SUBTOTAL	$340,742	$241,005	$127,523	$709,270
	ADDITIONAL ITEMS PER CONTRACT:				
21	SEVERANCE PAY OF 6 MONTHS				$83,920
22	ALL HEALTH, LIFE, DENTAL AND DISABILITY INSURANCE FOR 6 MONTHS This is item #'s 9 through 13, plus #7				$6,901
23	ALL OTHER COUNTY PROVIDED BENEFITS TO BE PAID FOR SIX MONTHS This is item #'s 14 through 20, 2, 5, 6, and #8				$27,131
	TOTAL				$827,222

002019

TC/Bob Waldrep — Anderson County — 10/13/08

Preston has worked himself into a state of victimization. 5 council members want to buy out his contract.



commissioner with a 20 year contract → could they bind the hands of the following -

"just cause" → nothing concrete yet.
He is the master of obfuscation.

sued as individuals → claiming violation of Home Rule Act. Buddy Nicholson

preclude them from speaking with Co. Ees -
- going to finance to see credit card records. (finance director) (Dec, 2007)
- wrote letter requesting info from 911 → asking why EMS never sh
- 2 constables spoke to Ee @ meeting with them → Preston said they weren't allowed

$8M transaction.

PLAINTIFF'S EXHIBIT 17
PENGAD 800-631-6989

TC/Gracie Floyd — Anderson County — 10/13/08

she knows of no cause for termination now. Rumors @ credit cards, but nothing proven.
audit - no one knows where we stand. Mr. Wilson suggested it. no parameters set. no real guidelines set.
(reports people didn't get; checks paid out of various accounts).

(she felt no minutes taken at the workshop.)

she's in an election right now.

need to get to the bottom of this. some want to get rid of Preston, just complaining; not constructive. people in community have taken this up. gotten rid of various counsel ~~[illegible]~~ members.

Catergate → Cate's lake → supposedly had something going on with a female ee.



TC/ Ms. Wilson County Council 10/13/08

she believes that new counsel coming on in Jan. three new members

there is strong possibility of cause for discharge.

in executive session → she got

she urges temperance and discussion. the lame ducks want to buy out the administrator put new administrator in place.

Waldrup read a letter to set a scope for the audit → put on paid leave → have an interim administrator.

makes her question → what will you find.

wants to look at credit card files. → looking at it → ees/counsel members buying liquor. no back up. no support.

5 council members looking to buy out contract. can't just settle something overnight.

PLAINTIFF'S EXHIBIT 20

violation of privacy
defamation

(1) 1st lawsuit against her → over a car matter. she called SLED. gave them information concern that landfill [redacted] transaction had been bad for County.

fancy sports car at issue → changes hands several times.
SLED never investigated. she got sued. homeowners insurance settled for $800.00

(2) several ethics complaints
2 in 2001 – Dene Taylor
Johnny Caldwell } deposed falsified docs. in the file. Co. atty and admin prepared these

she was cleared.

Ross Player → Collins + Lacy

(3) June 3 → Co. re sued her for defamation by posting something on her web site. (Mr. Drace) (re awarded [redacted] herself a [redacted] motorcycle trip).

(4) a second ethics complaint → current atty gen. said → Preston should give up certain info to her.
engaged Jay Bender Nov. 04 → writ of mandamus. billings statements of attys. went to Supreme Court → majority of Counsel has to vote on it. should have included credit card bills.

drinks at Sullivan's bar → using Co. credit card. no back up. no itemized receipts.

she takes her responsibilities seriously. She needs to see docs. and discuss it with citizens.

claim → interfering with his ability to perform his job.

current lawsuit → sued her in individual capacity. he wanted employee affidavits sealed. got them the day of the hearing. took live testimony. Judge said → look at it over night → affidavits or testimony over night. affidavits due in 15 days.

GLR 153 account request → wants to see where we were on June 30. she thinks he pays things in oct and post date to prior year.

Bill McAbee — Anderson County — 10/14/08

voted [redacted] to have an audit on an item for item review.

Faction on council to get rid of Preston → looking for reason to discharge for cause.

used to think Cindy crazy; now he thinks she's evil. all related to Beaver Dam sewer line. this is payback for her.

her allegations are unfounded. 2 years ago she said she had evidence of wrong doing. said info is in lawyers hand in Columbia. would never show it to him. she never asked him to resign or suggested what the wrongdoing was.

credit cards
cause de jure (but ~~these~~ were budgeted expenses)



FOSTER LAW FIRM, L.L.P.
Attorneys and Counselors at Law

ROBERT E HOSKINS

PAUL J FOSTER, JR.
1928-1999

October 23, 2008

SETTLEMENT OFFER – CONFIDENTIAL
(NOT ADMISSIBLE FOR ANY PURPOSE)

via HAND DELIVERY

Tom Bright, Esq.
Ogletree Deakins Nash Smoak & Stewart, P.C.
PO Box 2757
Greenville, SC 29602

Re: *Joey Preston*

Dear Tom:

Per your request, I am sending you Mr. Preston's proposal for a complete resolution of all claims against the County and the two individual Council Members we previously mentioned. As you know, the scope of potential claims goes beyond "the four corners" of Mr. Preston's employment contract with the County. In fact, the employment contract claim, itself, is simple and straightforward. I understand the County has previously provided you information pertaining to the amounts due Mr. Preston under the unequivocal terms of his employment contract because of his discharge without cause. The total value of the money and benefits due is outlined in the spreadsheet you were previously provided and that total is $827,222.00.

Unfortunately, there also exist a number of causes of action which Mr. Preston will assert against two current Council Members as well as maybe one or more incoming Council Members. His additional causes of action will, obviously, include tort claims given the extreme malice in and intentional nature of the actions of the subject Council Members over the past several years.

The proposal that we make herein is a global proposal. If the County is agreeable then Mr. Preston will execute a complete release and will not pursue any additional action(s), in his personal capacity, against the County or the individual Council Members who he will, otherwise, most definitely pursue.

I am confident that the presiding court, after considering relevant evidence, will find in Mr. Preston's favor in any legal action which might be brought (as you know, Mr. Preston has been a party to several suits as a result of the actions of the two Council Members and no court has, thus far, ruled with the Council Members). Most regrettably and much to Mr. Preston's chargrin, Anderson County will legally necessarily be a defendant in any lawsuit he might be forced to bring. I can assure you, on behalf of Mr. Preston, that the legal necessity of having to make the County a defendant in any upcoming lawsuit saddens Mr. Preston. Regrettably, it is unavoidable, as you know, if suit is brought.

864.242.6200 • FAX 864.233 0290
www.erisaexperience com
601 EAST McBEE AVENUE, SUITE 104, GREENVILLE, SOUTH CAROLINA 29601
POST OFFICE BOX 2123, GREENVILLE, SOUTH CAROLINA 29602



If a verdict is rendered in Mr. Preston's favor then his damages will be significant. The actions of the subject Council Members have forced Mr. Preston, over the years, to have to sue those Council Members (which he did not want to do, but was duty bound to). That history will, unquestionably, preclude him from getting any other job as a County Administrator in the State of South Carolina. Accordingly, Mr. Preston will suffer special damages, under South Carolina law, because of his inability to work in a position where he could procure additional retirement credits. He is, therefore, compelled to seek as special damages the value of the additional years of retirement credit service he will need and which he certainly would have gotten through service to Anderson County, or another County, but for the actions of the subject Council Members. Mr. Preston is going to have to insist on the following which is the only way he can be compensated for harm that has been done to him.

Mr. Preston needs seven years, seven months and twenty-three days of service retirement credits. The exact amount of money necessary to procure the required service credits is $356,087.00 (to be paid directly to the SC Retirement Systems to purchase the needed credits). But for the actions of the subject Council Members, Mr. Preston would have been able to serve out his career as the County Administrator for Anderson County up to his retirement age. Had he been allowed to serve as County Administrator, as he wished to, he would have also been entitled to health insurance coverage as a retiree. Consequently, Mr. Preston must insist, as a part of any settlement, that he be provided the equivalent of the retiree health benefits he would have received. Mr. Preston has researched the matter and found that the most economical way to procure the equivalent benefits is for the County to fund his HRA for medical expenses for his life expectancy and that will require a funding payment of $92,772.00 to the account.

Accordingly, in order to settle all claims against the County and the subject Council Members, Mr. Preston requires the payments (and benefits) due under his contract (value - $827,222.00) and the equivalent of what he has been denied as a result of the actions of the subject Council Members (*i e.*, seven years, seven months and twenty-three days of retirement service - $356,087.00 paid to SC Retirement Systems, and the retiree health benefits - $92,772.00 paid to his HRA account). Mr. Preston asks for no more and is due no less.

Mr. Preston very much wants to resolve this matter now in a manner that is most economical and in best interest of all involved. Accordingly, I have not put any "fluff" or "padding" in this offer. You will note that there is no request for any sort of "compensatory or punitive damages", although those damages might be recoverable in a tort action against the two Council Members. Likewise, there is no request for attorney's fees, costs or any other money which might be recoverable in a lawsuit. Mr. Preston appreciates the time that he has served the people of Anderson County and he truly wishes to be allowed to continue to do so. However, the subject Council Members have made that impossible with their actions. At this point, Mr. Preston simply wishes to walk away with only that which is due him and which will make him whole due to the damage that has befallen him as a direct result of the actions of the subject two Council Members.

If an agreement can be reached, Mr. Preston is more than willing to work as a consultant to assist the County and its Council with ongoing capital projects (which now total over $25 Million Dollars), events and other matters as needed.

Please discuss with your client and let me know your response. Also, if your client is agreeable, in principle, then there will be some legal "I's" to dot and "T's" to cross regarding the terms. However, I see no need to address logistics until we have an agreement in principle.

With kind regards, I remain,

Sincerely,

Robert E. Hoskins

REH:laf
cc: Joey Preston

ANDERSON COUNTY COUNCIL
(Personnel Committee)

I. Preston's Position

A. Certain Council members (and those newly-elected) have made it clear they intend to prevent him from carrying out his duties post-Jan. 2009.

— statements by Mr. Waldrep's campaign regarding giving Preston duties he could not perform in order to fire him.

B. Have hindered his duties for seven (7) years.

C. "Assault" to obstruct progress.

D. He concludes → intent to preclude him from doing his job.

E. Views this as anticipatory breach/constructive discharge.

1. Law on constructive discharge.

   a. Material change in duties, rank or compensation.

   b. Intolerable working conditions such that a reasonable person would feel compelled to resign.

2. Anticipatory breach.

   a. Unequivocal repudiation.

   b. Repudiation final and absolute.

   c. Repudiation unequivocal.

   d. Repudiation not based on partial breach – must go to the essence of the contract.

   e. Must be clear intent not to perform under the contract in the future.

II. Legal Analysis

A. No anticipatory breach. *Collins v Wausau*, 204 EED Appx. 208 (4th Cir. 2006) (citing S.C. Law).

B. No constructive discharge.



C. No resignation/quit – letter 10/20/08.

D. What you do going forward could create that situation.

III. Contract Validity.

A. *Piedmont Public Service Dist. v Cowart*, 324 S.C. 239, 478 S.E.2d 836 (Sup.Ct. 1996).

1. If it is a governmental function versus a proprietary function, and cannot be impaired by an employment contract extending beyond the teems of the members of the local governing body.

2. Appointment and removal of chief executive is a governmental function.

3. Exception – where enabling legislation clearly authorizes the body to make that contract beyond its members teems.

B. South Carolina Attorney General option – post *Cowart*.

1. Same issue, but with Co. attorney.

2. Same result – voidable contract.

C. Spoke with three current or former county attorneys and they all agree that contract is likely voidable.

D. Recent decision – *City of Gaffney* case, August 15, 2008.

1. Little different.

2. Involves change in retiree medical benefits.

3. Cites *Cowart* → Council lacked authority to enter into a contract in excess of their terms.

4. All other theories rejected as well (estoppel).

IV. Value to the Contract/Demand.

A. Full payment under his contract.

B. Basis for termination.

1. Cause - ¶ 3(A)

— Conviction of crime for p ersonal gain or crime involving moral turpitude.
— Refusal to perfo rm duties of his office (cure opportunity).
— No sever ance pay; just what's unpaid at time of termination.

2. Disability - ¶ 3(B).

3. Without cause - ¶ 3(C).

— Whole contract, lump sum or incremental, his opt ion.
— 30 -month cap, with severance.
— 6 months benefits under COBRA kicks in.
— around $825,000 .

4. Consistent with demand letter dated 10/23/08.

V. Demand Letter -- $870,000.

A. Contract claim.

B. Tort claims regarding two sitting Council members and several incoming members.

C. Special damages → inability to work again in County government and, therefore, losing maximum retirement under State plan ($56,087), plus cost for retiree benefits ($92,772).

VI. Recommendation.

A. Write a letter back – no anticipatory breach.

B. No reason for this Council to ask for his resignation – expect him to continue as Administrator.

C. Lots of authority that contract is voidable.

— Leave it for new counsel – there will be litigation.
— Let them make a choice -- " " " "

D. Terminate now and pay nothing – there will be litigation.

E. Do nothing to suggest repudiation of the contract.

F. Settle with him and pay his contract out.

— Good ar gument it is voidable and, therefore, has no value.
— Citi zens may go after Preston and former Council members for giving away their $$ without good reason.

G. Take the high road – stay above the fray – if the new Council wants to move in another direction, let them make those decisions.

6766152 1 (OGLETREE)

Anderson County

11/10/08

Meeting with Joey Preston

Gina Humphreys was invited to come to meeting by Joey Preston.
TAB expressed reservation about her participation
TAB called Ron Wilson - expressed concern - he agreed with TAB that she should not participate.

TAB, Ellis Fisher
Candy Kerr-Fuller
Rob Hoskins
Joey Preston



TAB went through setting - shared the legal + practical issues. Rob Hoskins said he wanted individual council members to know they were at risk personally. TAB assured he had shared that with each council member.

It's caucused → brought Gina Humphrey's in to discuss the issue.

Rob Hoskins came out and said → no. need $1,300,000, wanted more specific number.
TAB said he can't get solid figure without a vote of council. TAB did say that although no specific numbers discussed, he could be reasonably assured that $600,000 could be sold to Council.

TAB discussed the risk of not prevailing.
Rob said that the contract prohibits dispersion

ever with pay. TAB said it wouldn't be a suspension - it would be leave w/out pay while audit done.

TAB discussed him returning to work with full support of Council. Rob said → maybe then it doesn't have much of a case. But the K says no suspension.

Called and informed Ron Wilson and Bill McAbee. McAbee said give him #1, 3
Left messages for Larry Green.

T/C / Ron Wilson — Anderson Co. (Preston) — 11/11/08

Here's what he wants to do - set up a meeting offer $1.1 million. get it off the table. Can't take a figure to council unless it is a number they can accept.
- way to put an end to this
- will be more expensive if they let it go to litigation
- will cause continual consternation and turmoil if its in litigation for 2-3 years.

Issues to cover with Preston's atty
- tax consequences → split all contract / wages, hefty withholding
- when to pay
  - retirement - he has to pay while on payroll - takes time to clear.
  - must agree to work through specific date.
- Retirement - he pays it - he bears the burden of his eligibility.
- COBRA election → must begin immediately at end of employment
- Confidentiality - no such animal

PLAINTIFF'S EXHIBIT 25

- full release of county and council members
- structured or lump sum.

11/13/08

Met with Rob Hoskins to deliver L.I "concensus" said its not an offer but what personal Comm. willing to push with Council - offer needs to be from them.

Raised the issues above @
- timing
- retirement
- benefits
- taxes
- mutual releases

Rob raised issue of current litigation

Rob to check with Joey.

FOSTER LAW FIRM, L.L.P.
Attorneys and Counselors at Law

ROBERT E HOSKINS

PAUL J FOSTER, JR
1928-1999

November 17, 2008

via E-mail @ tom.bright@ogletreedeakins.com & HAND DELIVERY

Tom Bright, Esq.
Ogletree Deakins Nash Smoak & Stewart, P.C.
PO Box 2757
Greenville, SC 29602

Re: *Joey Preston*

Dear Tom:

I have been meeting with Joey for the last two hours. You will find attached two unrelated spreadsheets which specify how payment should be made and the intangible terms of which we are currently aware. If you would please put this in the context of your "draft" agreement you are going to send to me later today, I would appreciate it. Although I know that the agreement needs to be voted on tomorrow night and that the substantive figures are what is being considered, there are a few legal issues with regard to the final settlement agreement that I need to obtain consultation on. Accordingly, although I want to finalize the terms of the deal, I do not want to finalize the settlement agreement until I have time to obtain the consultation I need. I hope this will not be a problem. We have worked hard this morning to get the final substantive terms together. Please forward me your draft agreement when you are ready.

With kind regards, I remain,

Sincerely,

Robert E. Hoskins

REH:laf
Enclosure

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POST OFFICE BOX 2123, GREENVILLE, SOUTH CAROLINA 29602



SUMMARY OF CONTRACT BUY-OUT

		AMOUNT
AMOUNT TO BE PAID DIRECTLY TO MR. PRESTON	$	741,973
AMOUNT TO BE PAID TO OTHERS ON MR. PRESTON'S BEHALF:		
SOCIAL SECURITY	$	24,243
S.C. 401k PLAN PLAN	$	14,409
S..C. RETIREMENT SYSTEM	$	359,258
TOTAL OF BUY-OUT COST	$	1,139,883

NOTES:

1. COUNTY TO TRANSFER TITLE OF 2006 GMC YUKON TO MR. PRESTON.

2. MR. PRESTON WILL BE ELIGIBLE FOR COUNTY FUNDED RETIREE HEALTH INSURANCE THE SAME AS ALL OTHER COUNTY EMPLOYEES AS PER ORDINANCE NO. 2008-053 AND CODE SECTION 55-38 (RETIREE INSURANCE)

CONTRACT TERMINATING FY10-11 [illegible]

WITH 1) A TOTAL OF 6 YEARS, 3 MONTHS OF RETIREMENT PURCHASED BY COUNTY, and 2) LEGAL EXPENSES PAID BY COUNTY
SUMMARY OF ALL COMPENSATION AND BENEFITS THAT WOULD BE EXPENDED EITHER TO ADMINISTRATOR OR ON HIS BEHALF

	DESCRIPTION	2009 AMOUNT (12 MONTHS)	2010 AMOUNT (12 MONTHS)	2011 AMOUNT THRU 7/21 (6 5 MONTHS)	TOTALS 2009 THRU 7/21/2011
1	SALARY	$167 838	$171,195	$87,309	$426,342
2	SOCIAL SECURITY/MEDICARE TAXES - EMPLOYER	$8,758	$8,806	$6,679	$24,243
3	UNUSED VACATION PAY OUT (AS OF 9/30/08)	$40,424			$40,424
4	SICK AND COMP LEAVE (AS OF 9/30/08	$64,415			$64,415
5	401(K) (PER CONTRACT)	$5,374	$5,374	$2,911	$13,659
6	401(K) COUNTY MATCH	$300	$300	$150	$750
7	LIFE INSURANCE (CURRENT RATES, ASSUME NO INCREASE)	$928	$928	$503	$2,359
8	RETIREMENT (9 39% EMPLOYER PORTION ONLY)	$15,760	$16,075	$8,198	$40,033
9	HEALTH INSURANCE (USED 2008 CURRENT RATES PLUS 5%)	$11,342	$11,909	$6,773	$30,024
10	DENTAL INSURANCE (USED 2008 CURRENT RATES PLUS 5%)	$416	$437	$249	$1,102
11	LONG-TERM DISABILITY (USED 2008 CURRENT RATES PLUS 5%)	$45	$47	$27	$119
12	OPTIONAL LIFE (USED 2008 CURRENT RATES PLUS 5%)	$794	$833	$473	$2,100
13	SUPPLEMENTAL LONG-TERM DISABILITY (CURRENT RATES PLUS 5%)	$277	$291	$166	$734
14	TELEPHONE (FY08 ACTUAL PLUS 5%)	$4,369	$4,588	$2,607	$11,564
15	FUEL (FY08 ACTUAL PLUS 5%)	$7,591	$7,970	$4,531	$20,092
16	COUNTY TO TRANSFER OWNERSHIP OF VEHICLE TO MR PRESTON	$0	$0	$0	$0
17	VEHICLE INSURANCE (FY08 ACTUAL PLUS 5%)	$817	$858	$488	$2,163
18	VEHICLE REPAIRS (FY08 ACTUAL PLUS 5%)	$2,000	$2,100	$1,194	$5 294
19	DUES AND SUBSCRIPTIONS (FY08 ACTUAL PLUS 5%)	$310	$310	$169	$789
20	ANNUAL PHYSICAL (ESTIMATE ONLY)	$500	$500	$500	$1,500
	SUBTOTAL	$332,258	$232,521	$122,927	$687,706
	ADDITIONAL ITEMS PER CONTRACT				
21	SEVERANCE PAY OF 6 MONTHS				$83,920
22	ALL HEALTH, LIFE, DENTAL AND DISABILITY INSURANCE FOR 6 MONTHS This is item #'s 9 through 13 plus #7				$6,901
23	ALL OTHER COUNTY PROVIDED BENEFITS TO BE PAID FOR SIX MONTHS This is item #'s 14 through 20, 2, 5, 6, and #8				$27, 131
	ADDITIONAL ITEMS REQUESTED				
24	COUNTY TO PURCHASE A TOTAL OF 6 YEARS AND 3MONTHS OF RETIREMENT SERVICE CREDIT				$319,225
25	LEGAL EXPENSES				$15,000
26	COUNTY TO PAY 100% OF COST OF RETIREE HEALTH INSURANCE THIS WOULD BEGIN AFTER ACTIVE INSURANCE ENDS, I E JULY 2011 AND WOULD CONTINUE TO AGE 65				$0
	GRAND TOTAL				$1,139,883

002039

Ron Wilson

- 605-1000 - doesn't want me there.
  - need some dates inserted in agreement.
- draft an agreement that can be passed tonight.
- attachments are critical



FOSTER LAW FIRM, L.L.P.
Attorneys and Counselors at Law

ROBERT E HOSKINS

PAUL J FOSTER, JR
1928-1999

October 20, 2008

via E-mail @ tom.bright@ogletreedeakins.com & HAND DELIVERY

Tom Bright, Esq.
Ogletree Deakins Nash Smoak & Stewart, P.C.
PO Box 2757
Greenville, SC 29602

Re: *Joey Preston*

Dear Tom:

Friday afternoon, I read an article in the Anderson Independent-Mail (you will find attached a copy of the article). In the article, Councilman Bob Waldrep states that he is "confused" and that he does not know if my client is "resigning or (if) he has already quit". The purpose of this letter is to make clear that my client has not "resigned" nor has he "quit". As I set forth in my prior letter, my client believes he has been constructively discharged effective January 2009 and that his employment contract has been anticipatorily breached. It goes without saying that when a County Councilman makes a public statement that he will prevent Mr. Preston from doing his job that such is, in effect, a constructive termination. Mr. Preston views the termination as being wholly without cause. It is surprising that Mr. Waldrep would comment that he is "confused" in light of the fact that he is a person who made several of the public comments that constitute Mr. Preston's constructive discharge and the anticipatory breach of the employment contract (other public comments have been made by certain newly elected Councilmen). Perhaps, you can remind Mr. Waldrep of his several comments to the effect that he will prevent Mr. Preston from performing his job duties after January 1, 2009. He will recall those several comments and that should, hopefully, clear up any confusion he might have. Obviously, since you are representing the Council, I cannot write to them directly. Therefore, I am writing to you. Please ensure that this letter is provided to every Council Member before their meeting at 6:00 p.m. on Tuesday, October 21, 2008. If you would like to discuss any matter further, just let me know.

With kind regards, I remain,

Sincerely,

Robert E. Hoskins

REH:laf
Enclosure

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Crimetracker View Crime Maps for Your Neighborhood IndependentMail.com

Has Joey Preston resigned?

By Liz Clark, (Contact)
Originally published 02:46 p.m., October 17, 2008
Updated 02:46 p.m., October 17, 2008

DOWNLOADS

Letter to Anderson County Council regarding employment of County administrator Joey Preston

In a Sept. 25 letter to council obtained by the Independent-Mail Friday, Robert Hoskins, Joey Preston's attorney, said Preston considers the rumors of planned actions of the oncoming County Council as "termination without cause" of Preston.

STORY TOOLS

E-mail story
Comments
Print friendly
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Festival, hiking area, bridge gym to reopen

Judge's ruling: Owner can't operate gym

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Unrated

ANDERSON — Anderson County Council will determine whether or not Anderson County Administrator Joey Preston has tendered his resignation at their Tuesday council meeting, Anderson County Councilman Bob Waldrep said. The meeting starts at 6 p.m.

In a Sept. 25 letter to council obtained by the Anderson Independent-Mail Friday, Robert Hoskins, Preston's attorney, said Preston considers the rumors of planned actions of the oncoming council as "termination without cause."

"Regretfully, it has come to Mr. Preston's attention that certain existing council members have made statements that they and certain newly-elected council members intend, after January 2009, to prevent him from carrying out his duties as County Administrator," the letter said.

According to the letter, Preston said some council members "have hindered (his) ability to do his duty for seven years."

Additionally, the letter said the expected actions of the incoming council could be considered "an anticipatory breach of his employment contract."

The letter said Preston would like to continue to serve the people of Anderson County.

"However, the political and personal agenda of the obstructionists has rendered his ability to serve the people of Anderson County beyond January 1, 2009 impossible," the letter said.

When called for comment, Preston said he would not comment.

"I can't say anything," Preston said. "I'm not going to comment."

Attorneys with Foster Law Firm in Greenville could not be reached for comment.

Anderson County Councilman Bob Waldrep said he was confused about what the letter meant.

"The letter seems to say he's resigning or that he has already quit," Waldrep said.

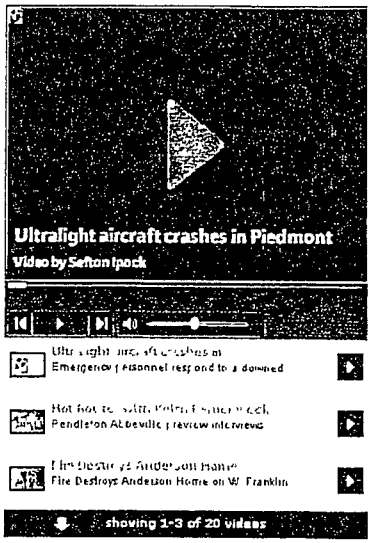
Waldrep placed a discussion about the letter on the next meeting's agenda.



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Attachment # 12 C

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

TO: Mr. Joey R. Preston, County Administrator

FROM: Rita Davis, Finance Manager

SUBJECT: GL 65

DATE: November 3, 2008

County Administrator
Joey R. Preston

Council Members
Michael G Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N Eddleman

Mr. Greer, County Council District #3, called this afternoon and requested the remaining balance in each account in the General Fund as of the date of this memorandum. He asked that encumbrances be considered. I suggested that I run a GL 65, which lists the encumbrance balance, total expenditures to date, the budgeted amount (considering encumbrances carried forward from the prior year), and the remaining balance in each account. He agreed that this should meet the needs of his request.

Mr. Greer should keep in mind that a large part of the budgeted expenditures have not occurred in the first four months of this fiscal year. For example, County Council approved $1.2 million to assist in funding the GASB 45 liability in the General Fund. As of November 3, 2008, known of this amount has been expended. However, by June 30, 2009, it is the desire of the Finance Department and Personnel Department that all these funds be used to assist in funding Health Reimbursement Accounts in accordance with Council directive (if it is approved on third reading at tonight's Council meeting). In addition, a large portion of the approved capital expenditures has not occurred since the lease purchase monies have just been received. It is hoped that Mr. Greer will keep these type future transactions in mind whenever he is reviewing the GL 65.

cc: Mrs. Gina R. Humphreys, Finance Division Director

Anderson County
All-America City



2001 2002 J. Mitchell Graham Award Winner
for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

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(864) 260-4000 · (864) 260-4548 fax
www.andersoncountysc.org

GL6
11/03/2008

A P P R O P R I A T I O N S U M M A R Y

ACCOUNT BALANCES THRU 11/03/2008

FUND 001

DEPT OBJ SUB	DESCRIPTION	ENCUMBRANCES	EXPENDITURES	BALANCE	BUDGET	REMAINING BUDGET	%COMP
ELECTED OFFICAL - COUNCIL							
COUNTY COUNCIL							
[redacted]							
	SALARIES - FULL TIME		16010.00	16010.00	48580.00	32570.00	33.0 %
	SALARIES - PART TIME		1131.50	1131.50	1131.50		100.0 %
	SALARIES - ELECTED OFFICIA		18953.89	18953.89	63475.00	44481.11	29.9 %
	RETIREMENT - SC		3032.02	3032.02	10520.00	7487.98	28.8 %
	SOCIAL SECURITY		2062.25	2062.25	6950.00	4887.75	29.7 %
	MEDICARE		482.27	482.27	1625.00	1142.73	29.7 %
	HEALTH INSURANCE		14554.99	14554.99	34905.00	20350.01	41.7 %
	PERSONNEL SERVICES	*	56266.92 *	56266.92 *	167186.50 *	110919.58 *	33.7 %
ONS							
	ADVERTISING				2825.05		100.0 %
	DUES AND SUBSCRIPTIONS	1625.55	1199.50	2825.05		100.00	
	FOOD		167.05	167.05	267.05		62.6 %
	STATE WIDE OFFICE REIMBURS				200.00	200.00	0.0 %
	CHAIRMAN'S REIMBURSABLE EX		65.52	65.52	1000.00	934.48	6.5 %
	POSTAGE		17.30	17.30	1000.00	982.70	1.7 %
	SUPPLIES - OFFICE	5913.35	130.09	130.09	1700.00	1569.91	7.7 %
	TELEPHONE		1677.48	7590.83	7932.25	341.42	95.7 %
	TRAINING FOR EMPLOYEES		408.07	408.07	1200.00	791.93	34.0 %
OPERATIONS		7538.90 *	3665.01 *	11203.91 *	7000.00	7000.00	
TUAL					23124.35 *	11920.44 *	48.5 %
	PROFESSIONAL SERVICES	14808.00	3894.00	18702.00	20202.00	1500.00	92.6 %
	COMMUNICATIONS		14.64	14.64	196.95	178.31	7.6 %
	PHOTOCOPY EQUIPMENT MAINT	8818.87	2885.30	11704.17	12209.17	505.00	95.9 %
	PHOTOGRAPHY				2000.00	2000.00	.0 %
CONTRACTUAL		23626.87 *	6793.94 *	30420.81 *	34404.12 *	4183.31 *	87.9 %
Y COUNCIL		31165.77 **	66725.87 **	97891.64 **	224914.97 **	127023.33 **	43.5 %
G							
	DISTRICT 1 REIMBURSABLE EX	**	548.88 **	548.88 **	6000.00 **	5451.12 **	9.1 %
G							
	DISTRICT 2 REIMBURSABLE EX	**	1651.44 **	1651.44 **	6000.00 **	4348.56 **	27.5 %
G							
	DISTRICT 3 REIMBURSABLE EX	**	428.88 **	428.88 **	6000.00 **	5571.12 **	7.1 %
G							
	DISTRICT 4 REIMBURSABLE EX	**	5910.72 **	5910.72 **	6000.00 **	89.28 **	98.5 %
G							
	DISTRICT 5 REIMBURSABLE EX	**	1086.07 **	1086.07 **	6000.00 **	4913.93 **	18.1 %

PENGAD 800-631-6989
PLAINTIFF'S EXHIBIT
30

GL6
11/03/2008 A P P R O P R I A T I O N S U M M A R Y FUND 001 PAGE 18.35.20
ACCOUNT BALANCES THRU 11/03/2008

DEPT OBJ SUB	DESCRIPTION	ENCUMBRANCES	EXPENDITURES	BALANCE	BUDGET	REMAINING BUDGET	%COMP
ELECTED OFFICAL - COUNCIL							
COUNTY COUNCIL							
[redacted]	SERVICES						
	SALARIES - FULL TIME		16010.00	16010.00	48580.00	32570.00	33.0 %
	SALARIES - PART TIME		1131.50	1131.50	1131.50		100.0 %
	SALARIES - ELECTED OFFICIA		18593.89	18593.89	63475.00	44881.11	29.3 %
	RETIREMENT - SC		3011.00	3011.00	10520.00	7509.00	28.6 %
	SOCIAL SECURITY		2054.02	2054.02	6950.00	4895.98	29.5 %
	MEDICARE		480.37	480.37	1647.00	1166.63	29.1 %
	LIFE/AD&D INSURANCE		153.74	153.74	1154.00	1000.26	13.3 %
	PERSONNEL SERVICES	*	56266.92 *	56266.92 *	167186.50 *	110919.58 *	33.7 %
	S						
	ADVERTISING	1625.55	1199.50	2825.05	2825.05		100.0 %
	DUES AND SUBSCRIPTIONS		167.05	167.05	267.05	100.00	62.5 %
	FOOD				200.00	200.00	.0 %
	STATE WIDE OFFICE REIMBURS		65.52	65.52	1000.00	934.48	6.5 %
	CHAIRMAN'S REIMBURSABLE EX		17.30	17.30	1000.00	982.70	1.7 %
	POSTAGE		110.00	110.00	500.00	390.00	22.0 %
	SUPPLIES - OFFICE	5913.35	1777.09	7690.44	9700.00	1565.91	79.2 %
	TELEPHONE		408.07	408.07	1200.00	791.93	34.0 %
	TRAINING FOR EMPLOYEES				754.45	754.45	.0 %
	OPERATIONS	7538.90 *	3665.01 *	11203.91 *	7000.00	7000.00	.0 %
					23124.35 *	11920.44 *	48.5 %
	AL						
	PROFESSIONAL SERVICES	14808.00	3894.00	18702.00	20202.00	1500.00	92.6 %
	COMMUNICATIONS		11.94	11.94	178.31	166.37	6.7 %
	PHOTOCOPY EQUIPMENT MAINT	8818.87	2885.30	11704.17	12276.87	572.70	95.3 %
	PHOTOGRAPHY				2000.00	2000.00	.0 %
	NTRACTUAL	23626.87 *	6791.24 *	30420.81 *	34657.18 *	4236.37 *	87.8 %
	COUNCIL	31165.77 **	66725.87 **	97891.64 **	224914.97 **	127023.33 **	43.5 %
	DISTRICT 1 REIMBURSABLE EX		** 548.88 **	548.88 **	6000.00 **	5451.12 **	9.1 %
	DISTRICT 2 REIMBURSABLE EX		** 1651.44 **	1651.44 **	6000.00 **	4348.56 **	27.5 %
	DISTRICT 3 REIMBURSABLE EX		** 428.88 **	428.88 **	6000.00 **	5571.12 **	7.1 %
	DISTRICT 4 REIMBURSABLE EX		** 5910.72 **	5910.72 **	6000.00 **	89.28 **	98.5 %
	DISTRICT 5 REIMBURSABLE EX		** 1086.07 **	1086.07 **	6000.00 **	4913.93 **	18.1 %

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PLAINTIFF'S EXHIBIT 30

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

Date: November 4, 2008

To: Councilman Ron Wilson, Chair, Personnel Committee

From: Gina Humphreys, Finance Division Director G Humphreys

Subject: Administrator Contract

County Administrator
Joey R. Preston

Council Members
Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

At your request, I have performed a review of the year-to-date expenditures of the funds and accounts contained within the FY09 Anderson County Budget. The purpose of this review was to determine what funds the County could utilize in order to "buy-out" the Administrator's contract as well as to determine if this action could be taken without necessitating a budget amendment.

Short answer, I believe that the County will have sufficient budgeted funds to cover the amount that is under discussion. The funds will mostly come from the County's personal services accounts in the general fund, and will be available due to vacancies that occur during the year.

I would suggest that, should this buy-out occur that the County expend the funds from general fund account [redacted] which is the Administrator's budget. We would code the various parts of the buy-out according to the proper account, such as salaries, payroll taxes, insurance, etc. Obviously, the accounts and the budget of Department 5013 will wind up with negative balances at the end of the year, which will be June 30, 2009. Normally, the County makes budget transfers to cover negative balances in accounts. I would suggest that we do that in this instance. To facilitate that process for the Finance staff, I would suggest that you consider providing the Finance staff with the direction and authority to make any necessary budget transfers, without any further action required by County Council, in order to cover negative account balances brought about by the contract buy-out.

The County's budget ordinance states:

"The County Administrator may, if he deems it in the best interest of the County and within the overall appropriations provided by this ordinance, and consistent with all other applicable legal requirements, transfer funds or any portion thereof from any fund, department, activity, or purpose, and in accordance with the Anderson County Code of Ordinances, and within any fund(s)." "All transfers authorized by this Section are subject to the overall appropriation limits of this Ordinance and the provisions below."

Anderson County
All-America City

2001, 2002 J. Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

PLAINTIFF'S EXHIBIT 31
PENGAD 800-631-6989

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4000 · (864) 260-4548 fax
www.andersoncountysc.org

This provision provides the County Administrator the authority to make the budget transfers if he chooses, although the legal level of control is the sum total of all funds, so that it is not mandated that the transfers be made.

I understand that Mr. Preston's contract states that he has the sole discretion to either take the "buy-out" in a lump sum, or in installments. The assumption that I have been working on is that for the most part, it will be a lump-sum payment. Mr. Preston's insurance coverages will have to be paid over a period of time, so that will help the County to spread some of the expenses over several fiscal years, which will be easier to budget for and to manage.

I will be available to discuss this with you if that is necessary.

TRANSCRIPTION OF
ANDERSON COUNTY COUNCIL MEETING

Transcribed from CD
provided by:

Troy A. Tessier
Wyche, P.A.
Greenville, South Carolina

COPY



Irveta J. Shouse/GWC
Post Office Box 9177 • Greenville, South Carolina 29604
864/233-2341

CHAIRMAN GREER: At this time we'll move into Agenda Item Number 6. This is a presentation and it has my name by it. And I know there's been a lot of speculation over the last several days about what this presentation is concerning. Friday, a week ago, there was an incident that occurred and there's been a lot of talk about that in the media and in the communities and I know that several Council Members have fielded and taken calls from various citizens concerning this occurrence. And so at this point in time before I present the information I have to present, I'm going to offer each Council Member if they so choose, a brief time, a couple of minutes to make any comments you wish to make concerning this before I present the rest of the information I have to present tonight. Council Members, do you wish to make any comments or statements at this time?

Hearing none, at this time I'll ask Sheriff Crenshaw and Chief Deputy Tim Busha if they will come forward. One of the things that I have told the people that have called me concerning this is that I'm gathering information and that's all that I would say. And that is exactly what I have been doing since this was brought to my attention. I have spoken with Sheriff Crenshaw and Deputy Chief Busha for more than probably they want me to talk to them concerning this. And I've also been in contact with

others concerning this, so I've tried to secure as much information as I can. And I believe Sheriff Crenshaw and Mr. Busha can shed a lot of light on what's been going on. And so at this time, I'm going to turn this presentation over to them and let them present whatever information they have to share with us tonight. Sheriff Crenshaw.

SHERIFF CRENSHAW: Well, Mr. Chairman, if you'll allow me, please, the pine pollen about has the best of me. My voice is not very good. I'm going to allow the Chief to do most of the talking. He's been involved with this on a daily basis, so I'm going to turn it over to him, sir, if that's all right.

CHAIRMAN GREER: Thank you, Sheriff.

SHERIFF CRENSHAW: Thank you.

CHIEF BUSHA: It was probably November or December of last year, a complaint was brought forward by the Administrator that anonymous letters were coming in to him, many of which were vulgar and salacious. I thought about bringing some of those with me tonight, but this is certainly not the form to present such information. There are young people here in the audience and there's people certainly would be, a lot of people would be offended by it. I, myself, are offended by the willingness of people to write salacious information, particularly information that goes unsigned. It reached what I would call a crescendo

probably in January or February. There were instances in which I believed that the Administrator and other County employees were being followed. During the course of this inquiry, and I'll call it an inquiry. It has since evolved into an investigation in which SLED is a part of. I wanted to make sure that there was information substantial to involve another agency before I moved forward. But beginning on February 10 or it was actually, February 10 was the first night that we actually observed someone follow one of the complainants in this particular case. It has gotten to the point that it is absurd and ridiculous that any human being in our community, public official or not, has to endure that kind of behavior. And it has continued to build. And many of you, if not all of you on Council, have gotten letters, vulgar and salacious letters, unsigned letters. And that kind of thing must be stopped.

In order to find out whether or not Mr. Preston and others were being followed, as part of the investigation, we asked on numerous occasions for Mr. Preston to be in certain places with certain people and to do certain things. This endeavor has, in fact, led us to certain people that we believe and that we know have followed him and other employees of the County. This information was turned over to the State Law Enforcement Division who are currently conducting interviews. But there

is no doubt, and I don't want to get into investigative technique, but there are videos of phone calls being made at locations that the numbers that were received by Mr. Preston and others by or from numbers received that were phone calls received from that number by Mr. Preston and others that is just, that we have identified on camera the individuals making those calls. And, you know, again, I really wished that I could read some of those letters out here today. But I'll guarantee you if I did, it wouldn't be fit for publication, I can assure you.

And another disturbing fact is that on one of these occasions, maybe two. There's been so many, I lose track now. Mr. Preston's son received a telephone call, a child, and was delivered disturbing information. That kind of thing has to stop. There are criminal statutes that govern us that apply to this kind of conduct. It cannot be tolerated in our community. This isn't a political issue, this is a law enforcement issue. People have a right to say whatever they so choose about anyone and their politics, the way they conduct themselves as a public official in terms of issues. But when families begin to be harmed, when laws begin to be broken, that's when it's time for law enforcement to step in. And in an interest to insure that this was happening, we did a preliminary inquiry and turned our information over to the State Law Enforcement Division.

CHAIRMAN GREER: Chief Busha.

CHIEF BUSHA: Yes, sir.

CHAIRMAN GREER: I listened as you made your remarks concerning this, and from the tone of your remarks, I understand that this is an ongoing investigation and you're not prepared to release all the details at this time. And I can tell that from the ...

CHIEF BUSHA: That's correct.

CHAIRMAN GREER: ... from the way you responded to this concern. But I listened, also, as you said that the Administrator and others were in places that you asked them to be.

CHIEF BUSHA: That's correct.

CHAIRMAN GREER: This incident that's brought so much attention to this a little over Friday is a week ago, was that a part of where you asked these folks to be as a part of your investigation?

CHIEF BUSHA: Not only that incident, but others too as well.

CHAIRMAN GREER: So this incident that occurred was indeed a part of your ongoing investigation?

CHIEF BUSHA: That's correct.

CHAIRMAN GREER: I made a call and you correct me if I'm mistaken now. I talked with Martin Brown who is the Chief of Police for the City of Anderson, and I understand

that they responded to this incident a little over Friday is a week ago. And the question that I asked him and that he responded to on more than one occasions, I believe he told me there was several cars there, not just two or three, but there was about six or more at this location that particular night. That they ran all the tag numbers. All the tag numbers came back to the appropriate vehicles so everything was legitimate there. They spoke to all of the occupants of the vehicles that night. There was no incident report filed because there was no evidence of anything illegal or immoral being done at this location at that particular time. Is that the gist of what the Chief relayed to you in your conversation with him?

CHIEF BUSHA: That's correct. And I asked the same question of the Chief. I asked him exactly what happened and he told me that he would find out, he would ask the officers. And they did respond out to a call for service. And, of course, the call for service was a disturbance call, that there was teenagers in the park and they were loud and boisterous. The officers who arrived on the scene, according to Chief Brown, said that there was no such conduct, that no misconduct of any kind was detected. The park was not under curfew at that particular point in time. That it was probably 20 or 30 minutes before the curfew expired in the park and people would have to leave by

ordinance. So there was no misconduct of any kind detected, so there would be no requirement for an incident report and none was written.

CHAIRMAN GREER: One more time. These people were at that location at that particular time as a part of your ongoing investigation?

CHIEF BUSHA: That is correct. And I'd like to say this. That's not the only location. There were others. And as a result, there are other individuals that we believe are harassing Mr. Preston and other employees of the County and we know who they are. We know who some of them are and anticipate that we will find out more about, you know, who else is involved. Again, this is a fairly concentrated effort it seems to me.

CHAIRMAN GREER: Council Members, do you have any questions of Mr. Busha or Sheriff Crenshaw.

SHERIFF CRENSHAW: Mr. Chairman, may I add one thing, sir?

CHAIRMAN GREER: Yes, sir.

SHERIFF CRENSHAW: This is an ongoing investigation and I took an obligation to serve and protect the citizens of this County. That includes each and every one of you as well as everyone here. We are going to continue this investigation until we ferret out these individuals. And if the evidence proves to be appropriate,

we intend to follow through with prosecution. I just want you to know it's not going to stop now.

CHAIRMAN GREER: And we thank you for that. Any comments or questions from Council Members before I recognize Mr. Preston for a statement he's asked to make at this time?

MR. DEES: Mr. Chairman?

CHAIRMAN GREER: Mr. Dees?

MR. DEES: Sheriff or Chief Deputy, is the Solicitor's Office involved also in this?

SHERIFF CRENSHAW: Yes, sir.

CHIEF BUSHA: The solicitor's aware.

MR. DEES: Thank you.

MR. PRESTON: Mr. Chair and Members of County Council, bear with me. I have a prepared statement here. Since September of 2005, I along with my family and members of County Council, County employees, even members of my church have received unsigned letters. The letters which have been personal attacks on my character, have been insulting, threatening, and vulgar in nature. And to date I've documented at least 75 letters to various people. On November 28, 2005, I sent County Council a letter detailing the harassment and I encouraged each of you if you become subject to such letters to pursue law enforcement's involvement.

At the time I sent the letter, I asked for and received assistance of law enforcement in investigating the matter. As their investigation has proceeded, the nature of harassment has increased. Beyond the letters, individuals involved also began placing anonymous phone calls to my office, choosing to use vulgar and offensive language with County employees. Phone calls were placed to my home, all anonymous, using the same threatening and offensive language. These calls were traced to pay phones in various locations and sometimes they came from cell phones with their numbers blocked. At times I would be at home to get these calls. At others the caller felt it necessary to use the same tone and language with my wife and family.

The slanderous and purposely false accusations have continued. To date, more than 20 of these calls have been placed to my home. You can imagine how disturbing this would be if your family was receiving these calls. I now ask you to imagine how disturbed you would be if an anonymous caller also decided to express their vulgar views to your 12-year-old child. On at least two occasions over the past 30 days, that's exactly what's happened to my son. As adults we can sometimes rationalize our circumstances or explain them away as just a fact of life. It's a bit more difficult to explain that to a 12-year-old.

Beyond the calls and the harassing letters, those

involved have also engaged in more threatening activities that have included following my family and I. It appears a tremendous effort has been put into an attempt to stalk and harass my family.

The question is why?

I believe the reason is political in nature and I believe it goes to a desire by some to drive our community into a state of disfunction or reverse the positive steps we've made. Although our progress is something every citizen can take credit for, it appears that the belief of this committed group of individuals is that the first and most important step is to remove me from this community. I believe this is the reason why those involved made the decision to include my wife, children, coworkers, employer, and even those I attend church with in their mailings and phone calls. Like a terrorist, their goal is to disrupt via fear by focusing on those that usually have nothing to do with an issue.

And, thankfully, as I mentioned earlier, law enforcement has been involved for quite some time, has made a great deal of progress in the ongoing investigation. A little over two weeks ago as part of that investigation, the Sheriff's Department directed my involvement in an operation designed to more fully ascertain the identities of those involved. I'm sure each of you have been contacted or heard

the vicious rumors circulating as a result of that operation. All reputable media outlets in the community chose not to print the erroneous information, deciding instead to check facts prior to providing coverage. Unfortunately, one media outlet chose to immerse itself in the non-story and went on to assist in the spreading of trashy rumors. Although their decision to air knowingly false information and rumors prompted more anonymous calls to County employees, family members, and others, it also helped to solidify the efforts of the Sheriff's Department.

For those that wondered why there was no official response from me regarding the most recent false allegations, I hope this will clear up any confusion. For those that believe my silence was somehow an admission of wrongdoing, please know that my silence was necessary to help shine a light on the things that have been taking place in the dark veil of anonymous hate mail and phone calls from phone booths. For those that believe the trash shared via the airways signaled the end of my time here in Anderson, I'm sorry to disappoint you. For the record, let me state that my family and I have made Anderson our home and I intend to continue to be a vigorous supporter in its healthy growth and progress. Although the threats and harassment would normally be effective in driving a person away, they have a very different impact on me. The activities of the

past several months have confirmed for me that this community is definitely moving in the right direction because of the desperate actions taken by those who don't want it to.

My hope is that none of you will ever have your families subjected to the things that have happened to me and other County employees. My promise to each of you is to remain committed to the goals and objectives you have outlined as representatives of Anderson County. The reason I'll remain committed is simple. It's because our community deserves the very best, even if some choose to believe otherwise.

CERTIFICATE

This is to certify that this transcript, consisting of THIRTEEN (13) pages is a true and correct transcript of the said statements given; said statements were transcribed from a recording provided by Wyche, P.A.

I further certify that I am neither employed by nor related to any of the parties in this matter or their counsel; nor do I have any interest, financial or otherwise, in the outcome of same.

IN WITNESS WHEREOF I have hereunto set my hand and seal this 24th day of October, 2012.

COPY

Sue N. Haynie
Court Reporter

Notary Public for South Carolina
My Commission Expires: 9/16/21

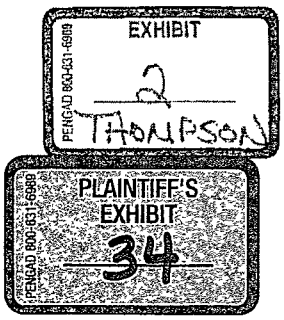
From: Michael Thompson
Sent: Sunday, March 02, 2008 11 58 AM
To: Joey Preston
Subject: Ethics Letter
Attachments: The Ethics Commission.docx

Joey

Attached is the ethics letter I have written Please have someone to proofread it

Also, I will need the backup material such as the GLR110 that was read on the radio, the transcript and audio recording of that broadcast, the GLR110 showing the Wilson family settlement, proof showing that county credit card numbers were on the AIM website, proof showing your personal credit card information was obtained and distributed without your permission, etc

Michael Thompson, MBA
Chairman, Anderson County Council



The Ethics Commission
Attn.: Herbert R. Hayden, Jr , Executive Director
5000 Thurmond Mall, Suite 250
Columbia, South Carolina 29201

February 29, 2008

Dear Mr. Hayden:

I am writing to you as Chairman of the Anderson County Council to request a formal investigation into the actions of Council member M. Cindy Wilson to determine if any violations have occurred as set forth in S. C. Code Ann §8-13-700, §8-13-725 and §16-14-20. There are two issues in which I am asking for you to investigate. They are the use of confidential information for financial gain and releasing confidential information creating additional hardship and expense on the county.

The particulars of the first issue are as follows.

- Anderson County needed 37 rights-of-way for the completion of the Beaverdam Sewer Project Of these 37 rights-of-way, six belonged to members of Ms. Wilson's family
- Sixteen properties were condemned and settlements were reached between Anderson County and the individual property owners.
- Confidentiality agreements were signed with each of these property owners to not disclose the price the county had paid or was willing to pay for the rights-of–way
- Ms. Wilson has been receiving the GLR110, a check register, since January 2003. This document includes the names, amounts of each check, and the purpose of each check.
- Rick Driver read a portion of the GLR110 on his radio show on December 17, 2007 The portion he read were the rights-of –way settlements
- Mr. Driver stated he is reading only those items given to him by Ms. Wilson Attached is an audio recording and transcript of that broadcast
- Five members of Ms Wilson's family settled their right-of-way dispute with the county after the December 17th broadcast. A financial analysis shows the Wilson family received an average of $37,866 per acre as compared to $22,773 per acre for non-Wilson family members

Mr Hayden, I understand one of our local newspapers. *The Independent Mail*, has contacted you regarding this issue. In their article, they quoted you as saying this issue will come down to two questions, could anyone have obtained the same information and

would they have understood its importance? Below are the answers to those questions as I understand them

To answer the first question, anyone can obtain the same information. The finance staff did not know who was involved in the rights-of-way negotiations or the amount each property owner was paid in their settlements because of the confidentiality agreements. Therefore, they did not know to redact certain entries

However, Ms. Wilson has a fiduciary responsibility to protect confidential information as a member of the county council. Furthermore, she has a legal and ethical responsibility to protect this confidential information because her immediate family has an economic interest in these rights-of-way negotiations as stated in §8-13-725(A)

To answer your second question, only someone with detailed knowledge of the Beaverdam Sewer project and knowledge of all the parties involved in the rights-of-way negotiations will know to look for specific names in the GLR110. So, the simple answer is NO. The average person will not understand the importance of the information

Apparently, Ms. Wilson did Mr. Driver was given instructions by Ms Wilson to read specific entries from the GLR110 on his radio show. These instructions, in my opinion, aided and abetted in the unlawful or improper examination of confidential information §8-13-725(B)(1). As a result, additional public expense was incurred §8-13-700(A)

In addition, Ms Wilson should have excused herself from all actions on the Beaverdam Sewer project because of the conflict of interest that exists as stated in §8-13-700(B)(4).

Furthermore, this is not the only occurrences in which Ms Wilson has failed to protect confidential information, which is the second issue for which I am asking for an investigation. Ms. Wilson has distributed confidential information on three separate occurrences in addition to the occurrence stated above The particulars of this issue are as follows

- Mr. Joey Preston, county administrator, used his personal credit card for a local transaction Through questionable means, Ms Wilson obtained this credit card number and distributed it to the media and members of the county council This action required Mr. Preston to cancel the card and to have another one issued

- On two separate occurrences. Ms. Wilson obtained county credit card numbers and distributed this information to the news media and to other people *The Independent Mail* placed this credit card information, including credit card numbers, on their website on the last occurrence. On both occurrences, the credit cards had to be cancelled and new ones issued

It is clear that Ms. Wilson transferred Mr. Preston's personal credit card information to persons other than the issuer and the cardholder as stated in S. C. Code Ann §16-14-20, §8-13-725(B)(1).

Furthermore, it is clear Ms Wilson has failed in her fiduciary responsibility to protect confidential information as a member of the county council In addition, the distribution of these credit card numbers is, in my opinion, aided and abetted in the unlawful or improper examination of confidential information §8-13-725(B)(1) and the transferring of credit card information to persons other than the issuer and the cardholder §16-14-20. As a result, additional public expense was incurred §8-13-700(A).

In closing. I request the Ethics Commission to perform a formal investigation into the issues presented to you in this letter. Please contact me or the county administrator if you need additional information. We can be reached at 864-260-4031 or at the above address. I look forward to hearing from you

Sincerely,

Michael Thompson, Chairman
Anderson County Council

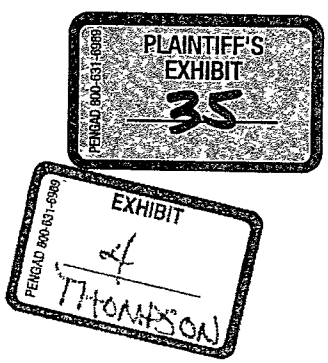
From: Michael Thompson
Sent: Tuesday, March 04, 2008 11 31 AM
To: Joey Preston
Attachments: Appraisal Changes.pdf

Joey:

Please view the link below for information on the appraisal courses. I have attached additional information also

http://www.realestateschoolofsc.com/South-Carolina-Real-Estate-Appraisal-Courses.cfm

Michael Thompson, MBA
Chairman, Anderson County Council



IMPORTANT CHANGES OF APPRAISER CRITERIA IN SC

There are major components of the education, examination, and continuing education criteria for which appraisers in South Carolina should be aware

Continuing Education
The continuing education requirement of the equivalent of fourteen class hours each year remains unchanged In addition, the requirement that individuals must complete the 7-hour National USPAP Course every two years as part of the overall fourteen class hour requirement There is pending legislation to go to a biennial (two year) renewal cycle to enable appraisers to accumulate 28- hours of continuing education credit over a two-year period

Examination
All individuals seeking to become a State Licensed, State Certified Residential or State Certified General appraiser must successfully pass an examination administered by the jurisdiction awarding the credential The examination requirements have not changed, although, it should be noted that the AQB is in the process of developing new Uniform State Appraiser Examinations, which will be implemented concurrently with the effective date of the new *Criteria* which is January 1, 2008

Qualifying Education
The most significant changes in the new *Criteria* relate to qualifying education. The changes fall into the following categories

1 There are college-level course requirements for the Certified Residential and Certified General classifications,
2 The required number of classroom hours in appraisal education has increased significantly in all three licensure classifications, and
3 There are minimum classroom hours of coverage requirements for specific topic areas, which are known as modules

Please Note The question that has been raised on several occasions as to the affect the new Criteria will have on current licensed and certified appraisers in South Carolina As long as licensed and certified appraisers maintain their current credential, the Criteria changes should not have any effect on these appraisers Those impacted will be

1. Individuals entering the profession,
2 Individuals seeking a different credential within South Carolina,
3 Possibly those seeking a credential in another jurisdiction through reciprocity

College Course Requirements
For the first time, there are now college-level course requirements for the certified classifications.

> Certified Residential. Associates degree or higher; in any field of study, or, in lieu of the required degree, twenty-one (21) semester credit hours covering the following subject matter courses English Composition, Principles of Economics

(Micro or Macro), Finance, Algebra, Geometry or, higher mathematics Statistics. Introduction to Computers, Word Processing/Spreadsheets, and Business or Real Estate Law

Certified General Bachelors degree or higher in any field of study, or, in lieu of the required degree, thirty (30) semester credit hours covering the following subject matter courses English Composition, Principles of Economics (Micro or Macro), Finance, Algebra, Geometry or higher mathematics, Statistics, Introduction to Computers; Word Processing/Spreadsheets, Business or Real Estate Law, and two (2) elective courses in accounting, geography, agricultural economics, business management, or real estate

Classroom Hours

In addition to the college-level course requirements, the appraisal education classroom hour requirement has increased for the State Licensed, State Certified Residential and State Certified General classifications The Trainee (Appraiser Apprentice) classification remains unchanged at 75 classroom hours The number of appraisal education classroom hours to become a State Licensed appraiser has increased from 90 to 150 hours, Certified Residential has increased from 120 hours to 200 hours, and, Certified General classification has increased from 180 hours to 300 hours

Required Core Curriculum

At the present time, individuals seeking to become an appraiser may select courses covering material in topic areas approved by the SC Real Estate Appraisers Board in the licensing or certification categories designated as L-1, L-2, L-3, CR, C-1, C-2, or C-3 Level Courses Because not all states subscribed to this "grid level" system of organizing suitable content topic areas there has been considerable inconsistencies in the education received by appraisers holding similar credentials in other jurisdictions The emphasis in other states has been on the total number of classroom hours, rather than on the amount of coverage in specific topics

The AQB has now created a Required Core Curriculum for each appraiser classification Examples of Required Core Curriculum modules include Basic Appraisal Principles, Basic Appraisal Procedures, Residential Market Analysis and Highest and Best Use, and the National USPAP Course

Accompanying the listing of modules is the specific number of classroom hours for each module It is important to note that these modules are subject matter areas and not necessarily the names of courses The AQB has issued information in the form of a publication to assist in understanding the expected content coverage under each module The publication is entitled, A Guide For Understanding The 2008 Real Property Appraiser Qualification Criteria, and can be obtained at The Appraisal Foundation website

www.appraisalfoundation.org

The South Carolina Real Estate Appraisers Board has adopted the 'Segmented Scenario" in implementing the *Criteria* changes

Segmented Scenario

The requirements are broken down into three segments (or components): Education, Experience, and Examination An applicant would have to meet the *Criteria* in effect at the time he or she completes a particular component or segment Any component completed prior to January 1, 2008, would satisfy the current *Criteria*, while any component not completed by January 1, 2008, would have to conform to the new *Criteria*

For example, an applicant for a Certified General designation completes all of the currently required 180 hours of qualifying education and passes the State Certified General examination in 2007, but does not possess the required 30 months and 3,000 hours of experience Since the applicant completed the education and examination prior to January 1, 2008, he or she would be deemed to have satisfied those two components Therefore, the only component which the applicant would have to satisfy under the new *Criteria* would be experience (which, in this case, is no different than the current *Criteria*)

Keeping Abreast Of Changes

For appraisers to keep abreast of the changes in the industry on both the state and federal level it is critical that appraisal practitioners to check periodically the LLR Real Estate Appraisers Board website

www.llr.state.sc.us/POL/RealEstateAppraisers

From: Michael Thompson
Sent: Thursday, May 22, 2008 5 43 PM
To: Joey Preston
Subject: Funds

Joey.

I need to raise some more funds! I have only enough to do one mailing Can you help?

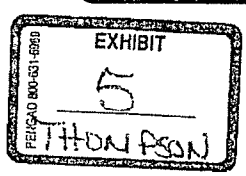
Below is the marketing I am planning to do

1700 Walking Cards-done
1700 Brochures Mailed In process

- 8 ½" x 11" gloss full-color 1-side print & deliver (AIM): ZIP's 29624-25-26.....21,867 (subscribers and non-subscriber households).. . $48/M x 22=**$1,056** (includes production, printing, distribution, and additional client copies)
- 1/3 vertical-page, full-color Sunday with repeat Tuesday (election day) with $3,000 contract.....**$1,725**
- 50,000 impressions, premium pages big box on AIM homepage, served week prior to election.....**$1,000** (includes production and posting) linked to a flash page.

Michael Thompson, MBA
Chairman, Anderson County Council





JOB ADVERTISEMENT

Address will be added Per Robert Closeout 8.29.08 CS

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress

August 5, 2008 **CLOSING DATE: Until filled**

POSITION: Assistant Purchasing Manager

PAY GRADE: 27 ($36,493 - $49,192)

DEPARTMENT: Central Services

County Administrator
Joey R. Preston

Council Members
Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

Responsibilities:

Manage and coordinate the acquisition of all equipment, goods and services for Anderson County in compliance with the Anderson County Code of Ordinances and applicable policies and procedures. Supervise and monitor the operations of County Mail Distribution, Records Management, Records Retention and Disposal. Perform a wide variety of tasks related to the Purchasing Department.

Qualifications:

Bachelor's degree in Public or Business Administration with at least four (4) years of purchasing experience, two (2) years preferred in a supervisory capacity; or any equivalent combination of education and experience.

ANDERSON COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER - M/F/H/V
PRE-EMPLOYMENT DRUG TESTING REQUIRED

THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYER AND THE COUNTY. THE DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE COUNTY RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

APPLY LOCAL JOB SERVICE OR SUBMIT RESUME TO:
ANDERSON COUNTY PERSONNEL PHONE (864) 260-4225
P O BOX 8002 FAX (864) 260-1009
ANDERSON, SC 29622 kfullbright@andersoncountysc.org

Anderson County
All-America City

PLAINTIFF'S EXHIBIT 37

2001 2002 J. Mitchell Graham Award Winner
for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4000 · (864) 260-4548 Fax
www.andersoncountysc.org

EXHIBIT 7 THOMPSON

Plf_00055

AFFIRMATIVE ACTION REPORT

POSITION: _____ DATE: _____

		Vietnam Era Veteran	Disabled Veteran	Handicapped Individual
HISPANIC/LATINO male				
HISPANIC/LATINO female				
WHITE male	II			
WHITE female	III			
BLACK/AFRICAN AMERICAN male	I			
BLACK/AFRICAN AMERICAN female				
ASIAN male				
ASIAN female				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER male				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER female				
AMERICAN INDIAN/ALASKA NATIVE male				
AMERICAN INDIAN/ALASKA NATIVE female				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO male				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO female				

8-7 1. Linda Moon in house

2. Perry Rowe in house

3. Laura Stampian

4. Adrienne Hinds Williams in house

8-8 5. Janette Hathaway

6. Charles Howell

7. Marquise Wideman

8-11 8. Alex Szabo

9. Stacey Colvin

10. Martha Hayes

11. Richard Wilson

12. Leslie Osborne

13. Kathy Bolt

14. Jean Wolchansky

15. Jorge Cleofascus

16. Gabrielle Jackson

17. William Dunn

18. G. Devon Edwards

19. Onleinda Tenorio

20. Benjamin Cone

21. Mary Ellen Love

22. Nadia Candido

23. Charles Thames

24. Robert Sullivan

Plf_00057

8.12

25 Jon Jordan
26 Cheryl Overmeyer
27 Jennifer Addis
28 Catisha Smith
29 ~~Edie~~ Cecelia Jackson
30 Kelley Cook
31. Kirk Mapleu
32 Carol Belcher
33 Donald Tife
34 Megen Phillips
35 Robert Sellers
36 Linda Belcher
37 Tammy Robinson
38 Lauren Kay
39. Donald White
40. Dawn Quarles
41 Christine Clark

8.14.08

42 Dwana Pickens
43 Tracy Dudley
44 Corraline Clark
45 Eric Zimmerman
46 Jan Shook
47 Paul Wallace
48 Shirley Turner
49. Sarah Begum
50. Carrie Williams
51 David Carrier
52 Julia Meeks
53. Cheryl Overmeyer
54. Ken Cisco

8.15.08

55. Josie Collier Owen

8.18

56. Donna Whitfield
57 John Wolchansky
58 Leonard Self
59 Melinda Linsey
60 Yvonne Goodwin

8-19-08

61. Paul Crassaris
62. Kevin Witcher
63. Kelley Cook
64 William Smith
65 Amanda Hanby

8-20-08

66 Susie Jones
67. Stephen Willey
68. David McCreary
69 Jodie Sheals

8.21

70 Daniel Bowen

8 22-08

71 Jon Potterfield
72 Greta Yancy
73 Walter Cooper
74. Susie Jones
75 Antonia Rivers

8-25

76 Brett Hungerford
8.28
77 Eric Chili
78 Diane Angelone
79 James Walker
80. Bill Manning

85 Barry Denson
86 Charles Thomas
87 Gabriel Sims

81. Dawn Davis
82 Cornelius Easter
8.29
83 Betty Vaughn
84 Wiley McCall

Please run in Sunday, August 10th's paper - PO #90031

Anderson County is looking for an Assistant Purchasing Manager in Central Services

Responsibilities: Manage and coordinate the acquisition of all equipment, goods and services for Anderson County in compliance with the Anderson County Code of Ordinances and applicable policies and procedures. Supervise and monitor the operations of County Mail Distribution, Records Management, Records Retention and Disposal. Perform a wide variety of tasks related to the Purchasing Department.

Qualifications: Bachelor's degree in Public or Business Administration with at least four (4) years of purchasing experience, two (2) years preferred in a supervisory capacity; or any equivalent combination of education and experience.

ANDERSON COUNTY IS AN EQUAL OPPORTUNITY EMPLOYER - M/F/H/V
PRE-EMPLOYMENT DRUG TESTING REQUIRED
APPLY LOCAL JOB SERVICE OR SUBMIT RESUME TO:
ANDERSON COUNTY PERSONNEL PHONE (864) 260-4225
P O BOX 8002 FAX (864) 260-1009
ANDERSON, SC 29622 kfullbright@andersoncountysc.org

Plf_00058

Kathy Fullbright

From: Joey Preston
Sent: Thursday, August 14, 2008 11:04 AM
To: Michael Thompson; Kathy Fullbright
Subject: Re: Assistant Purchasing Manager

Kathy. This is to remain confidential.

----- Original Message -----
From: Michael Thompson
To: Kathy Fullbright
Cc: Joey Preston
Sent: Thu Aug 14 10:59:35 2008
Subject: Assistant Purchasing Manager

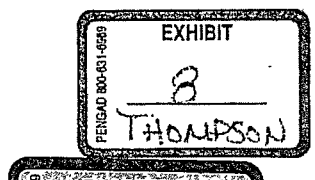
Hello Kathy:

I am writing to you to submit my resume' for the above career opportunity which is advertised on the county's website. My resume' is attached.

I look forward to hearing from you regarding my qualifications and experiences as they relate to this career opportunity.

Sincerely,

Michael Thompson, MBA
Chairman, Anderson County Council



Plf_00054

From: Joey Preston
Sent: Friday, August 08, 2008 1:41 PM
To: Michael Thompson
Subject: RE Courses

submit a request to me and attach this and I will prepare payment and you can enroll

-----Original Message-----
From: Michael Thompson
Sent: Friday, August 08, 2008 9:32 AM
To: Joey Preston
Subject: Courses

Joey

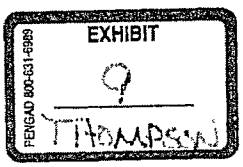
Attached is the information you requested on the courses we discussed See attachement

In addition to the costs of tuition and textbooks, there are the costs of room and meals.

Please let me know what I need to do next

Michael Thompson, MBA
Chairman, Anderson County Council





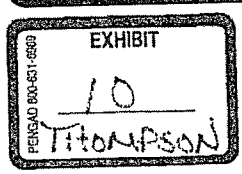
From: Michael Thompson
Sent: Wednesday, October 22, 2008 11 47 AM
To: Bright, Thomas A
Cc: Ron Wilson
Subject: Action of the Anderson County Council

Hello Mr. Bright:

The Anderson County Council voted last night to defer Mr. Preston's claim of anticipatory breach of contract to the personnel committee Ron Wilson is the chairman of that committee. Please direct all your correspondences and dialogue to him I have asked the council members to do the same.

Michael Thompson, MBA
Chairman, Anderson County Council





JOB ADVERTISEMENT

ANDERSON COUNTY
SOUTH CAROLINA
Making News. Making Progress.

November 13, 2008 CLOSING DATE: Until Filled

POSITION: Buyer I

PAY GRADE: 16 ($23704 - $31953)

DEPARTMENT: Purchasing/Central Services

RESPONSIBILITIES: Performs specialized purchasing and administrative work in the county purchasing department. Independent judgment and initiative is required in carrying out the responsibilities of this position in accordance with established procurement regulations. Responsible for processing purchasing requisitions, ensuring that all procurement transactions are conducted in a legal, ethical, and professional manner in compliance with the county purchasing policies and procedures.

REQUIREMENTS: HS diploma or GED equivalent and practical knowledge of standard practices in a technical, clerical, or administrative field generally may be obtained through training of up to one year beyond high school. Two years (2) of experience in purchasing and procurement operations or any equivalent combination of education and experience.

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PRE-EMPLOYMENT DRUG TESTING REQUIRED

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Anderson County

PLAINTIFF'S EXHIBIT 41

APPLY LOCAL JOB SERVICE OR SUBMIT RESUME TO:
ANDERSON COUNTY PERSONNEL PHONE (864) 260-4225
P O BOX 8002 FAX (864) 260-1009
ANDERSON, SC 29622 kfullbright@andersoncountysc.org

2001, 2002 J. Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

Post Office Box 8002 • Anderson, S.C. 29622-8002
(864) 260-4000
www.andersoncountysc.org

EXHIBIT 11 THOMPSON

Plf_00060

AFFIRMATIVE ACTION REPORT

POSITION: _____ **DATE:** _____

		Vietnam Era Veteran	Disabled Veteran	Handicapped Individual
HISPANIC/LATINO male				
HISPANIC/LATINO female				
WHITE male	III			
WHITE female	III			
BLACK/AFRICAN AMERICAN male				
BLACK/AFRICAN AMERICAN female				
ASIAN male				
ASIAN female				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER male				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER female				
AMERICAN INDIAN/ALASKA NATIVE male				
AMERICAN INDIAN/ALASKA NATIVE female				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO male				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO female				

1/13 1. Georgia Brooks (in how
2. Susan Gadei
1/19 3. Michael Thompson
4. Carol Ellis
5. Lauren Lehmann
6. Susan Stockton
7. Jamie Fields
8. Christa Patterson
9. Fredda Meehan
10. Paula Ray
11. Angela Logsdon
12. Robyn Coates
13. Charlotte Fennell
14. Krystal Hinkle
15. Horace White
16. David McCall
17. Ronald English
18. Kathleen Hobbs
19. Tina Charette
20. Katrina Madden
21. Tonya Potter
22. Joel Gilbert
1/20 23. April Hunt
24. Laura Kleinbeck
25. Paula Ray
26. Jill Engel
27 Theresa DeIver
28 Jamie Philyaw
29 [illegible] Bower

Plf_00061

30 Ray Lamping
31 Mary Bailey
32 Gene Roberson
33. Morgan Rogers - eln-House

12-3
34 Jim Du
35 Barbara Thompson
36 Shelly Callahan
37 Jonathan Carswell
38 Cecelia Wojtalik
39 Jodi Shaw
40 Jane Wilson
41 Alexis Mescall
42 Jerris Owens
43 Jacqueline Calhoun
44 James Massey
45 Marguerite White
46 Lucie Broach
47 Mary Benfield
48 Teresa Lewis
49 Scott Colleen
50 Mark Bowie
51 Joseph Carrano
52 Janice Harris
53 Benjamin Gray
54 Wm Seabrook
55 Amanda Joyner
56 Marion Breazeale
57 Kenny Crosby
58 Kimberly Owens
59 Debra Hall
60 Drew Swann

61 Sandy Nadeau
62 Shashona Steele
63 Denise Nathenson
64 Becky Devereaux
65 Douglas Hornick
66. Samuel Goodwin
67 Dana Cheyenne
68 John Dombetti
69. Barbara Hunyar

12-22-08
70 Carl Parnell
71 Martha Adams
72 Cathy Holzhauer
73 Krista Kocourek
74 Kathleen Major
75 Joanna Johnson
76 Anthony Harvey
77 Carl Parnell
78 Beth Duesdieker
79 Kelly Strawhorn
80 Michael McKee
81 Alberta Bobo
82 Martha Hayden
83 Stanley Escoe
84 Greg Brock
85 Dawn Smith
86 Bill Daniels
87 Kimberly Bradberry
88 Kathy Greene
89 Carmen Peach
90 Wm Black
91 Denise Gentilis Jr

ANDERSON COUNTY
SOUTH CAROLINA

Making News
Making Progress.

IN-HOUSE ONLY

JOB OPENING

November 19, 2008 **CLOSING DATE: Until Filled**

County Administrator
Joey R Preston
Council Members
Michael G Thompson
Chairman
District 5
Bill McAbee
Vice Chairman
District 4
Bob Waldrep
District 1
Gracie S Floyd
District 2
Larry E Greer
District 3
Ron Wilson
District 6
M Cindy Wilson
District 7
Clerk to Council
Linda N Eddleman

POSITION: Buyer II

PAY GRADE: 19 ($26,664 - $35,943)

DEPARTMENT: Purchasing/Central Services

RESPONSIBILITIES: Under the direction of the Assistant Purchasing Manager and in accordance with Anderson County Purchasing Procedures and Regulations, responsible for purchasing supplies, materials, and equipment, from vendors. Evaluates vendor quotes to determine most desirable suppliers. Must be familiar with standard concepts, practices and procedures within a particular field. Relies on experience and judgment to plan and accomplish goals to perform a variety of tasks.

REQUIREMENTS: Bachelor's degree in business, Marketing, accounting or closely related field; and four (4) years of progressively responsible supervisory work experience in purchasing and procurement operations; or any equivalent combination of training and experience. Should possess or have the ability to obtain Certified Public Procurement Buyer (CPPB) Certificate.

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PRE-EMPLOYMENT DRUG TESTING REQUIRED

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Anderson County
All-America City

APPLY LOCAL JOB SERVICE OR SUBMIT RESUME TO:
ANDERSON COUNTY PERSONNEL PHONE (864) 260-4225
P O BOX 8002 FAX (864) 260-1009
ANDERSON, SC 29622 kfullbright@andersoncountysc.org

PLAINTIFF'S EXHIBIT 42
FENGAD 800-631-6989

Post Office Box 8002 · Anderson, S C. 29622-8002
(864) 260-4000 · (864) 260-4548 fax
www andersoncountysc org

2001, 2002 J. Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

EXHIBIT 19
FENGAD 800-631-6989

Plf_00063

AFFIRMATIVE ACTION REPORT

POSITION: _____ **DATE:** _____

		Vietnam Era Veteran	Disabled Veteran	Handicapped Individual
HISPANIC/LATINO male				
HISPANIC/LATINO female				
WHITE male				
WHITE female				
BLACK/AFRICAN AMERICAN male				
BLACK/AFRICAN AMERICAN female				
ASIAN male				
ASIAN female				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER male				
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER female				
AMERICAN INDIAN/ALASKA NATIVE male				
AMERICAN INDIAN/ALASKA NATIVE female				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO male				
TWO OR MORE RACES *NOT* HISPANIC OR LATINO female				

1. Mechael Thompson
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____

Plf_00064

Exibit A

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

CONFIDENTIAL DOCUMENT

SEVERANCE AGREEMENT AND RELEASE OF CLAIMS

AGREEMENT made and entered into this 18 day of NOVEMBER, 2008, by and between the County of Anderson, the Anderson County Council (hereinafter referred to collectively as "the County"), and Joey R. Preston (hereafter "Employee");

WHEREAS, Employee is currently employed by the County in the position of County Administrator;

WHEREAS, Employee and the County have mutually agreed that Employee is to be terminated as set forth herein;

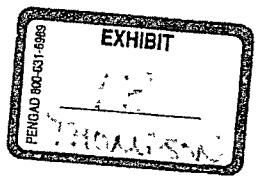
WHEREAS, Employee recognizes and agrees that it shall be in the best interest of Employee and of the County that the terms and conditions of Employee's termination of employment be expressly set forth and that the severance payments and benefits that the County is agreeable to providing Employee from and after his termination be similarly set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter made by Employee and the County, and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged by Employee and the County,

IT IS AGREED THAT:

1. Effective January 1, 2009 (hereafter "the effective date"), the employment relationship between Employee and the County shall be terminated. After the effective date, Employee will not be obligated to perform any further services for the County

2. Employee is currently employed as Administrator for the County. Employee agrees to relinquish that position at the end of business on November 30, 2008. For the period from December 1, 2008 through December 31, 2008, Employee agrees to continue in the employment of the County on a full-time basis as a consultant to assist the acting/interim Administrator in assuming and performing his/her duties. Employee shall continue his current pay and benefits through December 31, 2008. Employee recognizes that his continued employment for the time period from December 1, 2008 through December 31, 2008, shall be at the direction and control of the acting/interim County Administrator and the County Council, acting through its Chairman. Moreover, Employee shall devote his full attention, energies, and commitment to assisting in the smooth transition of responsibilities from Employee to the acting/ interim County Administrator.





3. Employee agrees to devote his full time and attention to his duties through December 31, 2008, and he agrees not to make any negative or derogatory remarks, comments, representations, or observations about the County, County Council, or the governance of the County through December 31, 2008.

4. The County shall pay to Employee, on or before November 30, 2008, the sum of $1,139,833.00, less appropriate state and federal withholding, to be allocated and paid as follows:

a. $359,258.00 to be paid to the South Carolina Retirement System to pay for retirement service credits for Mr. Preston as provided for under state law;

b. $780,575.00 to be paid to Mr. Preston on or before November 30, 2008, in the form of a severance benefit.

County shall also tender to Mr. Preston the title to the 2006 GMC Yukon that he is currently driving as a County vehicle.

5. As of the effective date, Employee's participation in any and all employee benefit plans maintained, sponsored, and/or participated in by the County shall cease in accordance with the terms of those plans. Employee shall be entitled to continue and/or convert such plans to individual coverage based on current elections to the extent permitted by law and the respective plan document. In the event that Employee timely elects to continue his group health plan coverage, pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), Employee shall be fully responsible for paying the entire share of premiums for such coverage (up to a total of 18 months) if he elects such coverage. This provision is not intended to and does not affect any vested right Employee may have in any State or County benefit plan. Mr. Preston shall be eligible for retiree health benefits to the same extent as any other retired employee of Anderson County.

6. In consideration of the County's agreement to provide Employee with the severance payments described in this Agreement, Employee, for himself, his heirs, his legal representatives, and his assigns, hereby covenants irrevocably never to make any claim or demand, or to commence, cause, or permit to be instituted or prosecuted, any suit, charge, proceeding, or action at law or in equity, against the County of any of its Council members, employees, managers, officers, board members, or any of its affiliated parts, entities, or subsidiaries, as well as the successors and assigns of those entities and persons, by reason of any claim, demand, or cause of action which Employee may now have, or may hereinafter acquire, relating to his employment, and/or the termination of his employment, with the County, expressly including, but not limited to, the termination of and/or the conditions of his employment with the County. The parties expressly covenant for themselves, their legal representatives, their heirs, and assigns, that this Agreement may be treated as a complete defense to any legal, equitable, or administrative action that may be brought, instituted, or taken by Employee against the County, related to Employee's employment, and/or the termination of his employment, or the conditions of his employment, and shall forever be a complete bar to the commencement or prosecution of any action, suit, charge, claim, or legal proceeding relating in any way to Employee's employment or termination of employment.

7. Employee specifically agrees that the waiver in the preceding paragraph includes any and all rights or claims against the County under the Age Discrimination in Employment Act, as amended ("ADEA"), 29 U.S.C. § 621, *et seq.*, that arose on or before the execution of this Agreement. In consideration of this waiver of rights under the ADEA, Employee acknowledges that he has accepted the consideration set forth in the preceding paragraphs of this Agreement. This consideration is over and above those amounts to which Employee is otherwise entitled under the County's policies. Employee further acknowledges that prior to signing this Agreement, he was given a copy of this Agreement as a written directive from the County advising him to consult an attorney before signing, and advising him that he had 21 days in which to consider signing.

8. The County agrees and hereby covenants irrevocably never to make any claim or demand, or to commence, cause or permit to be instituted or prosecuted, any claim, charge, proceeding or action at law or in equity against Mr. Preston, his heirs, legal representatives, or assigns, by reason of any claim, demand or cause of action which the County may now have, or may hereinafter acquire, relating to Mr. Preston's employment with the County or his actions as an employee on behalf of the County, expressly including, but not limited to, all actions taken by Mr. Preston within the scope and course of his employment as County Administrator.

9. Except for the provisions of paragraph 5(A), which provisions are hereby incorporated into this Agreement, the Master Employment Agreement entered into between the County and Employee and dated July 22, 1998 shall, upon payment of the benefits set forth in paragraph 4 above, be deemed to be fully performed and satisfied.

10. Employee acknowledges that, except as set forth herein, the County owes Employee no wages, back pay, retirement, accrued vacation, sick or other leave, profit sharing benefits or benefits under any other benefit plan, or any other amounts for any other reason. This Agreement does not alter any vested right Employee may have under any benefit plan maintained by the County of the State of South Carolina, and Employee's right to any such benefit shall be controlled by the plan document.

11. The parties agree that Employee shall be responsible for his share of any and all federal, state, or local tax liability (including, but not limited to, taxes, fines, penalties, and interest) that could arise as a result of any of the payments set forth in paragraph 4 above.

12. The parties agree that each paragraph of this Agreement and each provision within each paragraph is severable from the remainder of the Agreement, and further agree that if a portion of this Agreement shall be severed, the remainder of this Agreement shall be enforced according to its terms.

13. The parties to this Agreement agree that neither party, without the consent of the other, or except as may be required by law, either directly or indirectly, shall voluntarily disclose any of the terms of the Severance Agreement or the circumstances surrounding the termination of the employment relationship between Employee and the County, except to say that Employee elected to resign his position. This provision shall not prohibit the parties from discussing this matter with their respective attorneys or tax or financial consultants, neither shall it prohibit the County from discussing this matter with County officials on a need-to-know basis. The parties

also understand that the County may be required, by law, to share the Agreement with a requesting third party pursuant to the provisions of the South Carolina Freedom of Information Act. Any such disclosure shall be limited by the request and any limitations under South Carolina law.

14. Both parties understand and agree that their respective obligations to perform under this Agreement are conditioned upon performance of the parties' agreements and covenants as set forth herein.

15. This Agreement shall inure to and be binding upon the parties hereto, their respective heirs, legal representatives, successor, and assigns.

16. This Agreement shall be construed in accordance with the laws of the State of South Carolina.

17. This Agreement constitutes the entire understanding of the parties, and no representation, promise, or inducement not included herein shall be binding upon the parties.

18. This Agreement may be changed orally, but only by an agreement in writing signed by the parties.

19. Employee specifically acknowledges that he has been advised to consult with an attorney regarding this Agreement, that he has been advised that he has 21 days to consider signing this Agreement, and that he has 7 days to revoke this Agreement after it has been signed.

IN WITNESS WHEREOF, the parties set their hands and seals this 18 day of NOVEMBER, 2008.

Witnessed by:

As to Anderson County

Teresa W. Windham

As to Anderson County Council

Teresa W. Windham

Signed, sealed and delivered:

ANDERSON COUNTY

By: Michael Thompson

W. Ed McAbee, Jr.

ANDERSON COUNTY COUNCIL

By: Michael Thompson

W. Ed McAbee, Jr.

"THE COUNTY"

Acme Boot Brands

"EMPLOYEE"

HOURS/ITEMS	EARNINGS/TAX/DEDUCT	CURRENT	YEAR TO DATE	EARNINGS/TAX/DEDUCT	CURRENT	YEAR TO DATE
80.000	REGULAR	343.47	993.18			
.000	OVERTIME					
	ADJS(+/-)	306.24				
	GROSS	649.71	993.18	RETIREMENT	42.24	64.57
	STATE W/H	20.54	21.49	FED W/H	15.91	15.91
	S SECURITY	40.28	51.04	MEDICARE	9.42	11.94
	NET PAY	521.32	657.46			
	DEP/LIFE		.88	M+ DENTAL		3.82
	M+HEALTH		165.19	M+OPT/LIFE		.88
.00	SICK HRS	.00	COMP HR			
.00	VAC. HRS	SS#	[redacted]			

DETACH AND RETAIN THIS STATEMENT. IT IS A RECORD OF YOUR EARNINGS AND TAX DEDUCTIONS AS REPORTED TO THE STATE AND FEDERAL GOVT.

NON-NEGOTIABLE EMPLOYEE STATEMENT RETAIN FOR YOUR RECORDS DO NOT CASH

NON-NEGOTIABLE
EMPLOYEE STATEMENT
RETAIN FOR
YOUR RECORDS
DO NOT CASH

*** DIRECT DEPOSIT ***

MICHAEL G THOMPSON
[redacted]

NO.

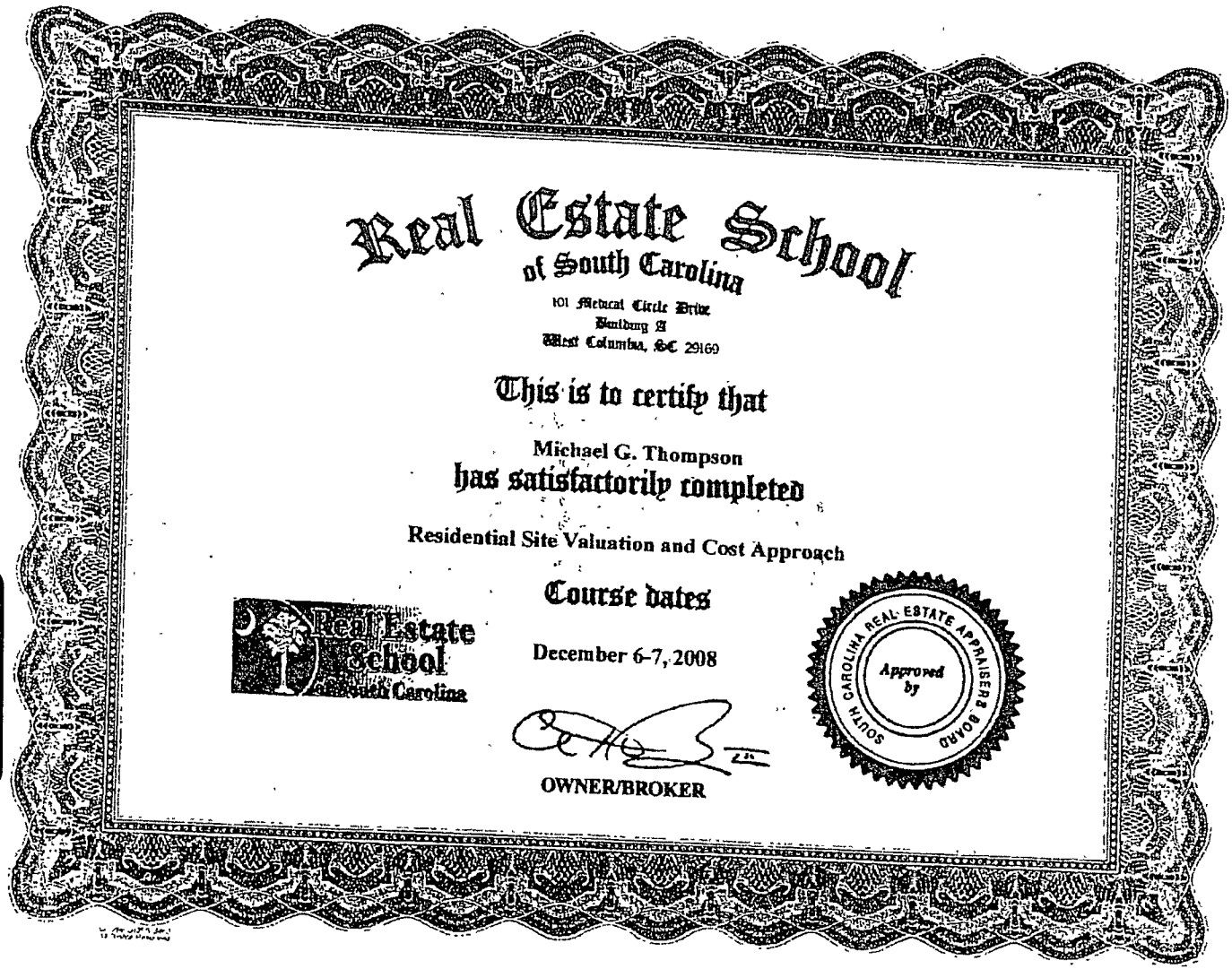
ANDERSON COUNTY
SOUTH CAROLINA

TOTAL HOURS	PERIOD ENDING	PAY GROUP	DEPT.	GROSS PAY	CURRENT PAY PERIOD AMOUNTS TAXES	DEDUCTIONS	NET PAY
80.00	1/10/2009	1	5011	649.71	86.15	42.24	521.32
CHECK NUMBER	CHECK DATE	EMPLOYEE #		GROSS PAY	TOTALS TO DATE AMOUNTS TAXES	DEDUCTIONS	NET PAY
	1/16/2009	[redacted]		993.18	100.38	235.34	657.46

EXHIBIT
110
THOMPSON
PENGAD 800-631-6989

PLAINTIFF'S EXHIBIT
44
PENGAD 800-631-6989

Plf_01071



Real Estate School
of South Carolina

101 Medical Circle Drive
Building B
West Columbia, SC 29169

This is to certify that

Michael G. Thompson

has satisfactorily completed

Residential Site Valuation and Cost Approach

Course dates

December 6-7, 2008

Real Estate School of South Carolina

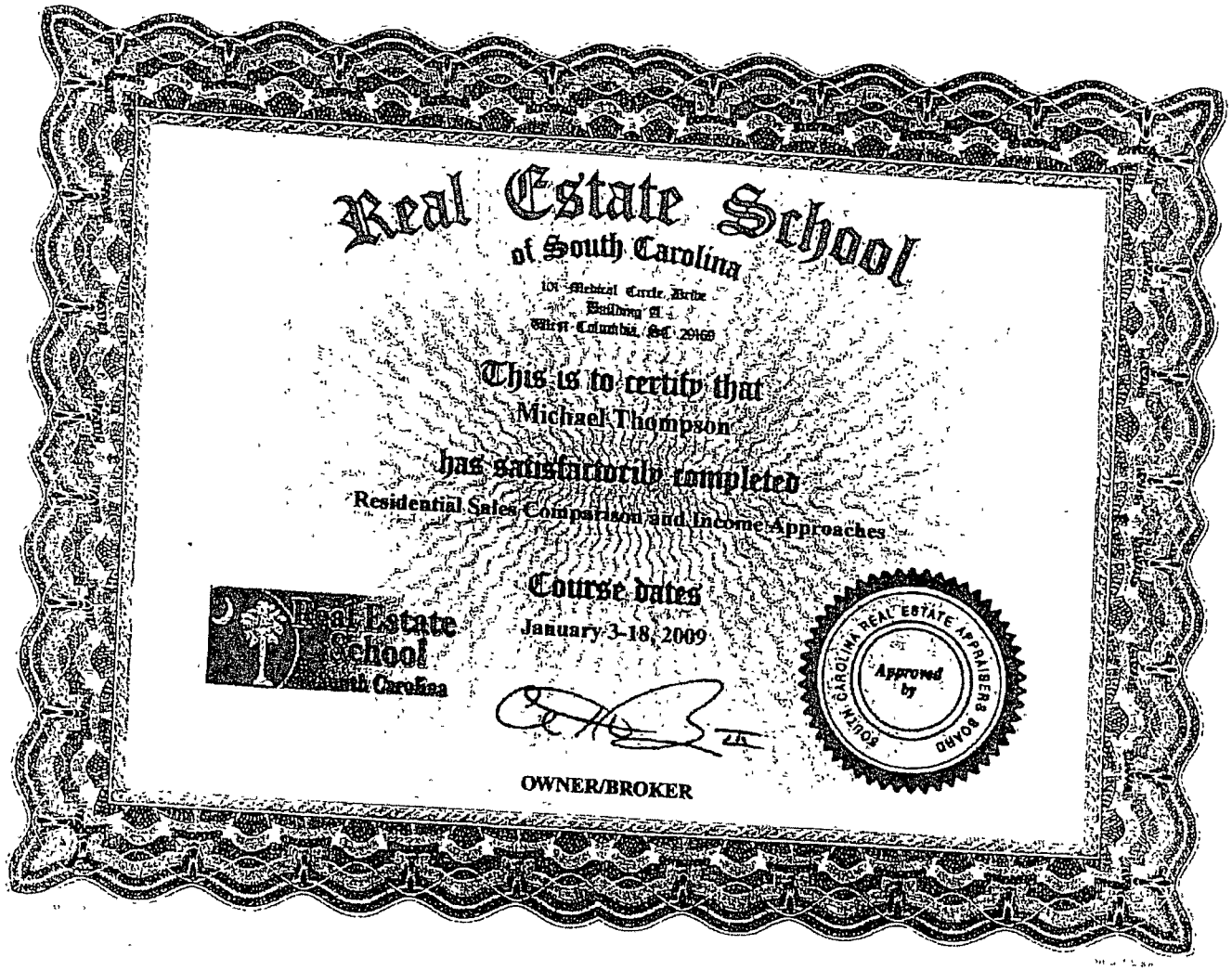
SOUTH CAROLINA REAL ESTATE APPRAISERS BOARD
Approved by

OWNER/BROKER

PENGAD 800-631-6989
EXHIBIT
17

PENGAD 800-631-6989
PLAINTIFF'S EXHIBIT
45

Plf_00619


Real Estate School
of South Carolina
101 Medical Circle, Suite
Building G
West Columbia, SC 29169
This is to certify that
Michael Thompson
has satisfactorily completed
Residential Sales Comparison and Income Approaches
Course dates
January 3-18, 2009
Real Estate School South Carolina
SOUTH CAROLINA REAL ESTATE APPRAISERS BOARD
Approved by
OWNER/BROKER

Pif_00620



Real Estate School

of South Carolina

101 Medical Circle Drive
Building 2
West Columbia, SC 29169

This is to certify that

Michael Thompson

has satisfactorily completed

Residential Report Writing

Course dates

January 31- February 1, 2009

Real Estate School South Carolina

SOUTH CAROLINA REAL ESTATE APPRAISERS BOARD
Approved by

OWNER/BROKER

Plf_00621

F11111	11/25/2008	1030.00	QE 5,6&7
F11111	11/25/2008	550.84	QE 5,6&7
F11111	11/25/2008	816.96	QE 5,6&7
F11111	11/25/2008	352.00	QE 5,6&7

[redacted]

[redacted] 2749.80*

No. [redacted]

CAROLINA FIRST
ANDERSON, SC 29621

PAY ***2749*DOLLARS AND*80*CENTS

MICHAEL G THOMPSON [redacted] 12/03/2008 [redacted] ****2,749.80

[redacted]

PLAINTIFF'S EXHIBIT 46
PENGAD 800-631-6989

Plf_00498

EXHIBIT 18 Thompson
PENGAD 800-631-6989

ANDERSON COUNTY
ADVANCE TRAVEL REQUEST

ALL REQUEST MUST BE SUBMITTED TEN (10) DAYS PRIOR TO DEPARTURE

NAME: Michael Thompson
DEPARTMENT: Assessor
DESTINATION: Columbia SC
DATE OF REQUEST: 11-25-08
PURPOSE OF TRAVEL: Training
DATE OF DEPARTURE: See Attached
QE-5 12/6-7/08 | QE-6 1/3-4 & 1/10/11/09 | QE-7 3/31-4/1/09
DATE OF RETURN:

MEANS OF TRANSPORTATION:
County Vehicle
Private Vehicle ✓
Air
Other

ANTICIPATED COST:

Transportation	$ 550.84
Lodging	$ 816.96
Meals	$ 352.00
Miscellaneous	$ 1030.00
TOTAL	$ 2749.80
Advance Request	$ 2,749.80
Approximate Balance	$ -

ACCOUNT NUMBERS: [redacted]

NOTES: Dept Head Approval: Below | Finance Approval: [signature]
Account Number: 3 Above | E #/PO #: JM
Vendor #: 58560 | Voucher #: 4 above
Date Rec'd Finance: NOV 26 2008 | Date Paid: DEC 03 2008

APPROVAL SIGNATURES: (Routing must be in the order as below)

DEPARTMENT HEAD:

FINANCE DEPARTMENT: BUDGETED: YES NO

COUNTY ADMINISTRATOR:

If the requested travel is not budgeted, a full explanation must be presented with this request. No advance will be made if there is an outstanding travel voucher. (See excerpt from Personnel Manual)

PERSONNEL MANUAL Sec.55-31 E. "All travel must be authorized in advance. Accordingly, all expense must be supported by an expense report. Travel expense vouchers will be furnished by the Finance Department. These vouchers must be used for all travel reimbursements and filled out completely as applicable. The vouchers shall be signed and dated by the individual, approved by the department head, and returned (with all applicable receipts) to the Finance Department within five (5) working days after completion of the trip."

ALL REQUEST MUST BE SUBMITTED TEN (10) DAYS PRIOR TO DEPARTURE

Plf_00499

U.S. General Services Administration

Domestic Perdiem Rates

South Carolina - FY 09

(October 1, 2008 through September 30, 2009)

Cities not appearing below may be located within a county for which rates are listed. To determine what county a city is located in, visit the National Association of Counties (NACO) website (a non-federal website).

NOTE: If neither the city nor the county is listed, the location is a standard CONUS destination with a rate of $70.00 for lodging and $39.00 for meals and incidental expenses (M&IE).

State Tax Rates & Exemption Forms

Properties at Per Diem (FedRooms)

Primary Destination (1)	County (2, 3)	Max Lodging (excl. taxes)	+	M&IE Rate	=	Max Per Diem Rate (4)	First & Last Day (75% of M&IE)
Aiken	Aiken	81		39		120	29.25
Charleston	Charleston, Berkeley and Dorchester	141		54		195	40.5
Columbia	Richland	92		44		136	33.0
Greenville	Greenville	92		49		141	36.75
Hilton Head (October 1 - October 31)	Beaufort	114		54		168	40.5
Hilton Head (November 1 - March 31)	Beaufort	98		54		152	40.5
Hilton Head (April 1 - August 31)	Beaufort	144		54		198	40.5
Hilton Head (September 1 - September 30)	Beaufort	114		54		168	40.5
Myrtle Beach (October 1 - October 31)	Horry	86		54		140	40.5
Myrtle Beach (November 1 - February 28)	Horry	70		54		124	40.5
Myrtle Beach (March 1 - August 31)	Horry	114		54		168	40.5
Myrtle Beach (September 1 - September 30)	Horry	86		54		140	40.5

Call 1-800-FREE411 (1-800-373-3411) and get MapQuest Directions via text message.

MAPQUEST.

Total Time: 2 hours 4 minutes Total Distance: 117.70 miles

A: 650 Hunters Ln, Anderson, SC 29625-2036

START	1: Start out going SOUTHWEST on HUNTERS LN.	0.1 mi
	2: Turn LEFT to stay on HUNTERS LN.	0.0 mi
	3: Turn LEFT onto CENTERVILLE RD.	0.5 mi
	4: Turn SLIGHT LEFT onto CHARLEY DR/CHARLIE DR	0.2 mi
	5: Turn SLIGHT LEFT onto PEARMAN DAIRY RD/PEARMAN DAIRY RD N/SC-28 BYP.	2.3 mi
	6: Stay STRAIGHT to go onto LIBERTY HWY.	0.4 mi
	7: Turn LEFT onto US-178/LIBERTY HWY.	1.2 mi
NORTH 85	8: Merge onto I-85 N.	11.0 mi
EXIT 32	9: Take EXIT 32 toward SC-8/PELZER/EASLEY.	0.3 mi
	10: Turn RIGHT onto EASLEY HWY/SC-8. Continue to follow SC-8.	9.1 mi
	11: SC-8 becomes SC-418.	11.4 mi
SOUTH 385	12: Merge onto I-385 S.	23.1 mi
EAST 26	13: I-385 S becomes I-26 E.	57.5 mi
EAST 378	14: Merge onto US-378 E/SUNSET BLVD via EXIT 110 toward WEST COLUMBIA.	0.4 mi
	15: Turn RIGHT onto CHRIS DR.	0.1 mi
END	16: End at 1094 Chris Dr West Columbia, SC 29169-4722	

B: 1094 Chris Dr, West Columbia, SC 29169-4722

117.7 X 2 = 235.4 Total Time: 2 hours 4 minutes Total Distance: 117.70 miles X 2 = 235.40
X 58.5¢ = $137.71 X 50.5¢ = 118.88

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Directions and maps are informational only. We make no warranties on the accuracy of their content, road conditions or route usability or expeditiousness You assume all risk of use MapQuest and its suppliers shall not be liable to you for any loss or delay resulting from your use of MapQuest Your use of MapQuest means you agree to our Terms of Use

HOME > SOUTH CAROLINA REAL ESTATE APPRAISAL COURSES

NEW ONLINE COURSES FOR APPRAISAL CON-ED!



We're pleased to offer **FIVE NEW CLASSES** this year for APPRAISAL ONLINE CONTINUING EDUCATION CREDIT! FINALLY APPROVED BY THE APPRAISERS BOARD/ILR, appraisers are now allowed to complete continuing education classes via distance learning! These courses are ***exclusive*** to the Real Estate School of South Carolina and cover hot topics like FHA/VA Appraisal and Mortgage Fraud. THE 7 HOUR USPAP COURSE IS ALSO AVAILABLE ONLINE!!

TO ACCESS THE CLASSES, FOLLOW THIS LINK: REALESTATESCHOOLOFSC.FASTCLASS.COM

APPRAISAL LICENSING

To become an apprentice and ultimately a licensed appraiser, a total of 150 hours of classroom time is required, along with a 24 month apprenticeship. The courses we offer will satisfy all requirements for the apprentice level license and the regular license level. Should you desire to later upgrade to either Certified Residential (200 hours) or Certified General (300 hours) (upper level appraisal license designations), prior college credit will be required

To become a Certified Residential Appraiser, in addition to the 200 hours of classroom instruction, you will need an Associate's Degree or at least 21 hours of the following college coursework: English Composition, Principles of Economics (Micro or Macro), Finance, Algebra/Geometry/or Higher Mathematics, Statistics, Introduction to Computers, Word Processing/Spreadsheets and Business or Real Estate Law

To become a Certified General Appraiser, in addition to the 300 hours of classroom instruction, you will need a Bachelor's Degree or at least 30 hours of the following college coursework: English Composition, Principles of Economics (Micro or Macro), Finance, Algebra/Geometry/or Higher Mathematics, Statistics, Introduction to Computers, Word Processing/Spreadsheets and Business or Real Estate Law, Two Electives in Accounting, Geography, Agricultural Economics, Business Management or Real Estate

APPRENTICESHIP PACKAGE - HERE'S HOW YOU GET STARTED!

Complete the first three courses (QE-1, QE-2, QE-3) and you will be able to start your apprenticeship! HP 10B II calculator recommended

QE-1: BASIC APPRAISAL PRINCIPLES. 30 HOUR COURSE, TEXTBOOK REQUIRED: BASIC APPRAISAL PRINCIPLES. TUITION: $360 + $45 TEXTBOOK.

QE-2: BASIC APPRAISAL PROCEDURES. 30 HOUR COURSE, TEXTBOOK REQUIRED: BASIC APPRAISAL PROCEDURES. TUITION: $360 + $45 TEXTBOOK.

QE-3: UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE. 15 HOUR COURSE, STANDARD TEXTBOOK AND STUDENT MANUAL REQUIRED.

TUITION: $225 + $50 TEXTBOOKS.

(To register, add courses in the list below to your shopping cart.)

LICENSE LEVEL COURSES

Complete the next four courses (QE-4, QE-5, QE-6, QE-7) and you will be ready for the state exam and your appraisal license!

QE-4: MARKET ANALYSIS AND HIGHEST AND BEST USE. 15 HOUR COURSE, TEXTBOOK REQUIRED: MARKET ANALYSIS AND HIGHEST AND BEST USE. TUITION: $275 + $37.50 TEXTBOOK.

QE-5: RESIDENTIAL SITE VALUATION AND COST APPROACH. 15 HOUR COURSE, TEXTBOOK REQUIRED: RESIDENTIAL SITE VALUATION AND COST APPROACH. TUITION: $275 + $37.50 TEXTBOOK. 312.50

QE-6: RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES. 30 HOUR COURSE, TEXTBOOK REQUIRED: RESIDENTIAL SALES COMPARISON & INCOME APPROACHES. TUITION: $360 + $45 TEXTBOOK. 405

QE-7: RESIDENTIAL REPORT WRITING. 15 HOUR COURSE, TEXTBOOK REQUIRED: RESIDENTIAL REPORT WRITING. TUITION: $275 + $37.50 TEXTBOOK. 312.50

~~$1030~~

In Appraisal Education, Experience Counts! The Real Estate School of SC has successfully prepared students since 1977. Our primary appraisal curriculum is led by Joe Kuhlmann, the most popular and accomplished instructor in South Carolina. With our phenomenal pass rate, students are better prepared at the Real Estate School of South Carolina than anywhere else.

KEEP UP WITH THE REQUIREMENTS!

For appraisers to keep abreast of the changes in the industry on both the state and federal level it is critical that appraisal practitioners to check periodically the LLR Real Estate Appraisers Board website.

Real Estate Pre-Licensing

The First Year Sales Course launches your real estate career. $399, includes E-Book. Please bring your laptop to class. (If you cannot bring a laptop, please let us know so we can prepare materials for you.)

Columbia • 101 Medical Circle Drive

Days (Mon-Thurs, 9:00am - 5:30pm):
• Sept. 8 - 18 • Oct. 6 - 16 • Nov. 3 - 13* No class on 11/4
Dec. 1 - 11

Evenings (Mon-Tues-Thurs, 5:45pm - 9:45pm):
Aug. 18, 19, 21, 25, 26, 28, Sept. 2, 3, 4, 8, 9, 11, 15, 16, 18
Sept. 29, 30, Oct. 2, 6, 7, 9, 13, 14, 16, 20, 21, 23, 27, 28, 30
Nov. 3, 5, 6, 10, 11, 13, 17, 18, 20, 24, 25, Dec. 1, 2, 3, 4* No class on 11/4

Weekends (Sat - Sun, 9:00am - 5:30pm)*
Sept. 6, 7, 13, 14, 27, 28, Oct. 4, 5
Oct. 18, 19, 25, 26, Nov. 8, 9, 15, 16
Nov. 22, 23, Dec. 6, 7, 13, 14, 20, 21

umter • USC Sumter, 200 Miller Road

venings (Mon-Thurs, 5:45pm - 9:45pm):
Oct. 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 27, 28, 29

reenville • 333 Wade Hampton Boulevard

ays (Mon-Thurs, 9:00am - 5:30pm):
Aug. 11 - 21 • Oct. 6 - 16 • Dec. 1 - 11

/eekends (Sat - Sun, 9:00am - 5:30pm).
Sept. 6, 7, 13, 14, 20, 21, 27, 28

veninas (Mon-Tues-Thurs, 5:45pm - 9:45pm):
Oct. 27, 28, 29, 30, Nov. 3, 5, 6, 10, 11, 12, 13, 17, 18, 19, 20

orence • 1801 2nd Loop Road

/eekends (Sat - Sun, 9:00am - 5:30pm):
Sept. 20, 21, 27, 28, Oct. 4, 5, 11, 12

arleston • 607 B Johnnie Dodds Blvd, Mt. Pleasant

arleston does not use the E-Book. Laptops are not needed in class.

lf Days (Mon-Fri, 9:00am - 1:00pm):
Aug. 11 - 29 • Sept. 15 - Oct. 3 • Oct. 13 - 31
Nov. 10 - Dec. 3* No class on 11/26 28

evenings (Mon-Tues-Thurs, 5:45pm - 9:45pm):
•ept. 15 • Oct. 16 • Oct. 20 - Nov. 20

derson & Summerville: Call for Dates

re-Exam Seminar

o four hour review session. Targets the PSI exam. $10 for current RES students, $30 for non-students.

umbia • 101 Medical Circle Drive

nings (5:45 - 9:45pm):
ept. 24
ec. 10

Days (9am - 1pm):
• Oct. 31
• Nov. 21

Real Estate Post-Licensing

Upgrade to a permanent license! The Pt. Courses give you the Real 30 hours needed during your first year of licensure. And, they carry continuing education credit! $299 for all 5 classes; or, $75 each.

Columbia • 101 Medical Circle Drive

Days (Mon-Thurs, 8:30am - 5:30pm):
• Aug. 18 - 21 • Oct. 20 - 23 • Nov. 17 - 20 • Dec. 15 - 18

Weekends (Sa-Su, 8:30am - 5:30pm)
• Sept. 13, 14, 20, 21

Evenings (Mon-Thurs, 5:45pm - 9:45pm):
• Aug. 17 - 21

Sumter • USC Sumter, 200 Miller Road

Evenings (Mon-Thurs, 5:45pm - 9:45pm):
• Sept. 8 - 18

Greenville • 333 Wade Hampton Boulevard

Days (Mon-Thurs, 8:30am - 5:30pm):
• Oct. 20 - 23 • Dec. 15 - 18 Weekends: • Aug. 9, 10, 16, 17

Charleston • 607 B Johnnie Dodds Blvd, Mt. Pleasant:

Evenings (Mon-Thurs, 5:45pm - 9:45pm):
• Dec. 1 - 11

Broker Licensing

If you're ready to go out on your own, or simply wish to move up to the broker's license level without becoming a broker in charge, our Broker A and B classes are for you!
Tuition: $275 each, includes E-Book. Please bring your laptop to class. (If you cannot bring a laptop, please let us know so we can prepare materials for you.)

Columbia • 101 Medical Circle Drive

Days (Mon-Thurs, 9:00am - 6:30pm):
• Broker A: Sept. 22 - 25 • Broker B: Sept. 29 - Oct. 2
• Broker A: Nov. 10 - 13 • Broker B: Nov. 17 - 20

Property Management

With a Property Manager's license, you can work at an apartment community, a private leasing firm, or manage investment or commercial properties. Tuition: $275, includes E-Book. Please bring your laptop to class. (If you cannot bring a laptop, please let us know so we can prepare materials for you.) Charleston does not use the E-Book. Laptops are not needed in class.

Columbia • 101 Medical Circle Drive

Weekends (Sat - Sun, 9:00am - 5:30pm):
• Sept. 20, 21, 27, 28
• Nov. 15, 16, 22, 23

Days (Mon-Thurs, 9:00am - 5:30pm):
• Aug. 25 - 28
• Oct. 27 - 30

Charleston • 607 B Johnnie Dodds Blvd, Mt. Pleasant

Evenings (Mon-Thurs, 5:30pm - 9:30pm):
• Aug. 18 - 28

Veterans Programs Available!

Call 803-791-3800
or 888-319-0654

www.realestateschoolofsc.com

Appraisal Courses

To become an apprentice and ultimately a licensed appraiser, a total of 150 hours of classroom time is required, along with a 24 month apprenticeship. The courses we offer will satisfy all requirements for the apprentice level license and the regular license level. Should you desire to later upgrade to either Certified Residential (200 hours) or Certified General (300 hours) (upper level appraisal license designations), prior college credit will be required.

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Apprenticeship Package - Here's How You Get Started!

Complete the first three courses (QE-1, QE-2, QE-3) and you will be able to start your apprenticeship! HP-12C calculator recommended.

QE-1: Basic Appraisal Principles. 30 hour course, textbook required: Hondros Basic Appraisal Principles. Tuition: $360 + $45 textbook.

QE-2: Basic Appraisal Procedures. 30 hour course, textbook required: Hondros Basic Appraisal Procedures 2nd ed. Tuition: $360 + $45 textbook.

QE-3: Uniform Standards of Professional Appraisal Practice. 15 hour course, standard textbook and student manual required. Tuition: $225 + $30 textbooks.

Columbia • 101 Medical Circle Drive

Weekends (Sat - Sun, 9:00am - 5:30pm):
• QE-1: Sept. 27, 28, Oct. 4, 5
• QE-2: Oct. 25, 26, Nov. 1, 2
• QE-3: Aug. 18 - 21 (Eve) • QE-3: Nov. 8, 9 (Weekend)

License Level Courses

Complete the next four courses (QE-4, QE-5, QE-6 and QE-7) and you will be ready for the state exam and your appraisal license!

QE-4: Market Analysis and Highest & Best Use. 30 hour course, textbook required: Hondros Market Analysis and Highest & Best Use. Tuition: $275 + $37.50 textbook.

QE-5: Residential Site Valuation & Cost Approach. 15 hour course, textbook required: Hondros Residential Site Valuation & Cost Approach. Tuition: $275 + $37.50 textbook.

QE-6: Residential Sales Comparison and Income Approaches. 30 hour course, textbook required: Hondros Residential Sales Comparison and Income Approaches. Tuition: $360 + $45 textbook.

QE-7: Residential Report Writing. 15 hour course, textbook required: Hondros Residential Report Writing. Tuition: $275 + $37.50 textbook.

Columbia • 101 Medical Circle Drive

Weekends (Sat - Sun, 9:00am - 5:30pm):
• QE-4: Nov. 15, 16
• QE-5: Dec. 6, 7
• QE-6: Aug. 9, 10, 16, 17 • Jan. 3, 4, 10, 11 2009
• QE-7: Sept. 6, 7 • Jan. 31, Feb. 1 2009

Real Estate School of South Carolina

Financial Aid is Now Available!

002099

Pif_00504

From: Heather Jones
Sent: Wednesday, November 26, 2008 1.52 PM
To: Joey Preston
Subject: Vehicle Memo

JP-

You told me to draft a memo that you could put in my permanent file as well as give me a copy of that granted me use of a take-home vehicle Here is a draft You can make changes as needed and then print on letterhead with initials If you would go ahead and forward a copy to Phyllis and to me, I would appreciate it.



vehicle memo.doc

Thanks,

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator-
Economic Development
126 N. McDuffie Street
Anderson, SC 29621
(864) 260-4386 W
(864) 260-4369 F
hjones@andersoncountysc.org
www.andersonpartnership.com

EXHIBIT
4/14/09 Jones
B
HUSEBY

PLAINTIFF'S EXHIBIT 47
PENGAD 800-631-6989

Plf_00773

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2008

RE: County Vehicle

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

- you will be provided a County SUV for your use in the economic development efforts of Anderson County
- you will be allowed to drive this vehicle home
- you will be allowed to transport non-County employees in this vehicle to include, but not limited to, taking and dropping off your child/children at daycare, etc
- you will be allowed to travel to and from the office and other work related functions as needed after hours and on weekends in your County vehicle
- you will be expected to use good judgment in the adherence to County vehicle policy not addressed specifically by this memo

We are excited about the professionalism that you bring with you and look forward to having you on our team in Anderson County.

Plf_00774

From: Heather Jones
Sent: Wednesday, November 26, 2008 1:59 PM
To: Joey Preston
Subject: Corrected date on vehicle memo


vehicle
memo doc

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator-
Economic Development
126 N. McDuffie Street
Anderson, SC 29621
(864) 260-4386 W
(864) 260-4369 F
hjones@andersoncountysc.org
www.andersonpartnership.com

EXHIBIT 9

PLAINTIFF'S EXHIBIT 48

Plf_00769

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: County Vehicle

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

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- you will be allowed to drive this vehicle home
- you will be allowed to transport non-County employees in this vehicle to include, but not limited to, taking and dropping off your child/children at daycare, etc
- you will be allowed to travel to and from the office and other work related functions as needed after hours and on weekends in your County vehicle
- you will be expected to use good judgment in the adherence to County vehicle policy not addressed specifically by this memo

We are excited about the professionalism that you bring with you and look forward to having you on our team in Anderson County.

From: Heather Jones
Sent: Wednesday, November 26, 2008 2:11 PM
To: Joey Preston
Subject: To Do list

I just sent over in IO mail the last will and testament

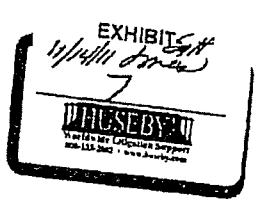
PAF forms for 4 employees
Approval of Rogers Site, Site Certification
Memos for HSJ's file re: education and vehicle use
Furniture/Carpet Approvals for Robert
Transfers of $12,000 to part time and $22,000 for full time
Transfer of $4,000 for marketing

Please feel free to call or email me with questions


vehicle memo.doc


school memo.doc

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator-
Economic Development
26 N. McDuffie Street
Anderson, SC 29621
(864) 260-4386 W
(864) 260-4369 F
hjones@andersoncountysc.org
www.andersonpartnership.com





Plf_00835

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: County Vehicle

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

- you will be provided a County SUV for your use in the economic development efforts of Anderson County
- you will be allowed to drive this vehicle home
- you will be allowed to transport non-County employees in this vehicle to include, but not limited to, taking and dropping off your child/children at daycare, etc
- you will be allowed to travel to and from the office and other work related functions as needed after hours and on weekends in your County vehicle
- you will be expected to use good judgment in the adherence to County vehicle policy not addressed specifically by this memo

We are excited about the professionalism that you bring with you and look forward to having you on our team in Anderson County.

EXHIBIT 10 HUSEBY

PLAINTIFF'S EXHIBIT 50

Plf_00776

ANDERSON COUNTY

Date: 12-1-08

To: P Shuffler

From: JRR

PLEASE:

- ☐ HANDLE
- ☐ SEE OR PHONE ME
- ☐ RE. ATTACHED
- ☐ PREPARE REPLY FOR MY SIGNATURE
- ☒ FOR YOUR INFORMATION
- ☐ NOTE AND RETURN
- ☐ FOR YOUR COMMENTS AND SUGGESTIONS
- ☐ FOR DISCUSSION WITH YOU
- ☐ PREPARE DRAFT REPLY
- ☐ AS REQUESTED

COMMENTS:

iew, this memo will serve as a record in
int between you as an employee of
h its Administrator, that being me, Joey R.

your use in the economic development

home
unty employees in this vehicle to include,
ff your child/children at daycare, etc
. the office and other work related
functions as needed after hours and on weekends in your County vehicle

- you will be expected to use good judgment in the adherence to County vehicle policy not addressed specifically by this memo

We are excited about the professionalism that you bring with you and look forward to having you on our team in Anderson County.

OFFICE OF THE ADMINISTRATOR
Post Office Box 8002, Anderson, SC 29622-8002
(864) 260-4031, Fax (864) 260-4106

EXHIBIT
11
HUSEBY

PLAINTIFF'S EXHIBIT 51

Plf_00775

From: Heather Jones
Sent: Wednesday, November 26, 2008 1:58 PM
To: Joey Preston
Subject: School memo for file

Same as last, only for school. Please note the dates should be 10-16-2006 on both and not 2008

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator-
Economic Development

school memo.doc

126 N. McDuffie Street
Anderson, SC 29621
(864) 260-4386 W
(864) 260-4369 F
hjones@andersoncountysc.org
www.andersonpartnership.com

EXHIBIT
11/14/11 Jones
12
HUSEBY

PLAINTIFF'S EXHIBIT
52

Plf_00771

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: County Vehicle

Per our conversation during your recent interview, this memo will serve as a record in your file to memonalize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

Anderson County for your willingness to develop yourself professionally and bring new skill sets to our county organization, agrees to pay 100% of the reimbursable costs associated with not more than two classes per given semester or four in any one year at an accredited university, provided an invoice and appropriate grade, as outlined in county policy, are achieved.

I look very forward to working with you in the years to come and the initiatives you will bring to fruition for our economic development division in Anderson County.

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: County Vehicle

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

Anderson County for your willingness to develop yourself professionally and bring new skill sets to our county organization, agrees to pay 100% of the reimbursable costs associated with not more than two classes per given semester or four in any one year at an accredited university, provided an invoice and appropriate grade, as outlined in county policy, are achieved.

I look very forward to working with you in the years to come and the initiatives you will bring to fruition for our economic development division in Anderson County.





Plf_00777

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: Educational Reimbursement

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

Anderson County for your willingness to develop yourself professionally and bring new skill sets to our county organization, agrees to pay 100% of the reimbursable costs associated with not more than two classes per given semester or four in any one year at an accredited university, provided an invoice and appropriate grade, as outlined in county policy, are achieved.

I look very forward to working with you in the years to come and the initiatives you will bring to fruition for our economic development division in Anderson County.



Plf_00865

From: Heather Jones
Sent: Monday, December 01, 2008 1:19 PM
To: Joey Preston
Subject: Last request

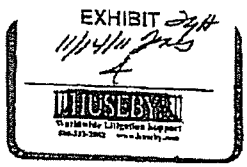
Mr. P-

I forgot one thing:

Upstate Alliance is going to Germany In Spring of 2009 to call on automotive OEM's, suppliers, and existing industries. Provided I have travel money remaining, I would like approval to attend this mission trip. I will probably be able to get a grant again from Innovate Anderson for some assistance

Thanks,

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator
Economic Development
126 N. McDuffie Street
Anderson, SC 29621
(864) 260-1386 W
(864) 260-1369 F
hjones@andersoncountysc.org
www.andersonpartnership.com



Plf_05052



From: Heather Jones
Sent: Monday, December 01, 2008 2:35 PM
To: Joey Preston
Subject: RE: Last request

yes

From: Joey Preston
Sent: Monday, December 01, 2008 2:33 PM
To: Heather Jones
Subject: RE: Last request

did you get it?

—Original Message—
From: Heather Jones
Sent: Monday, December 01, 2008 2:33 PM
To: Joey Preston
Subject: RE: Last request

There was no response in your former message re: Steve.

From: Joey Preston
Sent: Monday, December 01, 2008 2:31 PM
To: Heather Jones
Subject: RE: Last request

—Original Message—
From: Heather Jones
Sent: Monday, December 01, 2008 2:30 PM
To: Joey Preston
Subject: RE: Last request

Got it. Thanks

Oh, and Phyllis called me to say that Steve Newton was marked "not rehirable" or "ineligible for rehire" in his permanent file and that I could not hire him.

From: Joey Preston
Sent: Monday, December 01, 2008 2:27 PM
To: Heather Jones
Subject: RE: Last request

get me the letter to approve...date it early last week...

—Original Message—
From: Heather Jones
Sent: Monday, December 01, 2008 1:19 PM
To: Joey Preston
Subject: Last request

Mr. P-

I forgot one thing:

Upstate Alliance is going to Germany in Spring of 2009 to call on automotive OEM's, suppliers, and existing industries. Provided I have travel money remaining, I would like approval to attend this mission trip. I will probably be able to get a grant again from Innovate Anderson for some assistance.

1

EXHIBIT Sept 11/12/09 Jones 5 HUSEBY

PLAINTIFF'S EXHIBIT 56

Plf_00813

Thanks,

Heather Simmons Jones, SCCED
Anderson County
Assistant County Administrator-
Economic Development
126 N. McDuffie Street
Anderson, SC 29621
(864) 260-4386 W
(864) 260-4369 F
hjones@andersoncountysc.org
www.andersonpartnership.com

To: Joey R. Preston,
County Administrator

From: Heather Simmons Jones,
Assistant County Administrator

RE: Upstate Alliance Mission Trip to Germany

Date. November 17, 2008

Recently the Upstate Alliance announced that they will be taking a recruiting mission to Germany in the Spring of 2009. The delegation will call on Automotive OEM's, existing industries in the Upstate, automotive and aviation suppliers, as well as a groomed list of companies interested in US investment. Since Anderson County has such strong representation from German investment and equally is working with two major German projects totaling almost $200 million, I would ask that I be granted permission and travel expenses by Anderson County to attend this mission.

Please let me know if you have questions. I will keep you updated as the dates and details come in

Thank you for your time.

ANDERSON COUNTY
SOUTH CAROLINA

Making News,
Making Progress.

February 16, 2006

Ms. Amy Plummer
Post Office Box 207
Pendleton, South Carolina 29670

County Administrator
Joey R. Preston

Council Members
Larry E. Greer
Chairman
District 3

Bill McAbee
Vice-Chairman
District 4

G. Fred Tolly, Jr.
District 1

Gracie S. Floyd
District 2

Michael G. Thompson
District 5

William C. Dees
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

Dear Ms. Plummer:

This letter is to officially notify you of your appointment to the Anderson County Economic Advisory Board. This appointment was made at the February 7, 2006 County Council meeting by a unanimous vote of Council.

Anderson County appreciates your willingness to serve on this important Board and we look forward to working with you in the near future.

If I can be of assistance to you, please do not hesitate to contact me.

Sincerely,

Bill McAbee

Bill McAbee, Vice-Chairman
Anderson County Council
District #4

Cc: Ms. Sharon Gundrum – Economic Development ✓

BM/tls

PLAINTIFF'S EXHIBIT 57
PENGAD 800-631-6989

EXHIBIT 3
PENGAD 800-631-6989

Anderson County
All-America City

Post Office Box 8002 • Anderson, S.C. 29622-8002
(864) 260-4062 (864) 260-4356 fax
www.andersoncountysc.org

July 13, 2008

South Carolina Ethics Commission
5000 Thurmond Mall Ste
Columbia SC 29201

Dear Commissioners·

I am a County Councilman in Anderson County I am also a licensed real estate agent.

I voted for a bond issue that will be used, among other things to purchase real property

Anderson County wishes to purchase property with the proceeds of this bond issue that the owners have listed for sale with another agent in the same office where I have my license. This agent has an "exclusive right to sale" listing on the property.

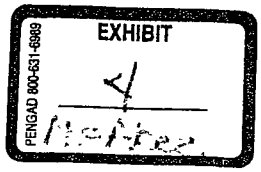
I am an independent contractor and receive no compensation from any sales to which I am not a party. I am not a party to this sale and will receive no compensation from this sale.

Is there a conflict here if Anderson County purchases this property

Sincerely,

Bill McAbee
Anderson County Council





State of South Carolina
State Ethics Commission

COMMISSIONERS
SUSAN P McWILLIAMS, MEMBER AT LARGE
CHAIR
MARVIN D INFINGER, 1ST DISTRICT
VICE CHAIR
EDWARD E DURYEA, 2ND DISTRICT

COMMISSIONERS
E KAY BIERMANN BROHL, 3RD DISTRICT
JOHNNIE M WALTERS, 4TH DISTRICT
ROBERT A BRUCE, 5TH DISTRICT
PRISCILLA L TANNER, 6TH DISTRICT
PHILLIP FLORENCE, JR , MEMBER AT LARGE
G CARLTON MANLEY, MEMBER AT LARGE

5000 THURMOND MALL, SUITE 250
COLUMBIA, S C 29201

HERBERT R HAYDEN, JR
EXECUTIVE DIRECTOR

July 22, 2008

Mr. Bill McAbee
Anderson County
Post Office Box 8002
Anderson, SC 29622-8002

Re: Request for Informal Opinion

Dear Mr McAbee·

Thank you for your recent request for an informal opinion. An informal opinion is the opinion of the Commission staff based on the State Ethics Commission's prior published opinions; however, an informal opinion is not binding on the Commission S.C. Code Ann. §8-13-320 (Supp. 1997). The Commission's jurisdiction is limited to the applicability of the Ethics, Government Accountability, and Campaign Reform Act of 1991. This opinion is based on the facts as you submitted. Any material deviation from the submitted facts or failure to disclose relevant information will void this opinion. An opinion does not supersede any other statutory or regulatory restrictions which may apply to this situation.

Issue

In your letter you state the following·

I am a County Councilman in Anderson County. I am also a licensed real estate agent.

I voted for a bond issue that will be used, among other things to purchase real property.



Anderson County wishes to purchase property with the proceeds of this bond issue that the owners have listed for sale with another agent in the same office where I have my license This agent has an "exclusive right to sale" listing on the property

I am an independent contractor and receive no compensation from any sales to which I am not a party. I am not a party to this sale and will receive no compensation from this sale.

Is there a conflict here if Anderson County purchases this property?

Law

Section 8-13-100(11) states:

> (11)(a)`Economic interest' means an interest distinct from that of the general public in a purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a public official, public member, or public employee may gain an economic benefit of fifty dollars or more.
>
> (b)This definition does not prohibit a public official, public member, or public employee from participating in, voting on, or influencing or attempting to influence an official decision if the only economic interest or reasonably foreseeable benefit that may accrue to the public official, public member, or public employee is incidental to the public official's, public member's, or public employee's position or which accrues to the public official, public member, or public employee as a member of a profession, occupation, or large class to no greater extent than the economic interest or potential benefit could reasonably be foreseen to accrue to all other members of the profession, occupation, or large class

Section 8-13-100(21) states:

> `Individual with whom he is associated' means an individual with whom the person or a member of his immediate family mutually has an interest in any business of which the person or a member of his immediate family is a director, officer, owner, employee, compensated agent, or holder of stock worth one hundred thousand dollars or more at fair market value and which constitutes five percent or more of the total outstanding stock of any class.

Section 8-13-700(B) states in part:

> No public official, public member, or public employee may make, participate in making, or in any way attempt to use his office, membership,

or employment to influence a governmental decision in which he, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated has an economic interest. A public official, public member, or public employee who, in the discharge of his official responsibilities, is required to take an action or make a decision which affects an economic interest of himself, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated shall:

> (1) prepare a written statement describing the matter requiring action or decisions and the nature of his potential conflict of interest with respect to the action or decision;
>
> * * *
>
> (4) if he is a public official, other than a member of the General Assembly, he shall furnish a copy of the statement to the presiding officer of the governing body of any agency, commission, board, or of any county, municipality, or a political subdivision thereof, on which he serves, who shall cause the statement to be printed in the minutes and require that the member be excused from any votes, deliberations, and other actions on the matter on which the potential conflict of interest exists and shall cause the disqualification and the reasons for it to be noted in the minutes;

Discussion

No public official may make, participate in making, or in any way use his position to influence a government decision in which he, a member of his immediate family member, ***an individual with whom he is associated*** or a business with which he is associated has an economic interest. Section 8-13-700(B)(emphasis mine). If the public official, an immediate family member, an individual with whom is associated or a business with which he is associated has an economic interest in a matter coming before county council, then he would have to follow the recusal procedures of Section 8-13-700(B)(5). Whether the listing agent is an Individual with whom you are associated requires much more information than is provided.

Conclusion

It is my opinion that the Ethics Reform Act does not prohibit Anderson County from purchasing the property listed by a fellow agent. Whether you should vote on any further matters related to this property depends on whether the agent is an individual with whom you are associate.

Thank you for contacting the State Ethics Commission. If I can be of further assistance in matters within the Commission's jurisdiction, please contact me.

Sincerely,

Cathy L. Hazelwood
Assistant Director and General Counsel

CLH.raw

DEPOSIT TICKET
TO BE USED FOR DEPOSIT TRANSACTIONS ONLY

DATE 4/23/08
DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

☐ CASH
INCLUDING COINS ▶

List Checks Singly — 73000.00

TOTAL ITEMS — OR TOTAL FROM REVERSE

SUB TOTAL ▶ 1000.00

$ 74000.00

ARTHUR STATE BANK
UNION, SC

DO NOT USE DEPOSIT TICKET ADDRESS FOR AUTOMATIC PAYMENTS USE VOIDED CHECK.

[redacted] AND ANY APPLICABLE COLLECTION AGREEMENT

The National Bank of South Carolina
P.O. BOX 1487
COLUMBIA, SC 29202
AN AFFILIATE OF SYNOVUS FINANCIAL CORP.
MEMBER FDIC

OFFICIAL CHECK

[redacted]

DATE April 23, 2008

PAY SEVENTY THREE THOUSAND DOLLARS AND ZERO CENTS

$ ****73,000.00

TO THE ORDER OF Bill McAbee

REMITTER FOR Allison Property Management, Inc

PAYABLE THROUGH COLUMBUS BANK AND TRUST COLUMBUS, GEORGIA

[redacted]

[redacted] AUTHORIZED SIGNATURE

PENGAD 800-631-6989
PLAINTIFF'S EXHIBIT 60

A.

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

SETTLEMENT STATEMENT

B. TYPE OF LOAN: 1. ☐ FHA 2. ☐ FmHA 3. ☒ CONV. UNINS. 4. ☐ VA 5. ☐ CONV. INS.

6. FILE NUMBER: CG 08.107 | 7. LOAN NUMBER: | 8. MORTGAGE INS CASE NUMBER:

C. NOTE: *This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.*

1.0 3/98 (COUNTYOFANDERSON.LEE.PFD CG 08.107(1))

D. NAME AND ADDRESS OF BUYER:	E. NAME AND ADDRESS OF SELLER:	F. NAME AND ADDRESS OF LENDER:
County of Anderson, South Carolina P.O. Box 8002 Anderson, SC 29622	Gerald J. Lee, as Trustee Ben K. Lee, as Trustee [redacted]	

G. PROPERTY LOCATION:	H. SETTLEMENT AGENT:	I. SETTLEMENT DATE:
9.18 acres-Dobbins Bridge Road Anderson, SC 29626 Anderson County, South Carolina	McIntosh, Sherard & Sullivan [redacted] PLACE OF SETTLEMENT 138 N. Main St. Anderson, SC 29621	September 18, 2008

J. SUMMARY OF BUYER'S TRANSACTION

100. GROSS AMOUNT DUE FROM BUYER:	
101. Contract Sales Price	137,400.00
102. Personal Property	
103. Settlement Charges to Buyer (Line 1400)	500.00
104. Mortgage Payoff	
105. Mortgage Payoff	
Adjustments For Items Paid By Seller In advance	
106. City/Town Taxes to	
107. County Taxes to	
108. Assessments to	
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM BUYER	137,900.00
200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:	
201. Deposit or earnest money	1,000.00
202. Principal Amount of New Loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
Adjustments For Items Unpaid By Seller	
210. City/Town Taxes to	
211. County Taxes 01/01/08 to 09/19/08	13.11
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BUYER	1,013.11
300. CASH AT SETTLEMENT FROM/TO BUYER:	
301. Gross Amount Due From Buyer (Line 120)	137,900.00
302. Less Amount Paid By/For Buyer (Line 220)	(1,013.11)
303. CASH (X FROM) (TO) BUYER	136,886.89

K. SUMMARY OF SELLER'S TRANSACTION

400. GROSS AMOUNT DUE TO SELLER:	
401. Contract Sales Price	137,400.00
402. Personal Property	
403.	
404.	
405.	
Adjustments For Items Paid By Seller in advance	
406. City/Town Taxes to	
407. County Taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
420. GROSS AMOUNT DUE TO SELLER	137,400.00
500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
501. Excess Deposit (See Instructions)	
502. Settlement Charges to Seller (Line 1400)	13,890.00
503. Existing loan(s) taken subject to	
504. Payoff of first Mortgage	
505. Payoff of second Mortgage	
506.	
507. (Deposit disb. as proceeds)	
508.	
509.	
Adjustments For Items Unpaid By Seller	
510. City/Town Taxes to	
511. County Taxes 01/01/08 to 09/19/08	13.11
512. Assessments to	
513.	
514.	
515.	
516.	
517. Non-Exempt Portion	7695.78
518.	
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	13,903.11
600. CASH AT SETTLEMENT TO/FROM SELLER:	
601. Gross Amount Due To Seller (Line 420)	137,400.00
602. Less Reductions Due Seller (Line 520)	(13,903.11)
603. CASH (X TO) (FROM) SELLER	123,496.89

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

I HAVE CAREFULLY REVIEWED THE HUD-1 SETTLEMENT STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE AND ACCURATE STATEMENT OF ALL RECEIPTS AND DISBURSEMENTS MADE ON MY ACCOUNT OR BY ME IN THIS TRANSACTION. I FURTHER CERTIFY THAT I HAVE RECEIVED A COPY OF THE HUD-1 SETTLEMENT STATEMENT.

Buyer The County of Anderson, South Carolina

BY: _____

Seller _____
Gerald J. Lee, as Trustee

_____
Ben K. Lee, as Trustee

TO THE BEST OF MY KNOWLEDGE, THE HUD-1 SETTLEMENT STATEMENT WHICH I HAVE PREPARED IS A TRUE AND ACCURATE ACCOUNT OF THE FUNDS WHICH WERE RECEIVED AND HAVE BEEN OR WILL BE DISBURSED BY THE UNDERSIGNED AS PART OF THE SETTLEMENT OF THIS TRANSACTION.

_____
McIntosh, Sherard & Sullivan
Settlement Agent

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM, PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE: TITLE 18 U.S. CODE SECTION 1001 & SECTION 1010.

PENGAD 800-631-6989 EXHIBIT 8

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 61

Plf_03090

L. SETTLEMENT CHARGES

		PAID FROM BUYER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700 TOTAL COMMISSION Based on Price $ 137,400.00 @ 10.0000 %	13,740.00		
Division of Commission (line 700) as Follows			
701 $ 13,740.00 to Allison Properties			
702 $ to			
703. Commission Paid at Settlement			13,740.00
704. to			
800 ITEMS PAYABLE IN CONNECTION WITH LOAN			
801. Loan Origination Fee % to			
802. Loan Discount % to			
803. Appraisal Fee to			
804. Credit Report to			
805. Lender's Inspection Fee to			
806. Mortgage Ins. App. Fee to			
807. Assumption Fee to			
808			
809.			
810.			
811.			
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE			
901. Interest From to @ $ /day (days %)			
902. MIP Tolling for LifeOfLoan for months to			
903. Hazard Insurance Premium for 1.0 years to			
904.			
905			
1000. RESERVES DEPOSITED WITH LENDER			
1001. Hazard Insurance months @ $ per month			
1002. Mortgage Insurance months @ $ per month			
1003. City/Town Taxes months @ $ per month			
1004. County Taxes months @ $ per month			
1005. Assessments months @ $ per month			
1006 months @ $ per month			
1007. months @ $ per month			
1008. Aggregate Adjustment months @ $ per month			
1100. TITLE CHARGES			
1101. Settlement or Closing Fee to			
1102. Abstract or Title Search to			
1103. Title Examination to			
1104. Title Insurance Binder to Piedmont Title Company			
1105. Document Preparation to McIntosh, Sherard & Sullivan			
1106. FedEx/E-mail pkg/Wiring Fee to McIntosh, Sherard & Sullivan			150.00
1107. Attorney's Fees to McIntosh, Sherard & Sullivan			
(includes above item numbers:		500.00	
1108. Title Insurance to Investors Title Company)			
(includes above item numbers:			
1109. Lender's Coverage $			
1110. Owner's Coverage $			
1111.			
1112.			
1113.			
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES			
1201. Recording Fees: Deed $ Mortgage $ Releases $			
1202. City/County Tax/Stamps: Deed Mortgage			
1203. State Tax/Stamps: Revenue Stamps Mortgage			
1204			
1205			
1300. ADDITIONAL SETTLEMENT CHARGES			
1301. Survey to			
1302. Pest Inspection to			
1303.			
1304.			
1305.			
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)		500.00	13,890.00

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy
of Statute Form 1595-6

SELLER'S TAX ID SOLICITATION. THE INFORMATION IN BLOCKS E, G, H, I AND ON LINES 401, 406, 407 and 408 IS IMPORTANT TAX INFORMATION AND IS BEING FURNISHED TO THE INTERNAL REVENUE SERVICE. IF YOU ARE REQUIRED TO FILE A RETURN, A NEGLIGENCE PENALTY OR OTHER SANCTION MAY BE IMPOSED ON YOU IF THIS ITEM IS REQUIRED TO BE REPORTED AND THE IRS DETERMINES THAT IT HAS NOT BEEN REPORTED. YOU ARE REQUIRED BY LAW TO PROVIDE THE SETTLEMENT AGENT WITH YOUR CORRECT TAXPAYER IDENTIFICATION NUMBER. IF YOU DO NOT PROVIDE THE SETTLEMENT AGENT WITH YOUR CORRECT TAXPAYER IDENTIFICATION NUMBER YOU MAY BE SUBJECT TO CIVIL OR CRIMINAL PENALTIES IMPOSED BY LAW.

For sales or exchanges of certain real estate, the person responsible for closing a real estate transaction must report the real estate proceeds to the Internal Revenue Service and must furnish this statement to you. To determine if you have to report the sale or exchange of your main home on your tax return, see line 3008 Schedule D (Form 1040) instructions. If the real estate was not your main home, report the transaction on Form 4797, Sales of Business Property, Form 8252, Installment Sale Income, and/or Schedule D (Form 1040), Capital Gains and Losses. You may have to recapture (pay back) all or part of a Federal mortgage subsidy if all the following apply: a) You received a loan provided from the proceeds of a qualified mortgage bond or you received a mortgage credit certificate, b) Your original mortgage loan was provided after 12/22/87, and c) You sold or disposed of your home at a gain during the first 9 years after you received the Federal mortgage subsidy. This will increase your tax. See Form 8828, Recapture of Federal Mortgage Subsidy, and Pub. 523, Selling Your Home.

If you have already paid the real estate tax for the period that includes the sale date, subtract the amounts on Lines 406, 407 & 408 from the amount already paid to determine your deductible real estate tax. But if you have already deducted the real estate tax in a prior year, generally report as amount as income on the "Other income" line of Form 1040. For more information, see Pub. 523.

For Paperwork Reduction Act Notice, see the 2008 instructions for Forms 1099, 1098, 5498, and W-2G.
Department of the Treasury - Internal Revenue Service

UNDER PENALTIES OF PERJURY, I CERTIFY THAT THE NUMBER SHOWN BELOW ON THIS STATEMENT IS MY CORRECT TAXPAYER IDENTIFICATION NUMBER.

Buyer's Signature	Seller's Signature	Seller's Signature	Seller's Signature
Tax ID/SSN	Tax ID/SSN	Tax ID/SSN	Tax ID/SSN

(CG 08 107 / CG 08 107 / 10)

Plf_03091

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT

SETTLEMENT STATEMENT

B. TYPE OF LOAN: 1. ☐ FHA 2. ☐ FmHA 3. ☒ CONV. UNINS. 4. ☐ VA 5. ☐ CONV. INS.

6. FILE NUMBER: CG 08.108

7. LOAN NUMBER:

8. MORTGAGE INS CASE NUMBER:

C. NOTE: *This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.*

10 398 (COUNTYOFANDERSON.WILLIAM.PFD/CG 08.108/19)

D. NAME AND ADDRESS OF BUYER:	E. NAME AND ADDRESS OF SELLER:	F. NAME AND ADDRESS OF LENDER:
County of Anderson, South Carolina P.O. Box 8002 Anderson, SC 29622	Nina Lee Williams Johnny Lee Williams Zula W. Clinkscales [redacted]	

G. PROPERTY LOCATION:	H. SETTLEMENT AGENT:	I. SETTLEMENT DATE:
7.9 acres - Scarborough Road Anderson, SC 29624 Anderson County, South Carolina	[redacted] McIntosh, Sherard & Sullivan PLACE OF SETTLEMENT 138 N. Main St. Anderson, SC 29621	September 18, 2008

J. SUMMARY OF BUYER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BUYER:		**400. GROSS AMOUNT DUE TO SELLER:**	
101. Contract Sales Price	135,000.00	401. Contract Sales Price	135,000.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to Buyer (Line 1400)	500.00	403.	
104. Mortgage Payoff		404.	
105. Mortgage Payoff		405.	
Adjustments For Items Paid By Seller in advance		*Adjustments For Items Paid By Seller in advance*	
106. City/Town Taxes to		406. City/Town Taxes to	
107. County Taxes to		407. County Taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BUYER	135,500.00	*420. GROSS AMOUNT DUE TO SELLER*	135,000.00
200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:		**500. REDUCTIONS IN AMOUNT DUE TO SELLER:**	
201. Deposit or earnest money	1,000.00	501. Excess Deposit (See Instructions)	
202. Principal Amount of New Loan(s)		502. Settlement Charges to Seller (Line 1400)	13,660.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first Mortgage	
205.		505. Payoff of second Mortgage	
206.		506.	
207.		507. (Deposit disb. as proceeds)	
208.		508.	
209.		509.	
Adjustments For Items Unpaid By Seller		*Adjustments For Items Unpaid By Seller*	
210. City/Town Taxes to		510. City/Town Taxes to	
211. County Taxes 01/01/08 to 09/19/08	236.82	511. County Taxes 01/01/08 to 09/19/08	236.82
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517. Anderson County Taxes-repay to Ken Allison	571.12
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BUYER	1,236.82	*520. TOTAL REDUCTION AMOUNT DUE SELLER*	14,467.94
300. CASH AT SETTLEMENT FROM/TO BUYER:		**600. CASH AT SETTLEMENT TO/FROM SELLER:**	
301. Gross Amount Due From Buyer (Line 120)	135,500.00	601. Gross Amount Due To Seller (Line 420)	135,000.00
302. Less Amount Paid By/For Buyer (Line 220)	(1,236.82)	602. Less Reductions Due Seller (Line 520)	(14,467.94)
303. CASH (X FROM) (TO) BUYER	134,263.18	*603. CASH (X TO) (FROM) SELLER*	120,532.06

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.
I HAVE CAREFULLY REVIEWED THE HUD-1 SETTLEMENT STATEMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE AND ACCURATE STATEMENT OF ALL RECEIPTS AND DISBURSEMENTS MADE ON MY ACCOUNT OR BY ME IN THIS TRANSACTION. I FURTHER CERTIFY THAT I HAVE RECEIVED A COPY OF THE HUD-1 SETTLEMENT STATEMENT.

Buyer
County of Anderson, South Carolina
BY: Rohan F. Carroll
Its: Chairman, D.C.

Seller
Nina Lee Williams
Johnny Lee Williams
Zula W. Clinkscales

TO THE BEST OF MY KNOWLEDGE, THE HUD-1 SETTLEMENT STATEMENT WHICH I HAVE PREPARED IS A TRUE AND ACCURATE ACCOUNT OF THE FUNDS WHICH WERE RECEIVED AND HAVE BEEN OR WILL BE DISBURSED BY THE UNDERSIGNED AS PART OF THE SETTLEMENT OF THIS TRANSACTION.

McIntosh, Sherard & Sullivan
Settlement Agent

WARNING: IT IS A CRIME TO KNOWINGLY MAKE FALSE STATEMENTS TO THE UNITED STATES ON THIS OR ANY SIMILAR FORM. PENALTIES UPON CONVICTION CAN INCLUDE A FINE AND IMPRISONMENT. FOR DETAILS SEE: TITLE 18 U.S. CODE SECTION 1001 & SECTION 1010.

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 62

PENGAD 800-631-6989 EXHIBIT 9

L. SETTLEMENT CHARGES

		PAID FROM BUYER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
4L COMMISSION Based on Price $ 135 000 00 @ 10 0000 %	13 500 00		
Division of Commission (line 700) as Follows			
701 $ 13 500 00 to Allison Properties			
702 $ to			
703 Commission Paid at Settlement			13,500 00
704 to			
800 ITEMS PAYABLE IN CONNECTION WITH LOAN			
801 Loan Origination Fee % to			
802 Loan Discount % to			
803 Appraisal Fee to			
804 Credit Report to			
805 Lender's Inspection Fee to			
806 Mortgage Ins App Fee to			
807 Assumption Fee to			
808			
809			
810			
811			
900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE			
901 Interest From to @ $ /day (days %)			
902 MIP Tollns for LifeOfLoan for months to			
903 Hazard Insurance Premium for 1 0 years to			
904			
905			
1000 RESERVES DEPOSITED WITH LENDER			
1001 Hazard Insurance months @ $ per month			
1002 Mortgage Insurance months @ $ per month			
1003 City/Town Taxes months @ $ per month			
1004 County Taxes months @ $ per month			
1005 Assessments months @ $ per month			
1006 months @ $ per month			
1007 months @ $ per month			
1008 Aggregate Adjustment months @ $ per month			
1100 TITLE CHARGES			
1101 Settlement or Closing Fee to			
1102 Abstract or Title Search to			
1103 Title Examination to			
1104 Title Insurance Binder to Piedmont Title Company			
1105 Document Preparation to McIntosh, Sherard & Sullivan			
1106 FedEx/E-mail pkg/Wiring Fee to McIntosh, Sherard & Sullivan			150 00
1107 Attorney's Fees to McIntosh, Sherard & Sullivan			
(includes above item numbers)		500 00	
1108 Title Insurance to Investors Title Company			
(includes above item numbers)			
1109 Lender's Coverage $			
1110 Owner's Coverage $			
1111			
1112			
1113			
1200 GOVERNMENT RECORDING AND TRANSFER CHARGES			
1201 Recording Fees Deed $, Mortgage $ Releases $ 10 00			10 00
1202 City/County Tax/Stamps Deed , Mortgage			
1203 State Tax/Stamps Revenue Stamps , Mortgage			
1204			
1205 Anderson County Register of Deeds			
1300 ADDITIONAL SETTLEMENT CHARGES			
1301 Survey to			
1302 Pest Inspection to			
1303			
1304			
1305			
1400 TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)		500 00	13 660 00

By signing page 1 of this statement the signatories acknowledge receipt of a completed copy of page 2 of this two page statement

Certified to be a true copy
Substitute Form 1099 S

SELLER'S TAX ID SOLICITATION THE INFORMATION IN BLOCKS E G H I AND ON LINES 401 406 407 and 408 IS IMPORTANT TAX INFORMATION AND IS BEING FURNISHED TO THE INTERNAL REVENUE SERVICE IF YOU ARE REQUIRED TO FILE A RETURN A NEGLIGENCE PENALTY OR OTHER SANCTION MAY BE IMPOSED ON YOU IF THIS ITEM IS REQUIRED TO BE REPORTED AND THE IRS DETERMINES THAT IT HAS NOT BEEN REPORTED YOU ARE REQUIRED BY LAW TO PROVIDE THE SETTLEMENT AGENT WITH YOUR CORRECT TAXPAYER IDENTIFICATION NUMBER YOU MAY BE SUBJECT TO CIVIL OR CRIMINAL PENALTIES IMPOSED BY LAW PROVIDE THE SETTLEMENT AGENT WITH YOUR CORRECT TAXPAYER IDENTIFICATION NUMBER IF YOU DO NOT

For sales or exchanges of certain real estate the person responsible for closing a real estate transaction must report the real estate proceeds to the Internal Revenue Service and must furnish this statement to you To determine if you have to report the sale or exchange of your main home on your tax return see the 2008 Schedule D (Form 1040) instructions If the real estate was not your main home report the transaction on Form 4797, Sales of Business Property Form 6252 Installment Sale Income and/or Schedule D (Form 1040) Capital Gains and Losses You may have to recapture (pay back) all or part of a Federal mortgage subsidy if all the following apply a) You received a loan provided from the proceeds of a qualified mortgage bond or you received a mortgage credit certificate b) Your original mortgage loan was provided after 1990 and c) You sold or disposed of your home at a gain during the first 9 years after you received the Federal mortgage subsidy This will increase your tax See Form 8828 Recapture of Federal Mortgage Subsidy and Pub 523 Selling Your Home

If you have not paid the real estate tax for the period that includes the sale date subtract the amounts on Lines 406 407 & 408 from the amount already paid to determine you deductible real estate tax But if you have already deducted the real estate tax in a prior year generally report this amount as income on the "Other Income" line of Form 1040 For more information see Pub 523

For Paperwork Reduction Act Notice see the 2008 Instructions for Forms 1099 1098 5498 and W G2
Department of the Treasury Internal Revenue Service

UNDER PENALTIES OF PERJURY I CERTIFY THAT THE NUMBER SHOWN BELOW ON THIS STATEMENT IS MY CORRECT TAXPAYER IDENTIFICATION NUMBER

Seller's Signature	Seller's Signature	Seller's Signature	Seller's Signature
Tax ID/SSN 247 47 3997	Tax ID/SSN	Tax ID/SSN 250 99 1999	Tax ID/SSN

HUD 1991 / CFG 08 (05 03)

FIRST CITIZENS BANK VISA CARD

[redacted] EXPIRES 05/07

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
1/31	2/1/07		Long Horns	Bill McAbee	34.69	[redacted]	Dinner on trip to Event	Stopped in Columbia for Dinner
2/1	2/1/07		Garibaldi	Bill McAbee	60.94		Dinner	Dinner after 1st Day of Classes
2/2	2/1/07		Ruby Tuesday's	Bill McAbee	29.49		Dinner	Dinner on Trip home
1/31	2/1/07		Fulton Lane	Bill McAbee / ~~Amy Plummer~~	484.30		Lodging	Economic Dev. Course
1/21	2/1/07		Fulton Lane	Amy Plummer	32.69		Lodging	Economic Dev Course

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

WHMcAbee

PENGAD 800-631-6989 EXHIBIT 23

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 63

Plf_02686

CAROLINA FIRST VISA CARD [redacted]

EXPIRES 05/07

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
4/20			Budget Rent A Car	McAbee	157.65	[redacted]		
4/20			NWA Air		50.00			
4/21			North Plaza Cashier		56.00			
4/21			NWA Air		50.00			
4/18			HRC - Detroit		19.00			
4/21			Central Parking		6.00			
4/21			Shell Oil		20.29			
4/22			Best Western		15.62			

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

Reason
Agenda
Receipts*
Signature

*Receipts needed for
HRC - Detroit
Central Parking
Shell Oil
Best Western

NEW NDIS

PENGAD 800-631-6989 EXHIBIT 25 McAbee

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 64

Plf_04897

CAROLINA FIRST VISA CARD [redacted]

EXPIRES 05/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO.	REASON	COMMENTS
4/20			Andiamo Riverfront	McAbee	153.20	[redacted]		

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

SIGN HERE

Reason
Agenda
Signature

Plf_04898

CAROLINA FIRST VISA CARD [redacted]

EXPIRES 05/07

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT	REASON	COMMENTS
6/8			Last Minute Getaways	Willie McAbee Amy Plummer	1338 26	[redacted]		
6/9			Catch 35	"	143 00			
6/9			Exchequer Pub	"	97 24			
6/9			Elephant + Castle	"	39 30			
6/11			Greenville/Spartanburg AP	"	30 00			
6/11			W Chicago City Center		155 38			
6/11			W Chicago City Center		10 15			
			W Chicago City Center		35 40			

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

PENGAD 800-631-6989 EXHIBIT 30 6/16/22

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 65

Plf_02639

FIRST CITIZENS BANK VISA CARD [redacted] **EXPIRES 05/08**

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
6-8-07		Economic Development	Hartsfield International Airport	B. McAbee	$69.38	[redacted]		
6-8-07		Economic Development	MSE Branded Foods	B. McAbee	$28.83			
6-8-07		Economic Development	Elephant and Castle	B. McAbee	$39.20			
6-9-07		Economic Development	Exchequer Restaurant	B. McAbee	$97.24			
6-9-07		Economic Development	Catch Thirty-Five	B. McAbee	$143.90			
6-9-07		Economic Development	Sears Tower Skydeck	B. McAbee	$25.90			
6-10-07		Economic Development	HMSHOST, Fox Sports	B. McAbee	$37.60			
6-10-07		Economic Development	Dappers	B. McAbee	$88.50			
			SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR		$530.55			

The Desmond
Hotel & Conference Center

660 Albany-Shaker Road
Albany, New York 12211
Phone: (518) 869-8100
Reservations: (800) 448-3500
www.desmondhotels.com

Mcabee, Willie
[redacted]

FOLIO NO.: 11A4N8
ROOM NO.: 288 CLERK: CX
ARRIVE: 06/28/07
DEPART: 06/30/07
RATE/PACKAGE: 159.00
RATE/PACKAGE DESCRIPTION: CUSTOM
NO. IN PARTY: 1
DEPOSIT REC'D: 0.00

DATE		DESCRIPTION		CHARGES	PAYMENTS
06/28/07	APC	1 Package Plan	SH	159.00	
06/28/07	T1	1 NYS Sales Tax	SH	12.72	
06/28/07	T2	1 County Occupancy Tax	SH	9.54	
06/29/07	APC	1 Package Plan	KB	159.00	
06/29/07	T1	1 NYS Sales Tax	KB	12.72	
06/29/07	T2	1 County Occupancy Tax	KB	9.54	
06/30/07	POS005	1 Room Service #43	IF	48.38	
06/30/07	VI	1 [redacted]	CX		410.9
		Subtotals		$ 410.90	410.9

PAID IN FULL --- THANK YOU!

Mcabee

PLAINTIFF'S EXHIBIT 66
PENGAD 800-631-6989

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or association fails to pay for any or the full amount of these charges. I also agree that all charges contained in this amount are correct and any disputes or requests for copies of charges must be made within five days after my departure.

Guest Signature_____

EXHIBIT 33
PENGAD 800-631-6989

The Desmond
Hotel & Conference Center

660 Albany-Shaker Road
Albany, New York 12211
Phone: (518) 869-8100
Reservations: (800) 448-3500
www.desmondhotels.com

Mcabee, Willie
[redacted]

FOLIO NO.: 11A4N9
ROOM NO.: 290 CLERK: CX
ARRIVE: 06/28/07
DEPART: 06/30/07
RATE/PACKAGE: 159.00
RATE/PACKAGE DESCRIPTION: CUSTOM
NO. IN PARTY: 1
DEPOSIT REC'D: 0.00

DATE		DESCRIPTION		CHARGES	PAYMENTS
06/28/07	APC	1 Package Plan	SH	159.00	
06/28/07	T1	1 NYS Sales Tax	SH	12.72	
06/28/07	T2	1 County Occupancy Tax	SH	9.54	
06/29/07	POS001	1 Simpson's #43	IF	36.08	
06/29/07	POS003	1 Tavern #43	IF	20.40	
06/29/07	POS002	1 Scrimshaw #43	IF	95.22	
06/29/07	APC	1 Package Plan	KB	159.00	
06/29/07	T1	1 NYS Sales Tax	KB	12.72	
06/29/07	T2	1 County Occupancy Tax	KB	9.54	
06/30/07	VI	1 [redacted]	CX		514.2
		Subtotals		$ 514.22	514.2

PAID IN FULL --- THANK YOU!

MC Abee

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, association fails to pay for any or the full amount of these charges. I also agree that all charges contained in this amount are correct and any disputes or requests for copies of charges must be made within five days after my departure.

Guest Signature _____

CAROLINA FIRST VISA CARD [redacted] EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD, NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
8/13			Fulton Lane	B. McAbee	222 76	[redacted]		
				A. Plummer	"			

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

PENGAD 800-631-6989 EXHIBIT 312 11/04/22

Plf_02700

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 67

ANDERSON COUNTY
ADVANCE TRAVEL REQUEST

ALL REQUEST MUST BE SUBMITTED TEN (10) DAYS PRIOR TO DEPARTURE

NAME: Bill McAbee	DEPARTMENT:
DESTINATION:	DATE OF REQUEST: 8/15/2007
PURPOSE OF TRAVEL: Economic Development Conference	DATE OF DEPARTURE:
SC Econ. Dev. School	DATE OF RETURN:
	MEANS OF TRANSPORTATION:
	County Vehicle ____
	Private Vehicle ____
	Air XX
	Other ____

ANTICIPATED COST:

Transportation	$ 600.00
Lodging	$
Meals	$
Miscellaneous	$
TOTAL	$ 600.00
Advance Request	$ 600.00
Approximate Balance	$

ACCOUNT NUMBERS: [redacted]

NOTES:

APPROVAL SIGNATURES: (Routing must be in the order as below)

DEPARTMENT HEAD: _____

FINANCE DEPARTMENT: _____ BUDGETED: YES X NO ____

COUNTY ADMINISTRATOR: _____

If the requested travel is not budgeted, a full explanation must be presented with this request. No advance will be made if there is an outstanding travel voucher. (See excerpt from Personnel Manual)

PERSONNEL MANUAL Sec.55-31 E. "All travel must be authorized in advance. Accordingly, all expense must be supported by an expense report. Travel expense vouchers will be furnished by the Finance Department. These vouchers must be used for all travel reimbursements and filled out completely as applicable. The vouchers shall be signed and dated by the individual, approved by the department head, and returned (with all applicable receipts) to the Finance Department within five (5) working days after completion of the trip."

ALL REQUEST MUST BE SUBMITTED TEN (10) DAYS PRIOR TO DEPARTURE

PLAINTIFF'S EXHIBIT 68

PENGAD 800-631-6989

Plf_02376

EXHIBIT 37 McAbee

PENGAD 800-631-6989

EMPLOYEE EXPENSE REPORT

ANDERSON COUNTY

EMPLOYEE: Bill McAbee

DEPARTMENT #:

DEPARTMENT NAME: Eco Dev

2007 DATE	LOCATION, PURPOSE OF TRAVEL PERSONS CONTACTED	LODGING	BREAK-FAST	LUNCH	DINNER	AUTO	PARKING	MISC	BUSINESS MEALS	DAILY TOTALS
10/5	Hotel Pennsylvania	1,098.90								
10/1	National Car Rental					203.96				
10/1	Cheddar's Forsyth.								50.32	
10/1	Subway								14.00	
10/3	Lindys								5.00	
10/3	Lindys								10.00	
	EXPENSE TOTALS									

EMPLOYEE SIGNATURE:

SUPERVISOR SIGNATURE:

ADDITIONAL REMARKS:

RECONCILIATION & ACCOUNTING DISTRIBUTION

TOTAL EXPENSES THIS REPORT	
EXPENSES PAID BY EMPLOYEE	
LESS: TRAVEL ADVANCE	
AMOUNT DUE EMPLOYEE (COUNTY)	

ACCOUNTS TO BE CHARGES:
FUND _____ DEPT _____

000-236 Meals	79.32
000-216 Fuel	
000-277 Training	
000-279 Travel	203.96
000-293 Lodging	1098.90
000-294 Registration	
TOTAL	$1382.18

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 69

PENGAD 800-631-6989 EXHIBIT

Plf_02369

CAROLINA FIRST VISA CARD [redacted] EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT [redacted]	REASON	COMMENTS
10/1			Hotels.com		256.89			Rail Trend Conference
10/2			United Air		15.00			
10/2			United Air		976.30			
10/2			United Air		976.30			
10/2			United Air		1275.09			
10/3			Amoco Oil		1320.09			
10/4			Niva Penn Gift Shop		49.91			
					7.99			

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

Receipts
Agenda
See attached credit card statement
United Air 15.00 GSP Airport
Lara Pantry
Quik Mart

Pif_04887

CAROLINA FIRST VISA CARD [redacted]

EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	GIL ACCOUNT NO	REASON	COMMENTS
10/5			Heartland Brewery		79.14	[redacted]	Rail Trend Conference	
10/8			MSE Branded Foods		32.87			
10/8			Greenville/Spartanburg		36.00			
10/8			Jack's Restaurant		38.90			
10/8			COSI		40.09			
10/8			Brooklyn Diner		56.76			
10/1			Jet Rock		80.75			
			Quik Mart		4.76			

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

Plf_04888

CAROLINA FIRST VISA CARD [redacted]

EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD, NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
10/1			Lara's Pantry		1.48	[redacted]		Rail Trend Conference

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

Plf_04889

CAROLINA FIRST VISA CARD [redacted] EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
2/27/08	2/24/08 - 2/27/08	Economic Development	Burger King	B. McAbee	$8.50	[redacted]	13th Annual National Ethanol Conference	Meal
2/27/08	2/24/08 - 2/27/08	Economic Development	Marriott Parking	B. McAbee	$14.00		13th Annual National Ethanol Conference	Parking
2/25/08	2/24/08 - 2/27/08	Economic Development	East Colonia	B. McAbee	$10.08		13th Annual National Ethanol Conference	Meal
2/26/08	2/24/08 - 2/27/08	Economic Development	Pizza Hut	B. McAbee	$32.00		13th Annual National Ethanol Conference	Meal
2/26/08	2/24/08 - 2/27/08	Economic Development	Marriott Parking	B. McAbee	$14.00		13th Annual National Ethanol Conference	Parking
3/3/08		Admin	Ruth Chris Steakhouse	J. Preston			[illegible]	meal
2/24		Eco. Dev.	Fedex Kinko's	B. McAbee	145.22		Ethanol Conference	
2/22		Eco. Dev.	Orbitz.com	B. McAbee	343.95		Ethanol Confe	
2/22		Eco. Dev.	RFA National Ethanol Conference	B. McAbee	850.00		Ethanol Confe	
2/28		Eco. Dev.	Enterprise Rent A Car	B. McAbee	275.30		Ethanol Conf	

SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR

Receipts
* See attached credit card statement
Fedex
Orbitz
Nat'l Ethanol Conf.
Enterprise Rent A Car

PENGAD 800-631-6989 EXHIBIT 1

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 70

Plf_04876

FIRST CITIZENS BANK VISA CARD [redacted] EXPIRES 08/09

PAPERWORK MUST BE RETURNED WITH THE CREDIT CARD. NO EXCEPTIONS!

DATE USED	DATE OF EVENT	DEPARTMENT	VENDOR	PERSON ATTENDING	APPROXIMATE AMOUNT	G/L ACCOUNT NO	REASON	COMMENTS
4-15-08		Economic Development	CheckerSedan.com	McAbee	59.50	[redacted]	Travel	
4-16-08		Economic Development	Detroit Metro Airport Taxi	McAbee	56.15		Cab fare	
4-17-08		Economic Development	Mosaic Greektown - Detroit	McAbee	211.80		Meals	
4-15-08		Economic Development	Shell Foodmart	McAbee	105.18		Fuel	
4-18-08		Economic Development	Jose Cuervo	McAbee	126.06		Meals	
4-16-08		Economic Development	Greektown-Detroit	McAbee	186.96		Meals	
4-18-08		Economic Development	Braselton Chevron	McAbee	103.27		Fuel	
4-18-08		Economic Development	Mac-Mall of Georgia	McAbee	98.54		Meals	
4-18-08		Economic Development	Mama - D3A	McAbee	21.00		Travel	
4-18-08		Economic Development	Budget Car Company	McAbee	45.90		Travel	
4-11-08		Economic Development	SAE International	McAbee	135.00		Registration	
4-11-08		Economic Development	SAE International	McAbee	100.00		Registration	
4-13-08		Economic Development	AirTran Airways	McAbee	781.00		Travel	
4-18-08		Economic Development	Sheraton Detroit Riverside Hotel	Plummer	417.95		Meals	
4-18-08		Economic Development	Sheraton Detroit Riverside Hotel	Plummer	872.62		Accomodation	
4-18-08		Economic Development	The ..eland	McAbee	185.08		Accomodation	
			SIGNATURE OF DEPARTMENT HEAD OR DIVISION DIRECTOR					

PENGAD 800-631-6989 EXHIBIT 44 McAbee

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 71

Plf_02714

RAILTRENDS 2008

REGISTRATION FORM

SEPTEMBER 30 - OCTOBER 1, 2008 • AFFINIA MANHATTAN HOTEL, NEW YORK, NY

Three Easy Ways To Register:

1) Register online today at www.railtrends.com
2) Mail your registration form with payment to arrive by September 14 to: Amy Brown, 2100 W. Florist Ave., Milwaukee, WI 53209
3) Fax your registration form and credit card information to 414 228-1134

ATTENDEE INFORMATION

Bill — First Name
McAbee — Last Name
Councilman — Job Title
Anderson County — Organization
PO Box 2008 — Address
Anderson — City
SC — State
29670 — Zip
USA — Country
864-260-4000 — Phone
Fax
wbmcabee@famvieu.com — Email (Needed to send confirmation of your registration)
Special Needs

PAYMENT INFORMATION
(select one)

SINGLE RATE
☐ Early Bird: $995 (register by August 29, 2008)
☑ Standard Rate: $1,195 (August 30, 2008, or after)

GROUP DISCOUNT RATE
Group discount rate available when three or more people from your organization attend. (Registration forms must be submitted together.)
☐ Early Bird: $895 each (register by August 29, 2008)
☐ Standard Rate: $1,095 each (August 30, 2008, or after)

TOTAL: _____

To help serve you, please select the industry you represent:
☐ Railroader ☐ Class I ☐ Regional/Shortline
☐ Railroad Supplier/Contractor
☐ Rail Shipper
☐ Bank/Finance Company
☐ Equipment Lessor
☐ Consultant/Attorney
☑ Other Government

☐ Check or money order enclosed. (Make checks payable to Trade Press Publishing Corporation. All checks must arrive by September 14, 2008.)
Bill my: ☐ American Express ☐ MasterCard ☐ VISA
Card Number: _____ Expiration Date: _____
Name appearing on credit card: _____
Billing address for credit card: _____
Signature: _____

PAID by Check #2025
Lunch Ticket for RailTrends

CANCELLATION/REFUND POLICY
Trade Press Publishing Corp. reserves the right to cancel RailTrends 2008 due to low enrollment, unforeseen factors, or any other reason making it practically or economically inadvisable to conduct the event. In the event of cancellation, registrants will be notified as promptly as the circumstances permit (although Trade Press Publishing Corp. cannot be liable for any failure to notify). Trade Press Publishing Corp., however, cannot be responsible for any other costs, losses or inconveniences that a registrant may incur, such as costs of transportation (plane, train, rental car, etc.), hotel cancellation fees, reservation fees, lost pay, vacation or leave time, etc.

Full refunds, minus a $50 processing fee, will be granted for cancellations received in writing to Trade Press Publishing prior to August 22, 2008. A 50-percent penalty will be applied to cancellations received in writing between August 23 and September 12, 2008. Refunds will not be granted on or after September 13, 2008. Refunds will not be given for no-shows after the conference.

Mail this form with payment to: Amy Brown, 2100 W. Florist Ave., Milwaukee, WI 53209.
Credit card orders can be faxed to (414) 228-1134.

For more information or to register online go to: www.RailTrends.com
or Call 1.800.727.7995 ext. 456

PLAINTIFF'S EXHIBIT 72
PENGAD 800-631-6989

EXHIBIT
PENGAD 800-631-6989

Plf_02327

RAILTRENDS®

Financing Capacity and Growth in the Railway Industry

11:30-1:00
Networking Lunch at Il Campanello Ristorante
Ground Level of Affinia Manhattan on 31st Street (follow signs)

1:00-1:30
Keynote
- John Kaiser, Vice President of Intermodal, Union Pacific Railroad

Hear from the General Manager of Union Pacific's intermodal business unit, representing approximately $3.0 billion in annual revenue.

1:30-2:15
The View from Washington
- U.S. Rep. Corrine Brown, D-Fla., Chairperson, Subcommittee on Railroads
- U.S. Rep. John Mica, R-Fla., Republican Leader, House Transportation and Infrastructure Committee

Members of the Transportation and Infrastructure Committee's Subcommittee on Railroads will give an update on upcoming regulation for the railroad industry.

2:15-3:15
The Evolving Rules of the Grain Transportation Game
- Kevin Kaufman, Group VP, Agricultural Products, BNSF Railway Co.
- Jean-Jacques Ruest, Senior Vice President, Marketing, CN

Grain is engrained in the North American economic fabric; accordingly, so is grain transportation. Two Class I rail execs discuss the current transition from a supply-push to a demand-pull commodities environment, the resulting impact on ag transportation and logistics planning, and the segment's growth potential. They'll also talk about ethanol's impact to date and what it's likely to be going forward, and the extent to which the regulatory landscape (particularly in Canada) could change the rules of the grain transportation game (and at least one railroad's continued investment in it).

3:15-3:45
Networking Break

3:45-4:15
Fleet Projections
- Toby Kolstad, Principal, Rail Theory Forecasts

What factors are affecting the rail car market? What will these factors look like next year? Are we near an inflection point in the rail car cycle? A review of the supply and demand situation for each of the major car fleets will reveal a range of conditions and a mix of forecasts for next year.

4:15-4:45
Panama Canal Update
- Rodolfo Sabonge, Vice President, Market Research and Analysis, Panama Canal

The Panama Canal Authority has embarked in a $5.25 billion expansion project that will increase the waterway's capacity and allow for the transit of wider and larger ships. In this presentation, VP of Market Research and Analysis, Rodolfo Sabonge, will present the Case Study on the Panama Canal Expansion, including details on the impact of this mega project, its projected trade flows, and Panama's growing importance as the transportation and logistics hub of the Americas.

Plf_02328

002142

RAILTRENDS®

Financing Capacity and Growth in the Railway Industry

10:00-10:45

Fueling a Rethink: Rail Customers Reconsider Rail Transportation in a Brave New Energy World

- Paul Newbourne, Vice President and General Manager, Leveraged Execution Providers (LXP)
- Leslie Mott, Manager, Logistics and External Processing, ArcelorMittal USA
- Steven Fox, Moderator, Principal, Norbridge Inc.

Skyrocketing fuel prices continue to make rail an even more cost-competitive transportation option, and it's driving more and more shippers to reconsider their modal choices. Hear these prominent rail-shipper voices discuss the variables that factor into today's price/service equation. They'll also identify the barriers that currently prevent them from moving even more by rail – and how, perhaps, some of those barriers might be removed.

10:45-11:30

The Impact of the Credit Crisis on the Rail Industry

- James Hamilton, Managing Director, J.P. Morgan Chase and Company
- Adam Insebuch, Investment Banker, Credit Suisse Securities (USA), LLC
- Lee Clair, Moderator, Partner, Norbridge Inc.

How will the current credit crisis impact the rail industry? Investment banking panelists will share their view of the changing credit environment and what implications it will have on Class Is, short lines, and large and small suppliers.

11:30-12:15

Rail Equipment Financing Panel

- Dan Pimovich, Vice President and Executive Director, North America Sales, GATX Rail Corporation
- Joe McKenney, Executive Vice President, Strategy, Helm Financial Corporation
- Alan Crecelius, Director of Locomotive Sales, Electro-Motive Diesel, Inc.
- Bal Harsh, Partner, Corporate Finance, Oliver Wyman
- Jim Husband, President, Rail Solutions, Moderator

This panel will provide an overview of the size of the rail equipment financing market, the various opportunities available to lenders and equity investors, recent market activity and new developments that will influence future activity.

12:15

Concluding Remarks/Grand Prize Drawing

- Steve Bolte, Publisher, *Progressive Railroading* Magazine
- Tony Hatch, Program Consultant, RailTrends

Plf_02329

Anderson County

ANDERSON COUNTY
EMPLOYEE EXPENSE REPORT

Employee Name: Bill McAbee

Department Name / Number: Council

DATE	DEPARTURE TIME OF DAY LEAVING and/or ARRIVAL TIME OF DAY RETURNING	LOCATION AND PURPOSE OF TRAVEL	LODGING	BREAKFAST	LUNCH	DINNER	DAILY # OF MILES TRAVELED	AUTO	MISC. (Please specify)	BUSINESS MEALS	DAILY TOTALS
	RAIL TRENDS CONVENTION										
	Registration										
9/29/2008			236 61	5.00	8 00	15.00			$ 1,195.00		1,195 00
9/30/2008			236 61	5 00	8 00	15 00			$ 223.95		488.56
10/1/2008			236 61	5 00	8 00	15.00					264 61
10/2/2008			5 00	8 00	8.00				$ 223.95		264 61
	Additional meals (Out of State)			25.36	43 26	80.55					244.95
											149 17
		EXPENSE TOTALS	$ 714 83	$ 48 36	$ 75.26	$ 125.55			$ 1,642.90		$ 2,606 90

ACCOUNTS TO BE CHARGED

Fund Number:

Department Number:

000-236	Meals	
000-216	Fuel	
000-277	Training	
000-279	Travel	
000-293	Lodging	
000-294	Registration	
	TOTAL	

Employee Signature: See attached

Supervisor's Signature: See attached

Additional Comments/Remarks.

Expense Reconciliation.

Expense paid by Employee.

LESS Travel Advance

Amount due Employee (County)

NOTE: When attending a multi-day function, please include a copy of the conference/convention/seminar brochure or agenda, stating dates of attendance, what meals are included, and pertinent information to aid in the timely and accurate processing of your expense report

PENGAD 800-631-6989 EXHIBIT

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 73

Plf_02313

COPY

AP file copy

County of Anderson SC
General Fund
P.O. Box 8002
Anderson, SC 29622

[redacted] [redacted]

DATE October 27, 2008

PAY TO THE ORDER OF Bill McAbee

Two thousand six hundred six and 90/100 $ 2,606.90 DOLLARS

CAROLINA FIRST

Expenses [redacted]

Gene C. Phillips
AUTHORIZED SIGNATURE

SAFEGUARD SECURITY

THE FA[redacted] OF THESE FEATURES WILL INDICATE A COPY

Plf_02312

Receipts

	Vendor	Receipt Date	Payment Type	Amount	Category
1	Macaroni Grill	10/02/08	Visa	$23 39	Meals/Restaurant
2.	HMshost Sbarrows	10/02/08	Master Card	$2 05	Meals/Restaurant
3	HMshost Sbarrows	10/02/08	Master Card	$9 49	Meals/Restaurant
4	Niles of New York City	10/01/08	Visa	$32 40	Meals/Restaurant
5	Niles of New York City	10/01/08	Visa	$22 00	Meals/Restaurant
6	Harrington	10/01/08	Visa	$72 00	Meals/Restaurant
7	Seven Bar & Grill	10/01/08	Visa	$101 35	Meals/Restaurant
8	Delta	09/29/08	Visa	$223 95	Airline
9	Affinia Manhattan	09/29/08	Visa	$709 84	Lodging/Hotel
10	MSE Branded Foods Concorse B Snack Bar	09/29/08	Credit Card	$13 84	Meals/Restaurant
11	Public Parking GSP	09/29/08	Visa	$36 00	Parking
12	Keens Chophouse	09/29/08	Cash	$165 59	Meals/Restaurant
13	Rail Trends Registration–BM	08/22/08	American Express	$1,195 00	Convention Fees
14			Credit Card	$0 00	Transportation
15			Cash	$0 00	Transportation

Per Mr P, do not restrict to "28 per diem amt - pay actual expenditures. e 10-27-08

modified discussed this w/ mr P + voted his above to me

OK

Grand Total:

Amount $2,606 90

PENGAD 800-631-6989 EXHIBIT 43

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 24

Plf_02314

Created by Bill McAbee

Expense and Receipt Report

User Profile

Name:	Bill McAbee
Company Name:	Anderson County
Location:	
Work Phone:	864.933.2745
Mobile:	
Fax:	864.225.0207
Email:	whmcabee@fairview.com

Business Expenses Information

Folder Label:	Coal Gasification Technologies 2008
Period End:	
Purpose:	Coal Gasification possibilities in
Client:	Anderson County

Summary Information

Category	Amount	Number
Airline	$272.74	1
Lodging/Hotel	$929.24	1
Meals/JRestaurant	$32.00	1
Meals/Restaurant	$462.26	14
Subway	$9.65	2
Taxi	$46.13	1
Transportation	$1,060.80	1
Total	**$2,812.82**	**21**

Oil
Dist. 4
Council Travel

Please reimburse Bill McAbee Jr. for the amount of $2812.82 as soon as possible

W H McAbee

[redacted]

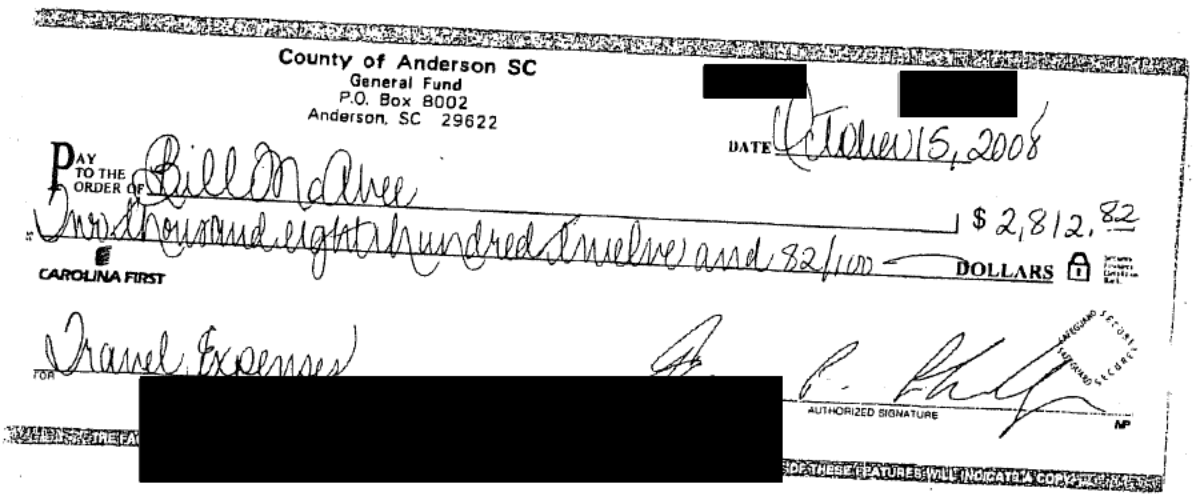
PLAINTIFF'S EXHIBIT 75

PENGAD 800-631-6989

EXHIBIT 49 McAbee

Plf_02332

COPY



County of Anderson SC
General Fund
P.O. Box 8002
Anderson, SC 29622

[redacted] [redacted]

DATE October 15, 2008

PAY TO THE ORDER OF Bill McAbee

$ 2,812.82

two thousand eight hundred twelve and 82/100 DOLLARS

CAROLINA FIRST

FOR Travel Expenses [redacted]

AUTHORIZED SIGNATURE

SAFEGUARD SECURITY FEATURES

THESE FEATURES WILL INDICATE A COPY

Plf_02331

IMPORTANT

AGREEMENT between

Client 101 South Main Street, Anderson, SC 29624 [Anderson County, SC] (hereinafter referred to as "**Client**")

And

Consultant [redacted] Palmetto Agricultural Consultants, [redacted] (hereinafter referred to as "the **Consultant**")

WHEREAS the **Consultant** has agreed to provide services hereof to **Client** AND WHEREAS the parties have agreed and do hereby agree that the terms of such agreement be put into writing NOW THEREFORE the parties agree to be bound and obliged by the following terms and conditions:-

2. The Services

The **Consultant** shall or shall ensure that its employees shall perform the services as described in Appendix 1 ("the Service"). Nothing herein contained shall be construed as or have the effect of constituting a relationship of employer and employee between the parties hereto

The fee payable by **Client** to the **Consultant** shall be the fee specified in Appendix 1. The fee shall be payable at the frequency indicated in Appendix 1. Where it is indicated in Appendix 1 that Invoices shall be submitted by the **Consultant,** the **Consultant** shall submit to **Client** invoices for fees payable adding the appropriate rate. **Client** shall pay each invoice within 30 days of the date of the invoice. The **Consultant** shall submit invoices to the address specified in Appendix 1.

The **Consultant** shall or shall ensure that its employees shall complete a timesheet in respect of each day it provides the Service to **Client** and submit same to **Client** on a monthly basis. The **Consultant** shall invoice **Client** upon receipt by **Client** of signed corresponding timesheets, copy of which shall accompany each invoice

The **Consultant** shall attend meetings called by the **Client** should the **Client** wish to discuss aspects of this agreement.

Reasonable expenses when properly and necessarily incurred and when approved in writing by the appropriate **Client** line manager shall be paid by **Client**. The **Consultant** shall ensure that expenses forms where appropriate and where provided by **Client** to the **Consultant**, are completed and delivered to **Client** as soon as practicably possible following upon the expense actually incurring.

Signed by and on behalf of **Client** Group

By

Dated [September 4, 2007]

Signed by and on behalf of **Consultant**

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT 76

PENGAD 800-631-6989 PLAINTIFF'S EXHIBIT LG 1-31-2011

Plf_01404

By Allison Schaum

Dated September 4, 2007

APPENDIX 1

Date Of Commencement

September 4, 2007

Date of Termination

Month to Month

The Services

Begin the steps to implement the Farm to School Program in Anderson County schools All of the details of the Farm to School Program have been previously laid out and explained.

Grow the farm to Institution programs in Anderson County.

Creation of Anderson County Food Cooperative including local farmers, local restaurant proprietors, institutional leaders and school officials

Grow the number of Community Supported Agriculture systems in Anderson County. There are currently 2-3.

Coordinate an increase in farm sales to local restaurants through a constant stream of communication.

Fees payable

A fixed hourly rate of $65 will be payable.

Frequency of payment fees

Fees will be paid monthly in arrears, to be settled by **Client** within 30 days of the date of invoice.

Invoices to be submitted Monthly to [Anderson County]

Travel and out of pocket expenses

Travel and out of pocket expenses incurred in relation to agreed project activities will be reimbursed at standard rates as agreed.

Holidays/ Absence

Are unpaid and can be taken during the course of the contracted period, subject to prior agreement of the **Client.**

Normal working week

The **Consultant** will work hours as required to meet the defined deliverables within the budgeted time period as set out in The Services above.

From: Allison Schaum [allison@palmettoag com]
Sent: Monday, October 27, 2008 12.15 PM
To: Joey Preston
Subject: PAC Services Agreement
Attachments: PAC Service Agreement Final.doc

Mr. Preston.

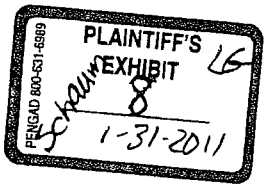
Hello there. I hope you're doing well today! I have had a new contract drafted and I wanted to send it to you for your review and comments. Please feel free to contact me at any time to discuss this. Thank you for your time and have a wonderful day.

Sincerely,

Allison Schaum
Palmetto Agricultural Consultants
864-871-3501
allison@palmettoag.com







SERVICES AGREEMENT

Palmetto Agricultural Consultants, LLC and Anderson County

This Agreement in entered into by and between Palmetto Agricultural Consultants, LLC and Anderson County. The effective date of this Agreement is _____ and shall expire three years from the date of this agreement.

RECITALS

Palmetto Agricultural Consultants, LLC agrees to provide consulting services to Anderson County.

AGREEMENT

1. TERM OF AGREEMENT

Palmetto Agricultural Consultants, LLC hereby contracts with Anderson County for services as defined herein, such contract commencing on the Effective Date of this Agreement and terminating on the last performance day of the contract , unless extended by mutual Agreement of both parties or terminated as hereinafter provided.

GENERAL PROVISIONS:

1.1.1 LEGAL REPRESENTATION. Each party acknowledges right to separate legal counsel in relation to this Agreement.

1.1.2 COMPLETE AGREEMENT OF THE PARTIES. This document represents the complete Agreement of the parties and it supersedes any agreement that may have been made prior to this Agreement. This Agreement may be amended in writing by mutual consent of the parties to this Agreement.

1.1.3 ASSIGNMENT. This Agreement may not be assigned unless such assignment is mutually agreed to by the parties to this Agreement.

1.1.4 BINDING. This Agreement shall be binding upon both of the parties hereto.

1.1.5 GOVERNING LAW. The parties hereby expressly acknowledge and agree that this Agreement is entered into in the State of SOUTH CAROLINA and,

to the extent permitted by law, the Agreement shall be construed and enforced according to the laws of the State of SOUTH CAROLINA.

1.1.6 FAILURE TO OBJECT NOT A WAIVER. The failure of a party to object to, or to take affirmative action with respect to, any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach or of any future violation, breach, or wrongful conduct.

1.1.7 UNENFORCEABLE TERMS. Any provision hereof prohibited or unenforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without affecting any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement may be deemed to be a valid and binding agreement enforceable in accordance with its terms.

1.1.8 EXECUTION IN PARTS OR PHASES. This Agreement may be executed in parts or phases as may be defined in this Agreement and when so executed shall constitute one agreement binding on all parties.

1.1.9 FURTHER ASSISTANCE. From time to time each party shall execute and deliver such further instruments and shall take such other action as the other party may reasonably request in order to discharge and perform their obligations and agreements hereunder and to give effect to the intentions expressed in this Agreement.

1.1.10 INCORPORATION BY REFERENCE. All exhibits and attachments referred to in this Agreement are incorporated herein in their entirety by such reference.

1.1.11 CROSS-REFERENCES. All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement, and shall not be deemed to be references to any other transaction, agreement, or document.

1.1.12 MISCELLANEOUS PROVISIONS. The various headings and numbers herein and the grouping of provisions of this Agreement are for the purpose of convenience only. The language in all parts of this Agreement shall in all cases be construed in accordance to its fair meaning as if prepared by all parties to the Agreement and not strictly for or against any of the parties.

1.1.13 CONFIDENTIALITY OF INFORMATION. Both Parties agree to protect and to require all personnel to protect to the fullest extent required by law the confidentiality of the other party of information received in connection with the services provided.

2. SERVICES TO BE PROVIDED: Palmetto agrees to provide the following services:

Begin the steps to implement the Farm to School program in Anderson County schools.

Implement/grow the Farm to Institution programs in Anderson County.

Begin the steps to create an Anderson County Food Cooperative including local farmers, local restaurant proprietors, institutional leaders and school officials.

Attempt to grow the number of Community Supported Agriculture systems in Anderson County beyond its current number (1-2 at present).

Coordinate farm sales to local restaurants through a constant stream of communication.

2.1 ACCESS. Palmetto Agricultural Consultants, LLC shall be provided access to County facilities as required in performance of its duties.

2.2 VITAL SERVICES. Anderson County recognizes that the services under this Agreement are vital to Palmetto Agricultural Consultants, LLC and must be continued without interruption.

3. COMPENSATION.

In consideration for the services required herein, Anderson County agrees to compensate Palmetto Agricultural Consultants, LLC as follows: Palmetto shall perform and shall be paid by County for the services of its employee, Allison Schaum the rate of $75.00 per hour for the first twelve months, and shall increase by $10.00 per hour each succeeding year (year 1: $75, year 2: $85, year 3: $95). Anderson County understands that Palmetto shall bill and Anderson County shall pay ½ the hourly rate for each additional employee of Palmetto beyond Allison Schaum.

Travel and out of pocket expenses incurred in relation to agreed project activities will be reimbursed by the County.

Palmetto shall invoice County monthly. Palmetto ensures that it shall properly document all work and expenses and such documentation shall be timely provided to County upon request.

4. INDEPENDENT CONTRACTOR.

In performing services and duties hereunder, Palmetto and any person acting on Palmetto's behalf shall do so as independent contractors and are not to be deemed employees or agents of Anderson County.

5. REMEDY FOR BREACH.

5.1 Each party acknowledges that the services to be rendered by it hereunder are of a special, unique, and extraordinary character which gives this Agreement a peculiar value to each. If County should terminate this agreement liquidated damages shall be immediately due and shall be computed as follows: by multiplying that year's and each following year's remaining months of the three year contract as if twenty hours per week had been invoiced for the work of employee Allison Schaum.

6. TERMINATION

6.1 CAUSES FOR TERMINATION. This Agreement shall terminate immediately upon the occurrence of any one of the following events:

6.1.1 The written agreement of the parties;

6.1.2 Either party commits a breach of duties hereunder, unless waived by the other party or cured by the breaching party within 10 days after the aggrieved party having given written notice thereof.

IN WITNESS WHEREOF, the parties have executed the Agreement.

PALMETTO AGRICULTURAL CONSULTANTS, LLC:

SIGNATURE:_____

TITLE:_____

DATE:_____

ANDERSON COUNTY:

SIGNATURE:_____

TITLE:_____

DATE:_____

SERVICES AGREEMENT

Palmetto Agricultural Consultants, LLC and Anderson County

This Agreement in entered into by and between Palmetto Agricultural Consultants, LLC and Anderson County. The effective date of this Agreement is November 1, 2008 and shall expire three years from the date of this agreement.

RECITALS

Palmetto Agricultural Consultants, LLC agrees to provide consulting services to Anderson County.

AGREEMENT

1 TERM OF AGREEMENT

Palmetto Agricultural Consultants, LLC hereby contracts with Anderson County for services as defined herein, such contract commencing on the Effective Date of this Agreement and terminating on the last performance day of the contract , unless extended by mutual Agreement of both parties or terminated as hereinafter provided.



GENERAL PROVISIONS:

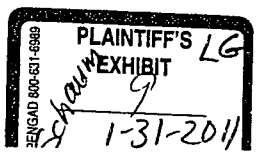
1.1.1 LEGAL REPRESENTATION. Each party acknowledges right to separate legal counsel in relation to this Agreement.

1.1 2 COMPLETE AGREEMENT OF THE PARTIES. This document represents the complete Agreement of the parties and it supersedes any agreement that may have been made prior to this Agreement. This Agreement may be amended in writing by mutual consent of the parties to this Agreement.

1.1.3 ASSIGNMENT. This Agreement may not be assigned unless such assignment is mutually agreed to by the parties to this Agreement.

1 1.4 BINDING. This Agreement shall be binding upon both of the parties hereto.

1.1.5 GOVERNING LAW. The parties hereby expressly acknowledge and agree that this Agreement is entered into in the State of SOUTH CAROLINA and,



to the extent permitted by law, the Agreement shall be construed and enforced according to the laws of the State of SOUTH CAROLINA.

1.1.6 FAILURE TO OBJECT NOT A WAIVER. The failure of a party to object to, or to take affirmative action with respect to, any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach or of any future violation, breach, or wrongful conduct.

1.1.7 UNENFORCEABLE TERMS. Any provision hereof prohibited or unenforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without affecting any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement may be deemed to be a valid and binding agreement enforceable in accordance with its terms.

1.1.8 EXECUTION IN PARTS OR PHASES. This Agreement may be executed in parts or phases as may be defined in this Agreement and when so executed shall constitute one agreement binding on all parties.

1.1.9 FURTHER ASSISTANCE. From time to time each party shall execute and deliver such further instruments and shall take such other action as the other party may reasonably request in order to discharge and perform their obligations and agreements hereunder and to give effect to the intentions expressed in this Agreement.

1.1.10 INCORPORATION BY REFERENCE. All exhibits and attachments referred to in this Agreement are incorporated herein in their entirety by such reference

1.1.11 CROSS-REFERENCES. All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement, and shall not be deemed to be references to any other transaction, agreement, or document.

1.1.12 MISCELLANEOUS PROVISIONS The various headings and numbers herein and the grouping of provisions of this Agreement are for the purpose of convenience only. The language in all parts of this Agreement shall in all cases be construed in accordance to its fair meaning as if prepared by all parties to the Agreement and not strictly for or against any of the parties.

1.1.13 CONFIDENTIALITY OF INFORMATION. Both Parties agree to protect and to require all personnel to protect to the fullest extent required by law the confidentiality of the other party of information received in connection with the services provided.

2. SERVICES TO BE PROVIDED: Palmetto agrees to provide the following services:

Begin the steps to implement the Farm to School program in Anderson County schools.

Implement/grow the Farm to Institution programs in Anderson County.

Begin the steps to create an Anderson County Food Cooperative including local farmers, local restaurant proprietors, institutional leaders and school officials.

Attempt to grow the number of Community Supported Agriculture systems in Anderson County beyond its current number (1-2 at present).

Coordinate farm sales to local restaurants through a constant stream of communication.

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2.2 VITAL SERVICES. Anderson County recognizes that the services under this Agreement are vital to Palmetto Agricultural Consultants, LLC and must be continued without interruption.

3. COMPENSATION.

In consideration for the services required herein, Anderson County agrees to compensate Palmetto Agricultural Consultants, LLC as follows: Palmetto shall perform and shall be paid by County for the services of its employee, Allison Schaum the rate of $75.00 per hour for the first twelve months, and shall increase by $10.00 per hour each succeeding year (year 1: $75, year 2: $85, year 3: $95). Anderson County understands that Palmetto shall bill and Anderson County shall pay ½ the hourly rate for each additional employee of Palmetto beyond Allison Schaum.

Travel and out of pocket expenses incurred in relation to agreed project activities will be reimbursed by the County.

Palmetto shall invoice County monthly. Palmetto ensures that it shall properly document all work and expenses and such documentation shall be timely provided to County upon request

4 INDEPENDENT CONTRACTOR.

In performing services and duties hereunder, Palmetto and any person acting on Palmetto's behalf shall do so as independent contractors and are not to be deemed employees or agents of Anderson County.

5. REMEDY FOR BREACH.

5.1 Each party acknowledges that the services to be rendered by it hereunder are of a special, unique, and extraordinary character which gives this Agreement a peculiar value to each. If County should terminate this agreement liquidated damages shall be immediately due and shall be computed as follows: by multiplying that year's and each following year's remaining months of the three year contract as if thirty hours per week had been invoiced for the work of employee Allison Schaum.

6. TERMINATION

6.1 CAUSES FOR TERMINATION. This Agreement shall terminate immediately upon the occurrence of any one of the following events:

6.1.1 The written agreement of the parties;

6.1.2 Either party commits a breach of duties hereunder, unless waived by the other party or cured by the breaching party within 10 days after the aggrieved party having given written notice thereof.

IN WITNESS WHEREOF, the parties have executed the Agreement.

PALMETTO AGRICULTURAL CONSULTANTS, LLC:

SIGNATURE: Allison Schaum

TITLE: Consultant, Owner

DATE: November 1, 2008

ANDERSON COUNTY

SIGNATURE _____

TITLE: County Administrator

DATE November 1, 2008

ANDERSON
COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

Memorandum

TO: Anderson County Council Members

FROM: Joey R. Preston, Administrator

DATE: August 11, 2008

RE: Joey R. Preston, Anderson County Administrator v. M. Cindy Wilson and Robert L. Waldrep Jr., in their individual capacities.

County Administrator
Joey R. Preston

Council Members
Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N Eddleman

County Council has never acted as a body to direct the actions of any County employees. However, recently two individual Council members, without my permission and without Council's permission, have intentionally and seriously interfered with several County employees' job responsibilities and embarrassed them. One employee filed a grievance several months ago complaining of the behavior of these two individual Council members towards her, but as they have taken these acted as individuals, there is no relief that the County can afford her through the County's grievance process. Another employee has filed a private slander suit against the other Council member when lies were published about him and his job performance. I have repeatedly asked these two Council members to refrain from harassing and embarrassing County employees, but my requests have been ignored. The only way I believe I can prevent the continued harassment of County employees is by asking for a court order to enforce existing state law.

The State law is clear that County employees come under the direction and supervision of the County Administrator. State law requires that Council deal with County employees solely through the Administrator. No individual Council member, acting on their own, can give orders or instructions to County employees. State law and local law clearly states that Anderson County employees work for the Administrator, not County Council- and they certainly do not work for any individual member of Council.

I have an obligation to ensure the County employees are treated in accordance with state law. County Ordinance 2003-006 places a duty on me to follow state law and I would arguably be negligent in my duty were I not to take action to ensure County employees are not subjected to embarrassment and harassment in their jobs. I have no

Anderson County
All-America City

2001, 2002 J Mitchell Graham Award Winner
for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

PLAINTIFF'S EXHIBIT 78
PENGAD 800-631-6989

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4031 · (864) 260-4106 fax
www andersoncountysc org

choice but to ask the courts to interpret and apply the existing law, and order that the unauthorized and harmful actions of these two Council members towards County employees cease.

Attached please find a complaint I intend to file requesting declaratory and injunctive relief from the court. The complaint asks the court to enforce state law by enjoining the two individual Council members from giving any more orders or instructions to County employees who are subject by law to my direction and supervision.

If Council as a whole does not approve of my filing this complaint please let me know immediately. However, I know of no other way to protect County employees from the unauthorized actions of these two individual Council members and their continued harassment.

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF ANDERSON	)	TENTH JUDICIAL CIRCUIT
JOEY R. PRESTON, ANDERSON COUNTY ADMINISTRATOR	)	CASE NO. _____
PLAINTIFF,	)	
vs.	)	**DECLARATORY JUDGMENT ACTION (Injunctive Relief/ Non-Jury)**
ROBERT L. WALDREP, JR., and M. CINDY WILSON, in their individual capacities,	)	
DEFENDANTS.	)	

The Plaintiff, Joey R. Preston, Anderson County Administrator, complaining of the above-named Defendants alleges as follows:

1. Plaintiff Joey R. Preston is a resident and citizen of the County of Anderson, State of South Carolina and the Anderson County Administrator.

2. Defendants Robert L. Waldrep Jr. and M. Cindy Wilson are residents and citizens of the County of Anderson, State of South Carolina, and members of the Anderson County Council.

3. This suit is filed pursuant to S.C. Code Ann. Section 15-53-10 *et seq.* and seeks a declaration that Defendants have violated S.C. Code Ann. Section 4-9-660 and an Order enjoining further violations of this statute by the Defendants.

4. S.C. Code Ann. Section 4-9-660 provides that the County Council shall deal with employees who are subject to the direction and supervision of the County Administrator *solely* through the Administrator, and further states that Council members shall *not* give orders or instructions to employees.

5. An actual controversy exists between Plaintiff and Defendants in relation to their respective rights and obligations under state law regarding the supervision and direction of Anderson County employees.

6. Plaintiff contends that Defendants have violated state law by attempting in their personal capacities to direct the actions of employees of the County Administrator, and by intimidating and embarrassing Anderson County employees at their workplace.

7. Plaintiff requests a declaration from this Court pursuant to S.C. Code Ann. Section 15-53-10 *et seq.* that the individual Defendants cannot direct the actions of County employees under the supervision of the County Administrator. Plaintiff additionally requests an Order enjoining the individual Defendants from further violation of S.C. Code Ann. Section 4-9-660.

8. This Court has personal jurisdiction over the parties named herein and subject matter jurisdiction of this controversy.

FOR A FIRST CAUSE OF ACTION
(Declaratory Judgment)

9. Plaintiff repeats the foregoing allegations of this Complaint as fully and completely as if repeated herein verbatim.

10. Anderson County has adopted the County Administrator form of government.

11. S.C. Code Ann. Section 4-9-30 (7) provides that in a County Administrator form of county government, the County Administrator shall be responsible for the employment and discharge of all County personnel.

12. Anderson County Council acts only through corporate action by majority vote of its members.

13. Anderson County Council has never voted to authorize individual members of County Council to direct the actions of Anderson County employees.

14. State law does not permit individual members of County Council to direct the actions of County employees.

15. County Ordinance 2003-006 places an affirmative duty on the County Administrator to follow state and local law in order to ensure the efficient operation and functioning of County government.

16. On December 12, 2007, the above named Defendants, acting as individual members of County Council, in their personal capacities, and not at the request of, or on behalf of, County Council, entered the County Finance Division offices with reporters and cameras. Defendants were rude and yelled at County employees, telling them they were "just County employees." Defendants demanded that they be shown County documents. When the County employees refused to produce the County records and questioned Defendants, Defendants became agitated and told the employees they were "doing wrong" and "making a bad decision," implying that their jobs were in jeopardy.

17. Defendants' comments on December 12, 2007 resulted in several employees expressing fear that their jobs were in jeopardy because they did not follow the directives of the individual Defendants. One employee has filed a formal complaint of harassment with the County alleging that she is being forced to work

in a hostile environment and that she has been, and continues to be, slandered by these Defendants.

18. Shortly thereafter, Defendant Waldrep contacted Emergency Services Department personnel and demanded that employees in that Department personally respond to his concerns about how a particular 911 call was handled. The employees were uncomfortable taking directions from Defendant Waldrep regarding this matter and reported the same.

19. Defendant Waldrep requested information regarding the County's 800 MHz system and when the County Administrator requested a meeting designed to provide that information to him be scheduled, Defendant Waldrep instructed County employees as to who could and could not attend the meeting. Defendant Waldrep stated he refused to meet with certain employees who he felt were too loyal to the County Administrator.

20. Defendant Wilson recently falsely accused a County employee in public of violating the State Ethics Act and this employee has filed a slander suit against her, using his own money to fund that litigation.

21. On August 5, 2008, Defendant Waldrep stated at a public meeting that he intended to suspend the County's Finance Director as soon as newly elected Council members take office.

22. The above described conduct was taken in Defendants' personal and individual capacities and is unlawful and *ultra vires*.

23. Defendants' derogatory comments and aggressive actions to these and other County employees were made publicly and often in front of cameras and reporters.

Defendants' actions are unprofessional, embarrassing and intimidating to County employees.

24. Defendants have upset County employees and seriously disrupted the workplace.

25. Plaintiff believes both individual Defendants will continue to attempt to unlawfully direct the actions of Anderson County employees and interfere with their job responsibilities.

26. Plaintiff believes that absent a declaration from this Court interpreting and applying S.C. Code Ann. Section 4-9-660 and awarding injunctive relief, Defendants will continue to harass and intimidate County employees and continue to unlawfully direct the job performance of County employees.

27. Plaintiff seeks an Order from this Court declaring that the individual Defendants have violated S.C. Code Ann. Section 4-9-660, and enjoining Defendants from giving any further orders or instructions to any County employees who are subject to the direction and supervision of the Anderson County Administrator.

WHEREFORE, Plaintiff prays for judgment against Defendants Robert L. Waldrep Jr. and M. Cindy Wilson and as follows:

a) For declaratory and injunctive relief pursuant to S.C. Code Ann. Section 15-53-10 *et seq.*;

b) for costs and disbursements of this action pursuant to S.C. Code Ann. Section 15-53-100;

c) for attorney's fees to reimburse the County; and,

d) such other and further relief as the Court may deem appropriate.

SIGNATURE BLOCK ON NEXT PAGE

YOUNG CLEMENT RIVERS, LLP

By:_____
Nancy Bloodgood
P.O. Box 993, Charleston, SC 29402
(843) 724-6659 - Telephone
(843) 579-1352 - Fax
E-mail: nbloodgood@ycrlaw.com
Attorneys for the Plaintiff

Charleston, South Carolina

Dated: _____

STATE OF SOUTH CAROLINA	IN THE COURT OF COMMON PLEAS
COUNTY OF ANDERSON	TENTH JUDICIAL CIRCUIT
JOEY R. PRESTON, ANDERSON COUNTY ADMINISTRATOR PLAINTIFF, vs. ROBERT L. WALDREP, JR., and M. CINDY WILSON, in their individual capacities, DEFENDANTS.	CASE NO. 2008-CP-04-2726 **AFFIDAVIT OF JOEY PRESTON**

PERSONALLY APPEARED BEFORE ME, Joey Preston, who deposes and says I am over eighteen years of age and of sound mind. The following statement is true and correct to the best of my knowledge and belief:

1. This Affidavit is presented to the Court to provide additional documents regarding this matter that were not presented to the Court at the September 24, 2008 hearing and are responsive to the Defendants' Reply Affidavits.
2. Attached to this Affidavit is Exhibit A which is a document marked as Plaintiff's Exhibit Number 14 at the hearing, but was evidently mistakenly not entered into the record. Exhibit A is a letter I sent to Mr. Waldrep on August 5, 2008 prior to the time I filed this lawsuit. This letter was my last request to Mr. Waldrep to address County staff through me, and not directly. On the same day I sent this letter, at a County Council work shop, Mr. Waldrep endorsed alleged efforts of newly elected Council members to place one of my employees on paid leave, thus necessitating this action.



3. The next document attached to this Affidavit (Exhibit B) is a certified copy of corrected minutes of the County Council work shop held on August 5, 2008 (the same day I wrote the letter attached to this Affidavit as Exhibit A). These minutes were entered as Plaintiff's Exhibit Number 15 at the injunction hearing. After the injunction hearing, they were revised by the Clerk of Council and the revisions were approved by Council on October 7, 2008. The pertinent portions of the minutes that were revised are on page 13. The minutes reflect on the bottom of page 13 that Mr. Waldrep endorsed the newly elected Council members' decision to place the financial director (Ms. Gina Humphreys) on paid leave in January. Mr. Waldrep states, "So these are some of the ideas that have come from the newly elected council folks. And I certainly think that great weight should be given to the fact that we have a big change in the composition of our council." This statement is clearly an endorsement of the ideas Mr. Waldrep read into the record. Though Mr. Waldrep infers in his Affidavit that it was only the new Council members who intended to place a county employee on leave when they take office in January, he personally endorsed these statements when he suggested great weight be given to their ideas.

4. Responding to Ms. Wilson's Supplemental Memorandum and specifically to her allegation that the only time she gave instructions or orders to employees was on December 12, 2007 when for the second time she went into the private offices of the Finance Department and demanded, this time with the press in tow, to review credit card information, I have reviewed the minutes of County Council meetings and attach as Exhibit C pertinent portions of these minutes to indicate the true extent of Ms. Wilson's attempts to direct the actions of my employees. The following is a partial list of Ms.

Wilson's insulting inferences in public that have adversely affected my employees' morale, and her instructions and orders to my employees:

a. December 3, 2002, Ms. Wilson infers the County was improperly paying travel costs for a particular employee and another Council member asks her to go to Mr. Preston to discuss her questions (Exhibit C p. 1);

b. On January 7, 2003, the County Administrator denied Ms. Wilson accusations that Planning Director was getting paid a salary plus a private consulting fee (Exhibit C p. 2);

c. On January 21, 2003, Ms. Wilson complains that she thinks a campaign manager for a County Council candidate was working for the County (Exhibit C p. 3);

d. On February 4, 2003, Ms. Wilson alleges that there are spouses working in the Building and Codes Department issuing their spouses permits (Exhibit C p. 4);

e. At this same meeting, the County Attorney, Mr. Martin, counseled the County Council members that County Council acts as whole, and that no individual Council member can direct the actions of the County Administrator (Exhibit C p. 5);

f. On March 4, 2003, Ms. Wilson complains that she wants to know more about a County employee who was demoted and alleges the Finance Department doesn't pay bills on time (Exhibit C p. 6);

g. The June 3, 2003 minutes reflect that a member of the public attended a reassessment meeting and felt apologies were due to certain County employees due to the way Ms. Wilson "blasted" them concerning the budget (Exhibit C p. 7);

h. On August 19, 2003, Ms. Wilson incorrectly states that "individual members of Council could contact county officials if they have questions" (Exhibit C p. 8);

i. On August 17, 2004, Ms. Wilson admitted she went to a County employee's office (Rita Davis's) and requested information, stating "as a member of Council [I am] entitled to the information" (Exhibit C p. 9);

j. On September 7, 2004, Ms. Wilson accused the Planning staff (speaking to the Director Jeff Ricketson) of "fudging" on numbers and ownership of property (Exhibit C p. 10);

k. On May 17, 2005, Ms. Wilson complained about the employee who was running the Farmers Market and said the position should be part-time (Exhibit C p. 11);

l. On June 7, 2005, Ms. Wilson admitted she was talking directly to employees when she stated she "valued employees and department heads their discretion in talking with her and she will never violate a confidence." At this same meeting she complained that the only salary information she received from the Administrator was a range of salary for employees making less than $50,000 and inferred she was entitled to more information than state law required (Exhibit C p. 12-13);

m. On April 4, 2006, Ms. Wilson discusses her "trip" into the Finance Department to look at credit card expenses (Exhibit C p. 14);

n. On May 2, 2006, another council member, Ms. Floyd, thanks Mr. Preston for setting up a meeting with staff and asks for an additional meeting. Ms. Wilson was at this Council meeting and clearly understood that the correct and established method of talking to staff was to go through the Administrator (Exhibit C p. 15);

o. On July 18, 2006, Mr. Preston tells Ms. Wilson if she has concerns about the Animal Shelter to please meet with him and the Director. Mr. Preston states, "I welcome you and I'll schedule a meeting" (Exhibit C p. 16);

p. On August 15, 2006, Ms. Wilson states that there is an issue in the Maintenance Department and announces the supervisor has resigned and more training is needed in the department (Exhibit C p. 17);

q. On October 17, 2006, Ms. Wilson discusses an employee by name and infers there is a problem because she is the daughter of a former Sheriff employee (Exhibit C p. 18);

r. On November 21, 2006, Ms. Wilson asks an employee, Vic Carpenter, to provide her a list of contractors he provided dirt to (Exhibit C p. 19);

s. On December 5, 2006, Ms. Wilson again complains about the daughter of the former Sheriff employee, and infers the County Administrator should not have hired her because she was pregnant when she was hired and the Administrator knew that fact. Mr. Preston objects to Ms. Wilson's "attempts to derogate, defame and humiliate county employees" (Exhibit C p. 20-21);

t. On February 20, 2007, Ms. Wilson alleges an "unnamed" employee in the Central Dispatch office removed details from a 911 call (Exhibit C p. 22- 23);

u. On September 18, 2007, another Council member chastised Ms. Wilson for poorly treating two county employees, Mr. Ricketson and Mr. Hopkins, because she thought they were too closely linked to the County Administrator (Exhibit C p. 24);

v. On September 18, 2007, Ms. Wilson requests the background information, education and work experience, of a job applicant for a job in the Environmental Serves Division and then requires certain language be placed in the job description (Exhibit C p. 25- 27);

w. On November 6, 2007, approximately one month before Ms. Wilson went to the Finance Department with Mr. Waldrep and the press unannounced, Mr. Preston told Ms. Wilson that he needed to be present when she went to the finance department to ensure the protection of peoples' social security numbers (Exhibit C p. 28);

x. On January 8, 2008, Ms. Wilson discusses her trip with Mr. Waldrep and the media to the Finance Department and states, "this is public information, even a person off the street should be able to go look at it." Ms. Wilson is then told she needs to follow County protocol and the County Attorney explains to her, "members of county council deal with the staff of the county only through the administrator" (Exhibit C p. 29- 30); and

y. On March 4, 2008, Ms. Wilson states the department head in the economic development department is not telling the truth as the receipts she has reviewed don't match the employee's statements (Exhibit C p. 32).

5. The affidavits submitted by Ms. Humphreys and Ms. Pressley prove that the December 12, 2007 intrusion by Ms. Wilson into the private offices of the Finance Department and have not been mischaracterized or exaggerated. Additionally, though Ms. Humphreys has twice grieved the actions of Ms. Wilson and Mr. Waldrep as indicated in the documents attached to her Affidavit, there is no relief that the County grievance procedure can grant her as Ms. Wilson and Mr. Waldrep are not my employees and I cannot take any action to stop their conduct. The grievance process in this case just does not work. The only relief I can afford my employees is a court order.

6. Responding to Mr. Waldrep's two submitted Affidavits, first, the Affidavit from Ms. Harbin is irrelevant. The fact that Ms. Harbin is dissatisfied with the County's handling

of an EMS call, does not change state law and permit Mr. Waldrep to direct the actions of the employees in the EMS Department. Mr. Waldrep should have contacted me before going directly to my employees.

7. Responding to Mr. Waldrep's other Affidavit, page 31 of Exhibit C indicates that in August of 2007, a year and a half after he was elected to office, he called Ms. Humphreys "Tweedle Dee." About 3 months later, he took the press into her office and demanded credit card information. Ms. Humphrey's and Ms. Pressley's Reply Affidavits accurately reflect Mr. Waldrep's actions on that day.

8. I have invited Mr. Waldrep to let me know when he wants to meet with me or my employees and have offered to arrange meetings, as I do for other council members. However, unlike the other members of Council, he and Ms. Wilson purposely avoid me and directly contact my employees. Mr. Waldrep is not treated differently than the other Council members, he and Ms. Wilson just insist on acting differently than the other Council members.

FURTHERMORE DEPONENT SAYETH NOT.

Joey Preston

SWORN to before me this 16th day of October, 2008.

Marlene S. Hanks (SEAL)
Notary Public for South Carolina
My Commission Expires: Feb 3, 2013

EXHIBIT A

14

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

August 5, 2008

The Hon. Robert L. Waldrep, District # 1
Anderson County Council
P.O. Box 8002
Anderson, SC 29622

Dear Councilman Waldrep:

For the past several months I have been receiving copies of letters you wrote directly to Anderson County employees. Most recently, I received copies of letters sent to an employee in the Emergency Services Division and to the Deputy County Administrator. The matter addressed in the letter sent to the Emergency Services employee has been resolved, hopefully to your satisfaction. The matter regarding taxation and waste collection referenced in your letter to the Deputy Administrator is being researched and we hope to provide you an answer shortly on this issue

As I have have mentioned verbally and in writing in the past, please direct any correspondence concerning County matters and the performance of County departments and personnel to my attention and I will be happy to provide a timely response to you. When, as a Councilmember, you send correspondence directly to County employees, it can at best cause a delay in the response, or at worst create confusion among employees as to the organizational structure of the County and the established lines of communication. Employees are made aware of the requirements of Home Rule as it relates to the Council-Administrator form of government and to our established procedures, and required to follow them, and when those requirements and procedures are not followed it ultimately causes a deficiency in our ability to respond.

The Council-Administrator form of government is at its most effective and efficient when communication exists between the elected Council and the Administrator My desire is to be the best manager I can and meet the policy objectives established by the Council, acting as a corporate body. Unfortunately, my ability to effectively perform my job responsibilities are negated when I'm either unintentionally or purposefully left out of the chain of communication, regarding County matters.

I am asking for your assistance and understanding as it relates to this matter, in writing, in an effort to avoid any future misunderstandings. If you have a concern or issue that needs to be addressed by County staff, please direct that issue or concern to me, as set forth in the Home Rule Act, and I will make sure it is addressed as the employee of the Council. In addition, if you have concerns or recommendations for

County Administrator
Joey R Preston

Council Members
Michael G Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob op
District 1

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001, 2002 J Mitchell Graham Award Winner
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002 Government Regional Cooperation Award Winner

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improvements that you share with Council, I would also appreciate being made aware of those in order to provide input if requested.

If you would like to discuss this matter further, I am willing to meet with you at a time and place convenient to your schedule. As I have stated, I only desire the opportunity to perform my job duties as established under the Council-Administrator form of government, and I hope that you will assist me in accomplishing this goal.

Yours truly,

Joey R. Preston
County Administrator

Cc: Members, Anderson County Council

EXHIBIT B

State of South Carolina)

County of Anderson)

Certified to be a true and
correct copy of the records
of Anderson County Council.
Linda N. Eddleman
Clerk - Anderson County Council
Dated 10/13/08

ANDERSON COUNTY COUNCIL AUDIT MEETING

AUGUST 5, 2008

IN ATTENDANCE:

MICHAEL THOMPSON, CHAIRMAN
BOB WALDREP
CINDY WILSON
LARRY GREER
GRACIE FLOYD
BILL MCABEE
RON WILSON

INVOCATION AND PLEDGE OF ALLEGIANCE

MICHAEL THOMPSON: Okay. On page thirty-five of the budget ordinance, section forty-eight, the caption is special audit. This is how it reads. It is the desire and intent of the Anderson County Council to conduct a special one time audit of the books of Anderson County. This audit is to be a total complete penny in/penny out audit. The purpose of this audit is so that the county council will know everything, where the money has been spent or where it went and to ascertain if something has been done wrong or if something has not been done wrong. This is not to be an expanded procedures audit. This is to be an absolute assurance audit. It is understood that this type of audit has never been conducted anywhere as far as we know on any type of entity. Therefore there is no way to know how much this type of audit will cost. The county council's intent is to conduct this audit on whatever -- to conduct this audit at whatever cost it takes. County Council has not determined the fiscal period this audit is to cover nor what the parameters of the audit will be or by what standards the audit will be conducted and has not determined the source of revenue to pay for this audit. At this time I ask our external auditor, Mr. Larry Finney, to come forward. I met with him a couple of weeks ago. He is now in the process of auditing the books for the fiscal year we just came out of and he informed me that this special audit falls outside the contract and parameters that he has with the county. So the purpose of this meeting today is to determine the consensus of the county council on what they want to do with this special audit. We can postpone it and let the new council next year deal with it or we can define the parameters and take up the issue and go forward. But I wanted the council as a whole to decide this and not Michael Thompson, the chairman, to decide this. So Mr. Finney, he's going to come up and answer any questions regarding the audit or the special audit. Mr. Finney.

LARRY FINNEY: Thank you. Good morning. I really am here -- Mr. Thompson and I met very, very briefly just a couple of weeks ago primarily just so I could see what the ordinance actually said and kind of shared with him a few thoughts that I will share very briefly with you and then again I'm

primarily here just to participate and answer any questions that anybody has. Having read the ordinance, and a little bit of this will be repetition from the presentation that I did after we had finished the last financial audit. I think all of this, or at least from my perspective, began that night that I did the presentation when I shared with council really the idea that the normal regular financial audit that we just performed ?? that the concept of reasonable assurance because we don't look at all the transactions of the county. But obviously the opposite of that is that if you're providing reasonable assurance the comparison I made is the absolute assurance where you're looking at all the transactions of the county. Having read this ordinance I guess there are just a couple of thoughts I'll share with you. And again, I'm here primarily to answer questions. I think from my perspective, you have rightly stated in the ordinance that as far as I'm concerned I've never seen an absolute assurance audit performed. We have certainly never performed one in our firm. And I've actually talked with several other friends that are CPAs and other firms just to ask and try to get their perspective on it as well and they were not aware of an absolute assurance audit ever being performed. And let me share with you why -- what I've -- one of the things that I want to tell you is, I'm not aware of anybody that I've talked to that would probably even bid on performing an absolute assurance audit. You can just ask around. And I'm not saying that nobody would do that. Certainly somebody might. But let me share with you one of the concerns that I have personally as far as an absolute assurance audit is concerned and why I think one has never been done. And it really relates to the fact that when you start talking about absolute assurance that when we perform an audit we are using as a basis the general ledger of the county. The general ledger of the county is the financial document that in essence is supposed to record all of the transactions for the county within it. And that's the basis for the preparation of the financial statements. Well, when you start talking about an absolute assurance audit, the first question that I'm gonna ask is, how do you know that all of the transactions are actually in the general ledger? And that -- intentionally or

unintentionally. In other words, how do I know that there wasn't a transaction that was incurred by a council member that for one reason or another didn't end up on the general ledger? And the same could be said for every other department in the county. And so the first question I would have is, just with completeness. And I'm not sure anybody could really answer that question. How do we know that every single transaction of the county is actually in the ledger? We would certainly hope it would be. But it may or may not be. So when you start asking, start asking any of us to say, give us absolute assurance that everything that the county has incurred financially is in the ledger, I certainly don't know. And I don't necessarily know if anybody else could say that, because there are so many people involved in all the transactions of the county. So that's the first concern that I think would make it very difficult for anybody to want to provide those services. And I think that's probably why one has never been done in the past. Having said that, there may be somebody out there who would be more than willing to do all the work. But the second thing is -- and I had mentioned this and I know that the ordinance specifically says that this is not to be an expanded procedures audit. But that night of the presentation I mentioned this and I wanted to mention it again because this is typically what we see happen and that is rather than actually having an audit performed, what we typically see happen is what we call agreed upon procedures. And agreed upon procedures are where a council or board of some kind says, we would like you or we would like somebody to do some special work in these specific areas. Those areas, those functions, whatever they may be, there's no limit to how many procedures or what could be performed. It is totally up to, in this case the council, as to what those procedures would be. Just to give you a feel, when I first became aware that this was an issue, I went ahead and asked the finance department just to give me some ball park figures in terms of the number of transactions for the county, and I think this was for the 06-07 fiscal year because that was the year that we had last audited. And they provided a list that in essence, I think the number of transactions for the entire year was in the ball park of one point four million transactions. That's

a lot of transactions. So when you start talking about an absolute assurance audit or whatever it may be, that would take a significant amount of time. And so that's why what we generally tend to see is some idea of agreed upon procedures that provides a little more focus to the areas of concerns or whatever they may be. And again, that may be totally unlimited. So those are just a couple of my thoughts, just having looked at the ordinance. But again, I'm primarily here to answer questions and so participate however I need to.

MICHAEL THOMPSON: Are there any questions? Mr. Wilson.

RON WILSON: You're more or less saying you can't do an absolute total audit with any absolute assurity?

LARRY FINNEY: Well, what you can have somebody do, is you can have somebody perform audit type work on all the transactions that are in the ledger. But what you can't ask them to do is to say I'm going to assure you that this is all the transactions for the county, because they don't know that. What they know is they know that all the transactions that are in the ledger, they could answer to those. But they can't necessarily say, I know that that's all the transactions for the county because how do they know there are some that aren't recorded in that ledger? Does that make sense?

RON WILSON: Who knows that if it's not in the ledger?

LARRY FINNEY: In essence what you have to do is you have to go to each department head for each function in the county and literally ask them, are there any other transactions that are not recorded in the ledger? You're gonna just have to rely upon each person to tell you that's the case.

RON WILSON: But somebody had to ?? so why isn't there a record?

LARRY FINNEY: Well, because how do I know that there aren't other commitments made for which a check hasn't been written yet? It happens pretty frequently. One of the things that we do, and we do them through our regular audit procedures, is we ask of numerous people, are there transactions that have been -- the county has committed to for which you haven't written any checks for yet. That happens a lot. Somebody might create a purchase order to buy some good, the goods may have come in,

you may not have paid for them yet. Or we committed to buy the goods but the goods haven't come in yet. We've still made a commitment. There's still a liability that exists there, but we haven't written a check or anything for it yet.

RON WILSON: If you did an expanded procedures thing can you isolate on departments and things, can you do that?

LARRY FINNEY: Uh-huh (affirmative).

RON WILSON: If what you said is true, if you did that, how do you know there's not other things outstanding in those departments?

LARRY FINNEY: Well, because what you're doing is your council is defining specifically what we're gonna look at. And so you can define and say, we want you to look at all the transactions that are in the ledger for this department, and so we're limiting it to what's in the ledger.

RON WILSON: Using what you just said, there may be other things in that department that's paid out that we won't be auditing; is that right?

LARRY FINNEY: Could be. The other would come to bear in the following year and that's when I notice in the ordinance you didn't define the period. So ---

RON WILSON: So if you did it for two years you would get a total audit?

LARRY FINNEY: Well, when you say total audit, that's just a difficult ---

RON WILSON: I mean, would that catch those things that those checks have been written for that would finally be paid?

LARRY FINNEY: Yeah, but of course then you would have the same issue for, you would have the same issue for that next year.

RON WILSON: I have difficulty in understanding why we can't get a total audit.

LARRY FINNEY: Well, I think in a way you're thinking of a total audit you can because you're thinking of a total audit as everything that's included in the ledger. And if you're just wanting to know that everything that's included in the ledger is it recorded properly, is it recorded accurately, etcetera, etcetera, then yes, that can be done. And I think that's how you're defining a total audit, which is fine.

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: I'm looking at the latest

GLR153, which is all accounts in all the departments and funds, accounts and ?? accounts, revenues and expenditures and I wanted it unaudited as of June 30th.

LARRY FINNEY: '08, June 30th, '08?

CINDY WILSON: Right. And I have not been provided that. Our administrator prefers to give it to me after you've audited it. What I wanted to point out is the little bit of the weekly check registers which are called GLR110 as compared to GLR153, I find that sometimes the expenditures I might see there don't check up, at least to what I can find, to GLR153s. I found where our treasurer, for example, would write out checks for people to go to Leadership Anderson classes at the Chamber of Commerce and then I don't find that following through on the GLR153s. For example there can be cash expenditures that may not even show up at all. Recycling I understand is cash that comes and cash that goes and I'm not sure exactly how we would account completely and accurately for that. It would be a massive undertaking and one of my constituents has written me and I shared the note with you a while ago. It appears that we are not following the policies and procedures that we have in place even now. For example we go back to the credit card mess that we've got. We have even council members spending money on credit cards that are way over budget in departments that they're not in. We really must look first I think at our policies and procedures before we can actually and adequately come up with a scope for an internal auditor to do a complete detailed audit.

LARRY FINNEY: Well, the example that you just mentioned, those are perfect examples of what you would typically see as part of agreed upon procedures, saying, okay, you know, these are specific areas that we want you to look at so we can understand, you know, why the 110 doesn't agree with the 153, etcetera, etcetera.

CINDY WILSON: The problem we have is that we have an administrator that can transfer funds from department, account, sub-account, willy nilly all over the place without even notifying council members. And unless you came in and look at

LARRY FINNEY: At all the departments? Right.

CINDY WILSON: -- you would not detect all those ---

LARRY FINNEY: Which you could still do under the agreed upon procedures. You could just make sure whatever was agreed to, that all of the departments were looked at so that all of them were covered. You could even include -- say you want to look at all the transfers so that we understand all the transfers that took place as well.

BOB WALDREP: I just have a question. I think when we had this discussion before when you were here before council, I think one thing that was stated was that we had some problems with control.

LARRY FINNEY: Yeah. We had some recommendations regarding some improvements that could be made in the internal controls and policies and procedures. That's right.

BOB WALDREP: And I have to ask you this question. If you were sitting on this council and you were talking to another accountant perhaps, and you were trying to put this all in perspective about the most efficient, cost efficient as well as energy efficient ways to address this problem, what would be your recommendation?

LARRY FINNEY: You're saying this problem in terms of ...

BOB WALDREP: In terms of trying to promote the greatest integrity of our county system.

LARRY FINNEY: I would probably, I would probably consider two things. I would, one, consider doing some agreed upon procedures in some areas that we had some concerns about. The other thing that could be done, I think, Ms. Wilson, you or somebody has mentioned that in the past that some type of operational or efficiency work had been done by somebody. I don't know if that's the case or not. But you -- I used to work for one of the big international firms years ago and they're typically the ones that you will see with certain entities that will come in and perform what they call operational or efficiency projects. What tends to happen with audits, obviously when an audit is performed if you're looking at the accuracy and propriety of the transactions having been reported the way they should and have they been reported accurately, but you're not gonna deal so much with efficiency kinds of issues. There are efficiency -- in effect those kind of projects that can be done. So that would always

be an option.

BOB WALDREP: Accuracy I think is probably what we're looking for and secondarily efficiency.

LARRY FINNEY: Yeah, the accuracy, the accuracy I would think could be handled through agreed upon procedures.

BOB WALDREP: So you feel that this council, if they really wanted to do an audit that the -- we've got two terms here, agreed upon procedures and expanded procedures. Are those synonymous?

LARRY FINNEY: They can be. Typically expanded procedures deal with if we're gonna come do the regular external financial audit, you know, council might say well why don't you just look at this area in addition to what you normally look at for an audit? That's what I would consider expanded procedures. Agreed upon procedures are really totally outside the financial, the regular financial audit. It's saying, let's take on a whole new project and this is what we want that project to be. And then you list whatever those procedures might be.

MICHAEL THOMPSON: Anymore questions from council?

BOB WALDREP: Well, one other thing I wanted to mention is the way that this special audit ?? provided and listening to the conversations about it, it just seems like that if we were to engage in this kind of audit that we would not necessarily be gaining what we really want to achieve. We would be again counting nuts and bolts at the transportation division and things that we are really not that interested in. Whereas if we focus on something that we find to be troublesome, then we can achieve that ??

LARRY FINNEY: My concern -- if it was me, my concern with this ordinance the way it was written is you're gonna end up having work done in areas that you really don't have concern about and it's gonna be a lot more costly than if you just had agreed upon procedures done. And again, the agreed upon procedures could be -- you could come up with twenty-five. You could come up with three hundred and twenty-five. Again, what -- the number of procedures is unlimited. But it just tends to focus you on those areas where you really, really want the time spent.

MICHAEL THOMPSON: Mr. Wilson.
RON WILSON: Let me ask a question here to Bob and Cindy, what is it y'all want done?
BOB WALDREP: As for me I'm trying to get the language, the lingo, that CPAs and accountants use to try to define what we're gonna do here. First of all we started out with this concept of a total audit, you know, like you were talking to a penny in, a penny out. In my judgment after listening to this information today, I can't see that that would serve any useful purpose as to what we're trying to achieve. What I think that we probably need to do is to have an audit which would focus on those areas that we find troublesome. For example, the legal expenses, the credit cards, some of those other areas that we find, you know, that are so nebulous and so hard to find. We have a lot of conversations about attorney/client privilege as to why council members can't actually see what this money is going for and things of settlements and things of that nature. So that's one of the areas that we need to get into. My understanding is that the council is the client here. So as a client, I want to be able to know just how this money is being spent. So that would be one area that I would focus on.
RON WILSON: What else you want?
BOB WALDREP: Well, of course the credit card situation.
RON WILSON: Can you draft what you want and have it ready for the next meeting?
BOB WALDREP: With some help from the accountant, I think that I could.
RON WILSON: All right. Let's do it.
GRACIE FLOYD: How long would this type of audit take if we were going to do something like that?
LARRY FINNEY: Well, again it would depend upon the number of procedures that we come up with. I could give you a better feel once we had a detailed list of what needed to be done. Then I could put the estimated hours to that and get a feel for how much time and what the cost would be once we had that done.
GRACIE FLOYD: You do our audit now; don't you?
LARRY FINNEY: Yes.
GRACIE FLOYD: How long does it usually

take you?

LARRY FINNEY: We probably last year spent about eight to nine hundred hours, last year. But that's gonna be totally different than what you might end up with agreed upon procedures. Again, it totally depends upon the procedures that are developed.

GRACIE FLOYD: Nine hundred, eight hundred hours equates to -- is it six months? How many months is that?

LARRY FINNEY: Oh, well, we had, we had (inaudible - noise from audience). Last year we started in early January, finished up about mid February -- actually early February. And I think -- was council ?? in March? I think it was in March. So it was about probably a month and a half for three to four people.

MICHAEL THOMPSON: Ms. Wilson.

CINDY WILSON: Didn't you start like after the fiscal year ended, like sixty days out, you started in January?

LARRY FINNEY: Well, that was because -- that was just because of the county did not actually end up contracting with us until way after year end. This year we have actually already been out and spent about three weeks doing interim work already even before year end. And we'll be back out in December this year and we'll have everything done by the end of December.

CINDY WILSON: Are we paying y'all consulting fees outside of the auditing fees?

LARRY FINNEY: The only fees that you've paid us so far are there were some -- a couple of additional procedures or work that was done as part of last year's audit. And then we've had to attend some meetings related to, you know, some of those things. But no, we haven't done any, we haven't done any what I would call consulting or advisory work or anything like that other than this kind of thing right here.

CINDY WILSON: And have we paid y'all consulting ??

LARRY FINNEY: Yeah, what they did is -- I asked about that when I saw that. And what they do is they just put the contracted audit fee on the audit side and then if there's any additional procedures that are done they put that in consulting as opposed to just adding it to the audit side of

things.

MICHAEL THOMPSON: Mr. Wilson.

RON WILSON: I would take it that once Mr. Waldrep has drawn up this audit procedure we would submit it but that your firm wouldn't be in the running for this, it would be through another firm; right?

LARRY FINNEY: What I would suggest you do is actually just put it out for bids. That's what I'd suggest.

INAUDIBLE DISCUSSION - NOISE FROM AUDIENCE

MICHAEL THOMPSON: Okay. The question before the council is what we want to do about this special audit that's a part of the budget ordinance. Speaking for myself, and myself only, I would like to leave it to the next council. This is not going to be a final ...

APPLAUSE

MICHAEL THOMPSON: We need to maintain order, please. This is not going to be an easy procedure and I want to make sure the people requesting this special audit gets what they want. And since I'm not gonna be here to answer the ins and outs, I want the people who want this to get what they want. So just for me myself, I think we should just postpone this special audit and let the new council take it up when they assume office.

BOB WALDREP: Second.

MICHAEL THOMPSON: Well, technically this is a workshop and we cannot take votes. But I can get the consensus of council so if you want to say I agree or I disagree, I can get a consensus and then ---

BOB WALDREP: ??

MICHAEL THOMPSON: ?? both. But just speak ??

BOB WALDREP: Yea.

MICHAEL THOMPSON: Yea. Mr. Martin here? I need to get a consensus without taking a vote; is that right? There is a vote?

TOM MARTIN: You cannot poll council in the sense of finding out what the vote would be, but you certainly can hear from individual members of council what their position is.

MICHAEL THOMPSON: Let me hear from you individuals what your position is?

BOB WALDREP: Mr. Chairman, let me say something here if I may. It might take a few

minutes. But I have been speaking with some of the newly elected council people that will be coming on and they certainly are the elephant in the room. So I take it from the consensus of what they have said that they would like very much the opportunity to pass on this audit because they're gonna be the ones that are going to be responsible to that degree, and that will be greatly appreciated. And I think it would also add to the assurance and trust of the people out there if these new council people have that opportunity to do so. So let me just tick off a few things here ---

MICHAEL THOMPSON: Tick away.

BOB WALDREP: -- since I've got an obligation to do that. And that is that they would like to have a bid procedure be written into the ordinance. They would like to -- for the audit firm not to be connected to any Anderson County employee and make sure that there was a divorce between that or any kind of special interest. That the administrator and financial director would be placed on paid leave. They would be readily available to answer any questions that should become necessary and they would be prohibited from having contact during this audit period. An acting administrator would be hired to fulfill the requirements of the South Carolina Home Rule Act and the acting administrator would fulfill the direction of the County Council in this audit exercise as well as direct the employees of the county. And that the county council would meet with the financial audit committee. They would like to have an audit committee prepared and of course they would be part of that. And if we do postpone it then they would be very much a part of that and that would be moot. That the acting administrator would accept the bids of the audit and bring them to the county council for discussion and after the audit firm is chosen they would meet with acting administrator for discussion and implementation of the council recommendations for an audit. So these are some of the ideas that have come from the newly elected council folks. And I certainly think that great weight should be given to the fact that we've got a big change in the composition of our council.

MICHAEL THOMPSON: Is that the consensus of the council to postpone and let the new council take it up? Anybody want to say anything because I can't

take a vote here?

RON WILSON: Fine with me.

MICHAEL THOMPSON: Fine with you, Mr. ... Anybody else wish to speak? Okay. It sounds like what I'm hearing is, it is the consensus of the present council to postpone any action on a special audit and let the new council when they are seated take up the issue and define the parameters and ??. Correct me if I'm wrong. There are no corrections so that's what's gonna happen.

APPLAUSE

END OF AUDIT MEETING

EXHIBIT C

flowing through and those were accounts [redacted] and [redacted] They appear to be new accounts but maybe they were there and I couldn't find them. Second of all, in the matter of fund 174 account [redacted] t appears that the fund balance was $587,000(+) and there was a balance brought forward of $983,641.51. This involves the emergency telephone system and there was zero budgeted. A large volume of money... If there is a possible way to review that so that we understand. I believe that this involves collections of telephone fees. And also we have [redacted] accoun[redacted] account labeled Miscellenance. Why would we be paying for a law fee out of a landfill closure? (At this time, Mr. Tolly suggested that Ms. Wilson get with Mr. Preston regarding her questions and then bring any concerns back to Council after that meeting, if she still has any.) This is [redacted] account [redacted] [redacted] nd it's under landfill closure. This is involving [redacted] this is a development construction account [redacted] and I was wondering why we would be paying the former director for the Convention and Tourism bureau $8,852.45 out of this account and why we would be paying for World Class Travel education cost and to find out what this lady does for the county. Is she an employee? Mr. Preston said that she worked with the Development Partnership (Kathryn Campbell) for three months to coordinate the event and her salary was paid from funds she raised from the community, which paid the competition expenses for the Balloon event. Does the County have a balloon pilot? Well I found some accounts where it appears we are paying people from Cobb County around $30,000 what appears to be piloting the balloon. So we're paying the Balloon Federation to hold their championships here and of course we provide the facility and manpower and so forth in addition...Why would we be paying a radio station for advertising-it appears that we have been paying around $2,500 a month and there is a budget for it. But it just doesn't seem appropriate to be paying around $25,000 when they could be making public service announcements. Chairman Greer said that at this time he needed to end discussion on this. He then said that Council, in the past several months, has abused the Point of Personal Privilege. A Point of Personal Privilege based on Roberts' Rules is merely to change the accommodations of the meeting room - such as adjusting heat or air, now Council has an open meeting for Council to bring in agenda items. He then offered a Point of Personal Privilege to all County Council members. Ms. Floyd said that she felt, for the last couple meeting, that Council was beginning to work together - a sense of "team spirit". She asked Ms. Wilson not to ruin the progress made with each other and encouraged her to go to Mr. Preston and discuss her questions. She said that as a Council member, Ms. Wilson had a right to answers to her questions. Mr. Greer said that he resented any implication that he, as a Council member, as not been actively involved in the preparation of the budgets since he has been on Council. He said that he has already asked for some budget information from Mr. Preston and he plans to be actively involved, just as in the past, during the budget process.

On the motion of Mr. Dees, seconded by Ms. Wilson, Council voted unanimously to accept Luke's Crossing into the County road system.

Administrator's Report:

a. Certificates and Training:
   1. Mr. William H. Ray - Microsoft Excel 2000 Advanced, Microsoft Internet Explorer, Microsoft Excel 2000 Proficient
   2. Training Officer, Roger Hunnicutt - Ground Defense Instructor
b. Letters of Appreciation:
   1. For: Ms. M. Cindy Wilson and Members of Council From: Mr. Oliver P. Case
   2. For: Chief Bill Striewing and Staff From: Ms. Patsy B. Brown
   3. For: Mr. Charles Wyatt and Staff From: Clemson Athletic Department
c. Reports:
   1 District Recreation Account
   2 Detention Center Litter Report - November 4-8, 2002
   3 Detention Center Litter Report - November 11-15, 2002
d. Minutes: - Transportation Safety Meeting Minutes (November 15, 2002)

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efforts and etc. Numerous over budgeted accounts - for example fund [redacted] meals - zero budget - spent $2,078.27, Lodging - zero budget - spent $1,316.94, also a new account that she could not find in the Chart of Accounts: Fund [redacted] Industrial Appreciation - Miscellaneous Meals - spent $2,962.18 with a local restaurant and it is not in the chart of account. She asked for clarification on that. Also, no listed in the chart of Accounts - [redacted] the County spent with a local (loan?) service - $163,656.53 [redacted] There are a number of part time salary accounts that don't appear to be in the County budget. Example: Account [redacted] There was two new accounts that were not in fiscal year 2001-2002 - due to some reorganization (she was told) - she said she did not think that the County fully comprehended - for example [redacted] that there was $50,000 budgeted for the Anderson Independent alone and there are numerous other accounts that we pay the Anderson Independent. She said Council needed to ask each other if this was entirely necessary. For example, last year when there was no budget for this account we spent $86,269.55. The County spent on 11-21-02 from Personnel account [redacted] Catering - county spent $6,650 to a local restaurant. The Administrator's Account (she would sincerely request that Council look very carefully at why we keep duplicating legal accounts and expenses - which it appears to be). The County budgeted $250,719.47 for legal expenses out of [redacted] most of which is paid to the McNair Law Firm. There is also a Legal Settlements Account that was budgeted at $40,000. It hasn't had any money spent yet. She asked why the County was contemplating paying a legal settlement out of that account. There are a number of accounts over budgeted for example: lodging and registration fees and others Part time salaries in fund [redacted] had a $20,000 yet the County has spent $27,043, another account zero budgeted and spent $7,500. In professional Services - account [redacted] - County had $30,000 budget and spent $56,000. She said the list goes on and on and what she thinks the County needs to do is a supplemental budget appropriation. She said that the County is spending excessively on cell phone bills, credit card bills, a lot of money going out through miscellaneous, meals, foods, catering, travel and lodging. She said with a budget this big, a lot is understandable, but the Council needs to work very carefully with staff and citizens to make sure that the County is getting the most for every dollar that the public entrusts Council with. She said that she respectfully request that the Council look at these expenditures and more time be spent on this. Mr. Preston said he would love to answer these questions; he passed out answers to questions given to him at the last meeting. He then stated that tax collections are on target and he cannot understand how Ms. Wilson can say that tax collections are off. The County has come in under budget for last year. Mr. Preston said that to clarify miscellaneous accounts - when Ms. Wilson allocated $1,500 for the Caroline Community center - at budget time that was not budgeted so what happened Council voted to set up a miscellaneous account and that was the appropriate way to account for that. The $6,000 spent to a local restaurant out of Personnel - Mr. Preston said that was for the Employee Christmas dinner. Mr. Preston requested the questions in writing from Ms. Wilson. Mr. Preston pointed out that the responses to Ms. Wilson's questions cost the County $547.78 for total hours of 16.75 hours during the time that the County was to complete the financial statement. Mr. Preston went over answers to her questions from the last meeting. He said that not a single employee on County payroll has ever been a private consulting fee. When Mr. Ricketson left the County, he was retained as a private consultant during that time. Mr. Burris Nelson was hired to develop a commercial development plan for Anderson County to assist rural communities throughout Anderson County to try to get commercial development because Council said that they wanted something out in the County. The comment about [redacted] and had $500,605 budgeted for 2002 and $517,970 for 2003. He said that he and staff assumed that you were questioning the budget for cash, which is not a proper budgeting technique. Revenues and expenditures are budgeted - no cash. If she want to look at a budget report, then ask for a budget report - not the one she's asked for, he said. The Visitors and Tourism bureau was hired as a contract person during the Balloon National Championships to raise money and to coordinate the event. The county raised $81,000 - he presented where the funds came

Mr Greer moved to add the following roads to District #3's paving list. #1 Upgrade Camelot Forest (C-18-0012) from resurfacing with tar and gravel to asphalt with an added cost of $17,468, add Travis Lane, Rutledge Road, Mullinax Road, Cowan Drive, Reece Haynie Road, King Street (Belton Street), Bannister Street (Belton Street). Mr. Wright seconded the motion. Mr. Greer said he had a current balance of $99,627.24 and the total of roads added is $57,901 with a balance of $41,726.24. Vote was unanimous.

Ms Wilson moved to appropriate $13,000 from District #7's Paving account for the Williamston Rescue Squad for repair, paving, and drainage correction. Mr Holden seconded and vote was unanimous.

Ms Wilson moved to appropriate $3,000 for the Honea Path Fire Department from District #7's paving account to acquire necessary equipment for the fire department to complete work at the Torrington Company as a result of a fire. Mr. Holden seconded and vote was five in favor, one opposed (Greer), and one abstention (Mr. Tolly). Motion carried.

Mr. Dees moved to a add the following roads to District #6's paving list for a total of $55,460 and will leave approximately $844 in his account: Crawford Street, Fox Valley Drive, Jackson drive, Barclay Road, Ragsdale Drive, Sellers Drive Mr. Holden seconded and vote was unanimous.

Mr. Holden moved to transfer from District #5's Recreation account, $5,000 for the March of Dimes program. Mr. Tolly seconded and vote was unanimous

Mr. Tolly moved to appropriate $3,000 from District #1's Recreation Fund for the Anderson Home-Safe Harbor. Mr Holden seconded and vote was unanimous.

Mr Wright moved to appropriate $2,000 from District #4's Recreation fund for the Pendleton Community Club for heating assistance. This is a county park and the Town of Pendleton has added $2,000 to the project. Mr. Holden seconded and vote was unanimous.

Ms. Wilson said she would defer all her questions regarding budget and financial matters until after Council has had an opportunity to review the audit information. She said she had two questions that she wanted to bring up now. She asked council to think back when Council was presented the 2002-2003 budget proposal-was Council not told that there was only 2 new jobs created in the new budget. No one could remember. She said when looking through the GLR153 - it appeared that the county has approximately 5-10 new employees. She requested some type of accounting for that. She said that a campaign manager for a County Council candidate is working for the County and it appears that there is a number of park police or public safety people hired and new people in Planning. It was clarified that Ms. Wilson inquiry is regarding NEW POSITIONS. She said that in the E-9-1-1 fee fund, she still has not received a complete answer on her questions concerning that She said it appears that the County is still running a huge surplus of funds in that account. She asked that Council consider reducing the levy for those special tax districts, if this is the case. She asked if the County had a copy of the Management Letter and copies of the Audit.

Mr Mike Holden became ill at this time and had to leave

Mr. Steve Blake, with Cline Brandt and Kochenower presented County Council with the CAFR (Comprehensive Annual Financial Report). He called Council's attention to the certificate for the sixth year in a row for excellence in financial reporting The CAFR includes a transmittal letter that is the

issued and was probably a mistake from the vendor Mr. Preston said that the proper procedure for things like this would be for Council members to call him and let him check into it.

The next item on the agenda is verbatim.

Ms. Wilson: I said "or execution session" so that was a misprint that I just saw. We're evidently not supposed to talk about personnel matters in open session. It does evidently apply to the Building and Codes Department There have been a number of phone calls that I've had and I was hoping that we-the Administrator Preston would take us into executive session briefly to discuss.

Chairman Dees: Are you making the motion to go into executive session?

Ms. Wilson: Yes.

Chairman Dees: Ms. Wilson has made a motion that the council go into executive session regarding a personnel matter. Do I hear a second? Ms. Wilson has a motion on the floor, do I hear a second? Motion died from lack of a second.

Ms Wilson: May I have a point of order here for a moment, please? I am going to pass to you what was sent to me. My only remark that will be made in public concerning this matter is that it appears a number of people in the County and contractors are concerned that we may have spouses in permitting areas issuing their spouses permits. I wondered if we had a proper procedure dealing with that because rumors can get started and I've been hearing about this one situation every since I built my home back in 1998.

Mr. Preston: Can you be a little more specific, Ms. Wilson?

Ms. Wilson: I do not want to mention the name in public meeting and I see that this is a misprint but I do have - I will read to you my request: "County Administrator to explain to County Council personnel matters in Building and Codes executive session or open meeting. Administrator to judge time allotted and form of presentation." This was faxed to our Council office on the 29th so...

Mr. Preston: Mr. Chairman, I would be more than happy to respond to what I can respond to and what I should to Council.

Chairman Dees: We understand of course about the limitations regarding issues in the public concerning personnel so you go ahead.

Mr. Preston: My report is that we are advertising for a new Building and Codes Manager and we have advertised all across the State of South Carolina including the Standard Building Codes Congress and we'll soon be making a decision within the next few weeks. It takes awhile and that is all I have to say about that.

Ms. Wilson: Then what about spouses possibly issuing spouses' permits? Is that...

Mr. Preston: I want you to show me a specific-give me a specific example as to when something like that has happened.

Ms. Wilson: I think we made enough copies. Didn't we?

Mr Tolly: Mr. Chairman, I don't think we need to be discussing personnel matters in open session.

Chairman Dees: I agree. I totally agree and we - we did not succeed in getting a second to the motion to go into executive session.

Ms. Wilson: Well, with that said - I guess we can move along.

On the motion of Mr. Wright, seconded by Mr Greer, Council voted unanimously to accept Shady Grove and Louise Rankin Subdivisions into the County road system.

On the motion of Mr. Greer, seconded by Ms Floyd, Council voted six in favor and one abstention (Wilson) to cancel the February 18, 2003 meeting due to Council members being out of town attending a training seminar.

$108,196 under personnel there was a small deficit. On page 57 there were a lot of losses in the Sheriff's department, Public Safety, Communications Division. She said she was just asking Council to look at this. She said on page 33 under Sewer Enterprise funds - it says "capital contributions - zero budget, capital contributions $2,200,000 - she asked if this was proceeds from sewer lines or proceeds from grants received. Mr. Preston asked Ms. Wilson to put all her questions in writing. She said her real reason for going on and on was to ask for real budget workshops - on page 22 - next to last paragraph - "the County Council conducts workshops and public hearings on the proposed budget and adopts the budget not later than June 30." She then asked for a list of workshops and a couple of public hearings.

Mr. Dees asked Mr Martin a question concerning whether if a single of council, such as himself, asks of Mr Preston or require of Mr. Preston-would it be legal for him to respond. Mr Martin said that County Council is the elected representative body of the County. The members of County Council govern Anderson County. Mr. Preston and all of the people who work for Mr Preston report to County Council, he said. So County Council can direct Mr Preston to do anything within the law, within the grounds of the S C. Code (4-9-610) and within his contract. An individual cannot direct any particular function of the County or the Administrator. County Council acts as a Body Politic and corporate. This means Council must act as a unified body and gets one vote. Only the council acting as a body has authority, he said Every member has access to and a right to information. He said that if his question was could he representing District #6 could direct Mr Preston to do something would be no only County Council acting as a single body direct him, nor may he run the affairs of District #6-but only when the Council votes to do something the answer was no.

Mr. Greer said that he had been looking at and comparing audits for a good number of years He shared the following information to Council The comparison of revenue collected 1989-2002 indicates that the revenue collected has somewhat increased at a steady rate of increase. The revenues increased by 55% from 1989 to 1996 and by 27.82% from 1996 till 2002. During the years 1994 to present, the County consistently budgeted revenue lower than the actual revenue meaning that the County was conservative in its revenue projects leaving room for an excess of revenues over expenditures. In 1990 and 1991 the budget revenue approached the actual revenue and in 1992 the budget revenue exceeded the actual revenue by $580,627 When you look at the expenditures over the same periods of time, the comparison shows the expenditures had increased at a relatively a consistent rate as well The comparison shows that actual expenditures exceeded budgeted projections in 1992, 1993 The comparison expenditures show that the expenditures increased by 55.25% during that time period and they increased by 49 35% from 1996-2002 Expenditures have increased at slightly lower percentage since 1996 than they did from 1989 to 1996 For the years up to 2002, the actual expenditures fell below the budgeted expenditures meaning less money was spent than projected. During the years 1992 through 1993, Anderson County actually spent more money under the General fund than it took in. This would have resulted, in his opinion, in a negative fund balance for the years 1992, 1993, and 1994 if the County had not borrowed tax money using tax anticipation notes to fund the budget short falls.

Mr Dees asked Ms. Wilson what the invoice was that she placed at his station concerning Southeastern Police Supply in the amount of $759.41. She said the company contacted her regarding bills that went way back and after she talked with them they had started getting money- It appears that the County purchases goods from them. Ms. Wilson said that someone called her and asked her to call them to see what was going on. Ms. Floyd asked if they went through the proper procedures checking on the payment. Mr Preston reported that he checked on this the moment Chairman Dees called his attention to this and found that the invoice was actually paid 10 days after the invoice was

She made a written request for Building & Codes, which also involved the fact that the Director of Building & Codes had been demoted but she was never allowed to discuss the issue in the closed-door session. Also, the Administrator had the option to go into executive session or open session to explain some of the issues that Council was hearing about concerning Building and Codes. Mr. Preston wrote on the agenda that it would be in open session. She asked the Clerk to give Mr. Jean the verbatim. She did not call anyone's name and she said there should be an investigation into who gave the piece of paper to the news media. Ms. Wilson said that Mr. Jean claims that he is a former supporter; she said that for once and for all she would like to clarify that. She said that Mr. Jean never had presented evidence to be a supporter of hers. He came to her, not long after she was elected the first time and asked for help on a zoning matter; she put him in touch with the Planning Department/Planning Commission. He was then interested in the Noise Ordinance. She said that she has no idea where his "WHYS" were coming from. Ms. Peggy Taylor said she was just like Mr. Jean. She has a lot of "WHYS" also. Why did the County Attorney verbally attach Mr. Harvell during the break at the last council meeting? Why? Why did he accuse the Taxpayers Association of coming to the Council meetings just to grandstand? Why is he so intimidated by their presence? Why does the County have a Council that is not interested enough in personnel to vote to go into executive session to discuss them? Why has the budget for the Museum doubled? Why would the County borrow 1-1/2 million dollars for pay raises? Why did the budget go from 80 million dollars to 92 million dollars? Why did the Civic Center have a 10,000-dollar tax lien filed against it? Why did the County spend $53,720 of taxpayers' dollars on the Johnson, Broadview Community center since July of 1998? Of that money, $35,220 was earmarked for playground equipment, $10,000 - no reason, $4,000 for roof repairs, and $4,500 for enhancements. Why does the County's award winning Finance Department not pay the bills on time? Mr. Charles Crowe said that the Taxpayers' Association was being accused of was a blatant lie. If research had been done, they would have found that the CAVE website ends up somewhere out in California. He said that the Anderson County Taxpayers' Association was their target. He said they know why because he will have a two-year start for running for County Council. Mr. Edward Evans asked Council to please remember that money given to Council by taxpayers is for government functions. He also asked that Council look at charities that have very low overhead cost. SHARE was a good example. He also asked Council to consider 4 cylinder trucks, which would get better gas mileage, and not Silverado trucks. Mr. Jerry Glenn said that he took a dead animal to the Big Creek landfill and was charged $40.58 to dispose of the animal. He asked for someone to look into why he was charged that amount. He said he has a dumpster and was told that the County pays Big Creek Landfill to dispose of what is in the dumpster so he wanted to know why he was charged this $40.58. Mr. Dan Harvell said as chairman of the Anderson County Taxpayers Association he wanted to reintegrate what Mr. Charles Crowe had said about the website (CAVE) which they suppose -- is an organization of one and perhaps backed by others, has absolutely--unequivantly nothing with the Anderson County Taxpayers Association. At the last meeting he asked for the cost of production and distribution of the "Report to the People" and has not received a response. He said he would submit a Freedom of Information request next. (Mr. Wright left during the Citizens Agenda section of the agenda.)

Council recessed at 6:55 p.m. Chairman Dees called the meeting back to order at 7:00 p.m.

Mr. Joe Jones stated that one of the projects entered into the Engineering Excellence Award contest for Consulting Engineers of South Carolina was the Michelin Boulevard, which is a six-mile stretch of road. It had an innovative engineering design feature, which included the use of rubberized asphalt surface course where recycled scrap tires were turned into a surface for the 6-mile of road. This brought the project to one of the 6 finalists in the Consulting Engineers of South Carolina contest, but also has gone to the National American Council of Engineering companies in Washington. He then presented a plaque to County Council for the 2003 Engineering Excellence Award. Council also thanked Mr. Deepal Eliatamby of B.P. Barber & Associates, Inc. Mr. Greer said this was a very significant award for the engineering firm who developed the project; Mr. Deepal Eliatamby of B.P. Barber.

The following verbatim was requested by a member of council:
Ms. Wilson: I'm a little confused. Chairman, may I ask a question concerning this award, please?
Chairman Dees: Ms. Wilson.
Ms. Wilson: I thought we reported on asphalt. Pavement failure was coming up on Michelin Boulevard. Has that problem been resolved?
Mr. Preston: Yes, sir, it has.

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2. There is no real justification for expanding RRWWTP (Rocky River Waste Water Treatment Plant) when capacity exists at Six and Twenty.
3. It would be more cost effective to use Six and Twenty for any new sewage line in the northern sector of Anderson County.
4. The historical record of RRWWTP frightens them.

Ms. Wilson told Mr. Reinhart that if he could stay that he could finish his presentation under Item #3 instead of the Citizens' Comment section of the agenda since his three minutes were up. Mr. Roy H. Barber said that he respected each member of Council because they make awesome decisions. He said that the RRWWTP expansion was an awesome decision. He said that he came from North Carolina about a year ago and when he bought his home he could see kids swimming in the water and he could see about 5 foot deep and it was clear and nice. What you will be seeing is another cesspool. He asked Council not to vote for it. Mr. Ed Jean bragged on the Memorial Day ceremony held at the Veteran's Monument. He thanked Ms. Lib Peace who was the keynote speaker. On May 19, he attended a reassessment meeting sponsored by his councilperson in Williamston. He said that he thought apologies are due to Mr. Mike Freeman, Ms. Anna Marie Brock, Mrs. Gina Humphries, and to Mr. Tom Martin for being blasted by Ms. Wilson concerning the budget. Mr. Ed Hinch of County Acres of Anderson said that most of the laws that govern the operation of the County are generated in Columbia. He said that it would be helpful if the Delegation would get some input from the Council and the citizens of Anderson. A member of Council recommended a meeting of the Delegation, Council and citizens awhile back and to his knowledge no meeting of that sort has been held. Mr. Brooks Brown said at the last meeting he heard Mr. Wright make the statement to effect in his years of service the County employees have never spent the budget that had been allotted to them. He said this brings a major point that Council passed a budget of a certain amount of money and certain values of commercial property and then the county will assess the citizens for the balance. He said that they are being assessed for "X" amount and if the county is only spending this amount then the citizens' taxes could be lowered.

Chairman Dees read the title of Resolution #R2003-041 – a resolution recognizing and honoring Anderson County Resident Cathy Rudisill for bringing recognition to Anderson County, the State of South Carolina and the United States of America by competing in the 2003 Special Olympics World Summer Games held in Dublin, Ireland; and other matters related thereto. Mr. Tolly moved to approve the resolution and Chairman Dees seconded. Vote was unanimous. Mr. Tolly presented a framed copy of the resolution to Ms. Rudisill and commended her for her outstanding performance.

Chairman Dees read the title of Resolution #R2003-042 – a resolution recognizing and honoring Anderson County residents Roy and Margaret Ivey for bringing recognition to Anderson County and the State of South Carolina by competing in and winning the National Championship in Interpretive Freestyle Canoeing presented by the American Canoe Association; and other matters related thereto. Ms. Floyd moved to approve the resolution and Mr. Tolly seconded. Vote was unanimous. Ms. Floyd presented the Iveys a framed copy of the resolution and commended them for their outstanding accomplishment and for representing Anderson County in this manner.

Chairman Dees read the title of Resolution #R2003-044 – a resolution recognizing and honoring Anderson County resident Brandi Jackson on the conclusion of her outstanding collegiate and amateur golfing career; and other matters related thereto. Ms. Cindy Wilson moved to approve the resolution and Mr. Clint Wright seconded. Vote was unanimous. Ms. Wilson presented a framed copy of the resolution to Ms. Jackson and commended her for her outstanding achievement.

Ms. Gracie S. Floyd talked about a request from the Welfare Baptist Church and Rocky River Baptist Association who will serve as hosts to 2000 women and youth starting Monday, June 9 through Thursday, June 12. The group will represent the Women's Baptist Education and Missionary Convention of South Carolina for a proclamation recognizing this event. Mr. Tom Martin asked Ms. Floyd to consider do this in the form of a resolution (#R2003-047). Ms. Floyd moved to add Resolution #R2003-047 to the agenda and Chairman Dees seconded. Vote was unanimous. Ms. Floyd moved to approve the resolution and Chairman Dees seconded and vote was unanimous.

Mr. Kent Berg appeared next before Council. Mr. Berg reminded Council that the members of the commission were hand picked by Council to act as their representatives in reviewing, evaluating, researching, and making recommendations on all issues involving emergency medical services. For the past few years, he said, they had worked diligently to do that. The first year was a learning experience as they tried to obtain as much knowledge and information about the County as possible. Since that time, the Commission has made some strong well thought out decisions and recommendations to council regarding upgrading or changing issues in EMS. Several months ago, the Commission put together a recommendation that the county operate a Quick Response Vehicle. These are light duty vehicles staffed by one paramedic and equipped with advance life support capabilities that are generally placed in areas where it is not economically feasible to place an ambulance. This allows the EMS Commission to provide service to areas not normally serviced and to do so with rapid response and high-quality care. The Commission in March signed the recommendation and sent to County Council for their information. They said that for some reason the recommendation might not have made it to Council. In response to that Council asked the Commission to revisit that proposal and they did last Thursday night. The Commission reviewed proposals for the operation of QRV that were made by Honea Path Rescue Squad, MedShore Ambulance Service and revisited the proposal by a member of the EMS commission that put together a proposal that would require the operation of the QRV by the County. Then they revisited all the issues and at that meeting they reaffirmed their recommendation to County Council in a letter dated August 15 that the County adopt the proposal for the County to operate and staff a QRV in the County. Mr. Holden asked Mr. Berg who put the proposal together and he responded that Mr. Doug Hooper a member of the EMS and a full-time paramedic with the Greenville EMS system. Ms. Wilson said that individual members of Council could contact county officials if they have questions. She said that this was a very important matter that Council would soon be voting on.

Vice Chairman Greer presented third and final reading of Ordinance #2003-029 – an ordinance authorizing the transfer of certain Anderson County Real Property known as Michelin Boulevard, and more specifically identified as Anderson County Road C-09-0383, to the South Carolina Department of Transportation; authorizing the transfer of other property related to the Michelin Boulevard Project; authorizing the execution and delivery of a real property deed related to the same; and other matters related thereto. Ms. Wilson moved to approve on third and final reading and Mr. Wright seconded. Vote was unanimous.

Vice Chairman Greer read Ordinance #2003-031 - an ordinance pertaining to reimbursement of Anderson County Personnel, including County Council Members for telephone calls made in the capacity of a representative, or on behalf of the citizens of Anderson County; and other matters related thereto. Ms. Wilson moved to approve the ordinance on first reading and Mr. Wright seconded. Council discussed. Ms. Wilson stated that approximately 2 weeks after she had requested Mr. Martin to draft an ordinance Mr. Dees made a similar request. She read a majority of her ordinance and asked that "such as phone bills" be added in the 5th paragraph to the 5th line between the words "adequate documentation" and "indicating the particular telephone charge(s)..." She moved to amend to add the words described above. The amendment died from lack of a second. Mr. Wright said that it was already covered in the ordinance under item one. Ms. Wilson moved to table the ordinance to allow for discussion of the next item. Mr. Wright seconded and vote was unanimous.

Vice Chairman Greer read title of Ordinance #2003-033 – an ordinance establishing procedures and standards for reimbursement of expenses incurred in the course of official business on behalf

Examiner are anything but average citizens of our county who have courage to stand against over-taxation, wasteful spending, and matters of ethics, all of which impact every citizen of Anderson County is simply ludicrous, he said. Mr. Harvell said that he hoped that the individual, making these accusations, was acting totally alone, if he is not alone in this then the County certainly has problems that Anderson County does not need.

Ms. Wilson said that she sent a letter to the County Administrator on July 26 stating that as a Council member she was entitled to look at the legal expense vendor files at no cost. The letter basically stated that as a Council member she was entitled to the information, (not legal case files which contain sensitive information) rather the narrative invoices. On August 13, she received Mr. Preston's response (she read the letter). She came on August 16 into Ms. Rita Davis' office and gave her a personal check in the amount of $673.17. She said that as a member of Council that she is entitled to the information and should not have to pay for it. She read another letter sent to the Clerk to Council asking for reimbursement from the County for the $673.17 for expense incurred in the course of performing her job. The letter said that she has never sought reimbursement for phone expenses, since June 2003 she has not sought reimbursement for mileage, and since fiscal year 2000-2001 the County did not pay for trips on her behalf except for one meeting in August 2001. She said it was amazing that in 2004 in a modern, progressive County in South Carolina that a Council member is denied information.

Chairman Wright presented third and final reading of Ordinance #2004-020 – an ordinance amending Ordinance #99-003, the Anderson County Comprehensive Plan 1999, as adopted April 20, 1999, and amended by Ordinance #2001-037, as adopted November 20, 2001, by amending Planning Area One, Future Land Use Map to include Planning Area One, Proposed Future Land Use Map, as endorsed by the Anderson County Planning Commission on June 8, 2004. Mr. Dees moved to approve on third reading and Ms. Floyd seconded. Ms. Wilson stated that she attended all of the planning meetings and she noticed not long after the final meeting that the map for Toney Creek, which included the landfill in it, the footprint of the landfill had increased dramatically. She said that the precinct is un-zoned and the citizens did not recognize that until looking at it much closer. Ms. Wilson asked to go on record that the map that was listed as the current land use map for the Toney Creek, Cedar Grove, Bowling Green, and Williamston Mill, in that regard, is dramatically smaller than what Council has been given. Vote was six in favor and one opposed (Wilson).

Chairman Wright presented second reading of Ordinance #2004-019 – an ordinance authorizing the acceptance of electronic payment for property taxes; and other matters relating thereto. A public hearing was held and the following individuals spoke. Mr. Brooks Brown said that the County was going to collect taxes electronically and the County will have to pay between 1-3% to collect the taxes yet the Administrator said that he couldn't squeeze another nickel out of the budget. He said he was opposed to paying anybody to collect taxes for us. No further comments; the public hearing was declared closed. Mr. Greer moved to approve the ordinance on second reading and Ms. Wilson seconded. Ms. Wilson said that the ordinance would be helpful to citizens want to avail themselves to the convenience and expense will be born by the individual using the service and not the county. She asked council to consider discussing later the possibility of working with the Treasurer to make it so that citizens who wish to go to their bank and pay their taxes. Mr. Greer said that Council had before them an amended version and he asked if the motion was to approve the amended version. It was determined that the motion was for the original version; therefore, Mr. Greer moved to amend the ordinance to

Chairman Wright reading for first reading Ordinance #2004-027 – a rezoning request by Deborah Lynn Bradford and Tony Cirelli to rezone 18.24 acres on Vandiver Road from R-20 (Single Family Residential) to PD (Planned Development). A public hearing was held and the following individuals spoke: Ms. Windy Kelly of1026 Crestview Road talked about the density of the area. She said the proposal was for 58 houses on 14 acres (4 acres for run-off) would increase the traffic drastically. She asked Council to deny the rezoning request. Mr. Ed Jean of 1212 Crestview Road said that there is a misunderstanding with the word "density". He said something must be done with the infrastructure. He asked Council to deny the request. Mr. Dan Harvell said that Vandiver Road was not suitable for this increase in traffic and Cox Road is the same exact situation. He begged Council to deny the request. Mr. Brooks Brown asked about the people who are already living in the area – they took the time to invest in the community. Ms. Wilson interrupted Mr. Brown to say that it was wrong and very rude for a member of Council, the Planning Director and a reporter to leave the room and go into the back during the public hearing. Mr. Brown said that the developers did not have to go in with these super dense developments. Another citizen (name not given) also spoke in opposition to the request. Mr. Russell Kelly of 1026 Crestview Road said that with Council allowing all the big subdivisions to come into the County who will be responsible for all the water runoff and the roads. Mr. Tony Cirelli representing Ms. Deborah Lynn Bradford said that the reason the site was chosen was because it is a very desirable area to live and it provides a transition between the Ducworth property zoned commercial and the Crestview Road that is zoned R20. Vandiver Road is a minor collector street and was approved by County staff. With R20 you are allowed 2 units per acre and if the zoning request is approved then they would be allowed 3 units per acre. He said 22% is proposed to be open space. Turn lanes will be installed on Vandiver Road for entrance and exit to the subdivision. The public hearing was declared closed. Chairman Wright moved to approve and Mr. Holden seconded. Mr. Greer asked Mr. Cirelli was Ms. Deborah Lynn Bradford the owner of the property. Mr. Cirelli said she was the applicant for rezoning and was purchasing the property from a local doctor (Dr. David McCain). Ms. Wilson said that what it all "boils" down to is that the county had a planning department caught "fudging" on traffic number and "fudges" on ownership of properties. There is a problem of profits verses safety. She said that there was a council member that doesn't do the respect for people who come to speak at the public hearings by going into the back talking with a reporter and the Planning Director. She said it was unconscionable and a total travesty and the biggest embarrassment that she's witnessed in this county. Mr. Greer said what Council was talking about was the rights of a property owner and an individual property owner has the right to be safe and secure in the use of their property. Mr. Dees said to Mr. Ricketson that he didn't think he "fudged" on anything. He said that he appreciated his honesty and that of his employees. Mr. Ricketson said that the department recommended adoption because he felt like it was a sound thing to do because they could not find anything to turn it down for. Chairman Wright said that Mr. Cirelli needed to be more specific on the amount of brick/rock and vinyl or he would be prepared to vote against it on second reading. Ms. Wilson asked who the property owners were between the property location and the C-2 Ducworth tract. She said she thought it was the Hyatt's and she said she thought they were related to Mr. Greer. Mr. Greer said that she was exactly correct and that was why he asked who the owner of record was. He has no relationship to the owner of the property. Mr. Greer asked Mr. Martin if the property Ms. Wilson was referring to he believes it is a first cousin – would it be a conflict of interest for him to vote on the issue. Mr. Martin replied no, according to the information Mr. Greer just gave him. Ms. Wilson said she never even inferred that it was a conflict of interest for Mr. Greer. Mr. Greer respectfully disagreed with Ms. Wilson because when the matter was brought up it was a clear

lower taxes. Mr. Glenn Cantrell, Immediate Past-Chairman of the Development Partnership, thanked Council for their pass support and asked Council to continue the level of funding in the proposed 2005-2006 fiscal year budget. Mr. Jerry Sloan asked Council to continue their financial support for the Pendleton District Historical Society. Ms Karen Beth, Executive Director of the Anderson Oconee Behavioral Health, thanked Council for their financial support of their programs. She asked Council to fund the $7,700 requested for the County's Employees Assistance Program. Mr. Marty Watt asked Council for their financial assistance for the Clemson Extension Service. Ms. Lucy Hall, Director of Anderson Literacy Volunteers, thanked council for past support and asked for their continued support. Ms. Corrine Cobb talked about the Adopt-a-Highway program and the benefits of the program to Anderson County. She asked Council to continue to support the program. Mr. Don Bowen said that as Council listened to all the citizens who came and asked for Council's support for financial assistance. Council must listen to the people who are funding this. Of course the budget is funded by property tax. He said that he was working with a Property Tax Reform Committee working on a broader base source of income. He encouraged Council to consider the people who cannot pay for the additional taxes. Mr. Hurbert Ervin said that he was in support and he told Council to give him the "beans and the bullets" to do his job There being no further comments; the public hearing was declared closed. (time 8:50 p.m.)

Council took a ten minute break at 8:50 p.m. Chairperson Floyd called the meeting back to order at 9:00 p.m.

Mr. Greer moved to remove from the table Ordinance #2005-017 – the County Administrator's proposed 2005-2006 fiscal year budget. Mr. Dees seconded. Vote to remove from the table was unanimous.
Mr. Thompson said that he heard from several citizens, employees, and department heads that their budgets had been cut. He said according to his budget these service groups had not been cut. He said that he has spent many hours working on the budget and he decided that he cannot support a tax increase. He reserved the right to speak on something later. Ms. Wilson said that she had been quite concerned because she too received a lot of phone calls from the organizations and their volunteers. She said she was told that the Administrator had called and told them that their budgets were being considered for a budget cut. She also talked about the Letter of Support. She said that several department heads had called her and told her that she did not sign the letter rather they signed their own budget request. She said she is very disappointed and she's found bond payments that look like the county will be paying back debt service maybe over $20 million. Mr. Dees said that this was not a budget but merely a proposal at this time. Mr. McAbee said that he was trouble over the budgetary process and the late hour arrived at it. He said that he had hope for more time to examine and set budget priorities for the County. He said he feels that it is the fiduciary responsibility of the Council's and he was troubled over the budget because it contained a tax increase — a significant one Mr Greer said that when Mr. Bowen was speaking he said that Mr. Martin at some time in the past had said that the problem or problems are in Columbia. He said that if an individual is objective and reasonable and they study the facts and the issues they will come to the same conclusion that many aspects of the County budget are indeed beyond the control of this Council and this Administration. He said that after talking with the Clerk of Court he discovered that the county was responsible for collecting a motion fee ($25.00). The County must collect and send the entire amount to the State Judicial system. He said that the State of South Carolina through its processes requires us to have an employee to collect their money and we are paying for it with county property taxes with no return on the investment. Mr. Greer said that Council had to find the "middle" ground. He said he could not, in good conscience, vote for a 6-mil tax increase. He said that council must be cognizant of the cumulative effect that property taxes have. Ms. Wilson gave the following budget comparisons: Farmers Market – was $22,294.88 actual expenses – proposed budget increases to $40,805. She recommended that the county keep the Farmers Market at the same funding. According the Summary of Revenues the budget anticipated revenues for the Farmers Market is $9,000. KAB – last year the County spent about $210,000 on KAB the proposed budget this year between department 5882 and 5229 it looks like a little under $400,000. Again she said that it seems a part-time county employee could manage the volunteers. Public Information – last year we spent $123,775.39 and in the proposed budget is an $88,920 increase. Park Police will increase by $107,803. The Detention Center - $1,031,880. Sheriff's Department - $6,360,661. She agreed with Mr. Greer that there are areas of compromise and certainly it should err toward essential services. She asked how many public employees did it take to get a press release out and that is one puzzling thing to have a $212,695 department. She recommended that the Museum hold the line at what they actually spent last year, which was $162,464.57. She said she never suggested getting rid of the Farmers Market or the Museum what she said was lets hold the line Ms. Floyd said that she knew what happened and what was said. Mr. Preston was asked to remark on all comments made. Mr. Preston said that he thought Ms. Wilson had a total of three meetings with his staff over the last couple weeks. He said that during those meetings his staff made it a point to write them all down and then go back and try to answer all questions. He asked Ms. Wilson who those employees were who didn't receive a cost of living raise. Mr. Preston read the following prepared statement: "The KAB staff help coordinate the volunteers throughout the entire county. They are aware of the projects that many groups are doing, and they can help connect volunteers with similar visions, helping them to be more effective. Staff also coordinate countywide programs such as the spring and fall cleans called Deeds of Pride, telephone book recycling,

RECENT QUESTIONS ASKED AND THE RESPONSES THUS FAR RECEIVED CONCERNING BUDGET ISSUES FOR FY 04-05 AND PROPOSED FY 05-06: Ms. M. Cindy Wilson asked where was the money for the [redacted] in last years budget or this years budget. Who owns the [redacted] building now? Where did the funds come from? When did Council approve the purchase and capital improvements? She asked about the $20 Chamber checks again. She said when you divide the $15,875.99 by 20 dollars you have an unequal number. Does the County get a refund for the checks that were not used? On the backup on the $18,000 in credit cards expenditures – she gave the time period involved and she would like to know for example – the meals – what employee took people to meals, where the establishment, for what purpose, and who were the people that were treated? She never received an explanation for the Sheriff's travel coming out of the senior citizens account. Who Anderson County paid (which people) to go to the Washington Chamber of Commerce trip? She [redacted] list. She also requested a number of departments – the number of employees in each department, jobs, and salaries by job description. All she was given was a range. [redacted]

QUESTIONS TO MS. WILSON OF THE ADMINSTRATOR OF UNANSWERED QUESTIONS: - Mr. Joey Preston said he respectfully disagreed with Ms. Wilson that she had not received answers to her questions. She probably has not received the answers that she wanted to receive, he said. He said that he had prepared for her statements from the last council meeting. He said he has questions of Ms. Wilson that she should answer so Administration can adequately and properly give her the correct answers. Examples at the last meeting she stated that there were department heads that felt like they were pressured to sign the budget statement. He said he would like to know who they were. Cost of living increase are calculated by the county's computer system and are automatically applied to employee salaries the first full paycheck in July. They only exceptions are the employees who have not completed their probationary period. The Chamber of Commerce checks were addressed in his prepared statement for her. Ms. Wilson said that she valued employees and department heads their discretion in talking with her and she will never violate a confidence.

RESOLUTIONS: #R2005-023 – a resolution expressing Anderson County Council's interest in partnering with private organizations to revitalize blighted areas in Anderson County; and other matters related thereto. Chairperson Floyd moved to approve the resolution as presented and Mr. Dees seconded. Vote was unanimous.

APPOINTMENTS: Mr. Tolly moved to approve the appointment of Mr. Mark Watson to the Cobb's Glen Homeowner's Association. Mr. Thompson seconded and vote was unanimous.

ACCEPTANCE OF ARNOLD ACRES, PENDLETON PLANTATION – PHASE 1, AND SOLMAR ESTATES INTO THE COUNTY ROAD SYSTEM: Mr. McAbee moved to approve the acceptance of the above subdivisions into the County road system. Mr. Tolly seconded and vote was unanimous.

REQUESTS BY COUNCIL MEMBERS:
Mr. Tolly moved to approve an appropriation of $5,000 to the Salvation Army Boys and Girls club. The funds to come from District #1 recreation account. Mr. Thompson seconded and vote was unanimous.

Mr. McAbee moved to appropriate $170 to the Pendleton District Historic Commission. The funds to come from District #4 Recreation Account. Mr. Greer seconded and vote was unanimous.

Chairperson Floyd moved to appropriate $5,600 out of the paving account for assisting Anderson Interfaith Ministries in the repaving of a parking lot for the Food Pantry, and the construction of a small parking area for a women's shelter right beside the pantry. Mr. Tolly seconded and vote was unanimous.

ADMINISTRATOR'S REPORT:
a. Certificates of Training: Ms. Cathey Conwell – Associate in Business, with a Major in Management and completion of a Marketing Course and Ms. Valerie Lloyd – Associate in Computer Technology
b. Letters of Appreciation:
   1. To: The Anderson Community From: Ms. Margaret Herron, Good Neighbor Cupboard
   2. To: Mr. Bob Daly and staff From: Ms. Laurie Ashley, Meals on Wheels Director
c. Minutes:
   1. Airport Advisory Committee – April 18, 2005 meeting
   2. Transportation Division Safety Meeting – April 12, 2005
d. Reports: District Recreation Report
e. Grant Award under the Justice Assistance Grant Program

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was four in favor (Floyd, Greer, Tolly, Dees) and three opposed (Wilson, Thompson, McAbee). Chairperson Floyd said that she did not vote for the budget but for the second reading so the budget can pass and Council can move on. Motion carried.

Mr. Greer moved to ask the Administrator and Staff to prepare scenario sample possible budgets that would give Council members an indication of what the budget would be if it was prepared with Ms. Wilson's suggestions and another budget with Mr. Thompson's suggestions and Council have this prior to the next Council meeting for review. Mr. Mr. Thompson seconded. Vote was six in favor and one abstention (Floyd). Motion carried.

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ADMINISTRATOR'S REPORT:

serve to further frustrate efforts by Council to inspect those ledger entries? Are there requirements, which could be established to more accurately describe credit card purchases to assist council members in ascertaining if the expenses are appropriate? When I made my brief trip into the Finance Department to look at credit card expenses, I shared with y'all a few numbers at the last council meeting and I've not had a response from you. Should we not also set guidelines during this process as to credit card expenditures where we require our employees to have backup? For example if someone takes clients or vendors to an expensive restaurant, should we not have backup in the file as to who they treated for drinks, dinner, and what was discussed and a receipt? What I found were only billing statements from the credit card companies and we still have not had a response back concerning that. When I came in tonight, I was handed a handful of papers by the Administrator and a question on a January 12 of this year request was #3 – The Stitchery Project was never in a general obligation bond or budget that is readily discernable. What has been spent to date or obligated including but not limited to purchase, closing cost, studies, and construction materials? Then I requested that we have a copy of the HUD closing statements. One of the questions after that was to inquire of the administrator if he was related by blood or by marriage to the individual who owns the Calhoun Hotel. His response to me was it was none of my business basically. But is it not our business if we've spent over a million dollars on property across the street and if he is a silence partner in this project, as he claimed to some folks, then what is that? Is that a conflict of interest perhaps? So these are questions that we definitely need some responses on I never have gotten a complete answer on how we figure host fee in this county. In fact part of the Wnt of Mandamus request was the complete landfill contract which laid out the host fee and who gets royalties from every ton of garbage that goes into the landfill. More unanswered questions and I do enlist y'all to help me get these answers. We do have extraordinary credit card expenditures, we have no real way of knowing if we're getting an adequate host fee as per whatever our contract is and you can look at the county of Spartanburg, which turned down an offer of two and one-half million dollars a year host fee for 20 years Plus burying that county's garbage free for 20 years by a waste company that simply wanted to get that County Council's blessings on DHEC permits. So the question is, should we not go back and look at what we're getting for host fees and maybe renegotiate that. It doesn't look like we're getting an adequate amount of money and solid waste which is an enterprise fund has continuously cost more and more for the county. And we no longer own the main landfill. But our costs have continued to escalate. Thank you."

Mr. Preston: "Ms. Wilson, would you mind repeating what you said about - who claimed to be a silent partner in what – who are you talking to?

Ms. Wilson: "There's some folks who told me that you had made the statement that you were a silent partner in Calhoun Hotel project and my request was on January 12 – I requested if you were related by blood or marriage to the individual who's involved in the project. And in the hand out that you gave me tonight, you said that information regarding my relatives is personal. You didn't answer the question if you're related by blood or marriage to that gentleman."

Mr. Preston: "Would you mind telling me who those people are?"

Ms. Wilson: "No, I won't. You have a long history of suing people who ask questions."

Mr. Preston: "It's hard to respond to an allegation whenever you don't get-have all the information concerning the allegation. And I am not going to respond to this because I don't think that deserves it. And Ms. Wilson evidently has made an allegation that she will not back up by naming the people who has said this because I certainly would like to know who they are. And that is all I have to say about that."

APPOINTMENTS: Mr. Tolly moved to appoint Mr. Ted Wentzky to the Farmers Market Board. Mr. McAbee seconded and vote was unanimous.

Ms. Floyd moved to appoint Mr. Ron Moss to the Broadway Lake Advisory Commission. Mr. McAbee seconded and vote was unanimous.

Ms. Wilson moved to reappoint Mr. Ted [redacted] to the Human Relations Council and Mr. McAbee seconded. Vote was unanimous.

BID AWARDS – BEAVERDAM SEWER LINE–PHASE II: Mr Dewey Pearson announced that bids for the Beaverdam Creek Phase II were received on January 26. The construction to be completed will be separated into three separate divisions. Division 1 consists of approximately 18,500' of 36" pipeline and will begin at the upstream end of the City of Anderson's recently completed Rocky River replacement sewer line and follows Rocky River on the eastern side to a point near Cobbs Glen. Where it crosses over to the Westside of the river and it continues on up Cox Road. There are also two short 8" branch lines as part of Division 1. This will take out two existing pump stations in that area. Division 2 begins at the end of Division 1 at Cox Road near the confluence of Big Beaverdam Creek and Little Beaverdam Creek and follows the Big Beaverdam Creek on it's

cost off the households. Now, when we look at the revenues and total expenditures – if you look at the bottom line our budget for last year – revenues and expenditures was $110,370,585. Proposed is $113,936,325. That's a $3,565,730 difference. To answer the question concerning EMS because the value of the mil has gone up from $506,000 to $521,000 roughly in this new budget. The EMS funds will be increased by somewhere around $359,000. I'm not sure how that relates to what EMS requests. That is certainly a very necessary service this county provides and my hat goes off to those who work so hard in that field. If someone would verify that please. I'd also like to request the total dollar amount of transfers reported to Council since July 1. I would wager that it's somewhere around a million or maybe more than that so that is another cause of concern it seems that perhaps we aren't living within our budget. And it would be more appropriate perhaps that we do a supplemental budget when we have large amounts of increases for perhaps [redacted] insurance and fuel. I have many more questions that have not been answered but I will not take up all the time but if we could get some of these answers now I would greatly appreciate it." Chairman Greer suggested to Ms. Wilson that she put her questions in writing and submit them to Mr. Preston. Mr. Preston reported the following. He said that Ms. Wilson had provided a list of questions at her group budget meeting with County staff to him. He said every question was answered including the question concerning the question concerning the law firm in D.C. that represents the County. He called her attention to the contract that the county has and he said that it was month to month. Ms. Wilson mentioned 1.5 million dollars requested in bridge money – that particular budget year the County received over 2 million dollars A million dollars went for three bridges. The other was for the "Reed Road Project" which is a city street. The hospital stepped forward and paid the expenses associated with that project. He provided Ms. Wilson and council with a detail with what had been paid. The County has three more bridges that are being funded in the past year's budget. The county has also requested for three more bridges in the new federal budget along with many other project, he said. Those are run through the special revenue fund The GLX report was provided to Ms Wilson. The only difference between the report that she received was the employee social security numbers along with addresses. The landfill contract approved by County Council – the schedule that Ms. Wilson keeps asking for does not exist. The Chair informed everyone that the time had once again expired for the item. Ms Wilson moved to extend by another 10 minutes and Mr. McAbee seconded. Vote was six in favor and one opposed (Tolly). Mr. McAbee asked why there were departments that were requesting money for food and meals and some even have catering. He asked what happened to Planning Services – it just disappeared, he said Mr. Preston said that was the result of the Planning Department reorganizing. The other question, Mr. Preston said was for food for Jail and meals is when an employee is traveling – reimbursement. Mr. McAbee asked about a new item in the budget – car stickers. Ms. Humphreys explained that the Treasurer was hoping to implement the new program in late fall. Mr. Tolly said that the County needed to fix the spillway and gate at Broadway Lake. Mr. Preston announced that there is a request in now with the Congressional Delegation for that purpose. Mr. Dees asked Mr. Preston to explain double numbering and he did The Chair asked that Mr. Preston set up the meeting with the Child Advocacy center to see if the County can come up with the needed funding. He said that he looked forward to the chiefs taking their request to the EMS Commission and getting the EMS Commission's discussion and recommendation to Council. Chairman Greer offered the following to the EMS providers concerning the fee schedule that they operate under – Are you currently maxed out on the fee schedule? Are the fee schedules high enough? Are your collection rates high enough on the fee schedules? Could your need for additional funds be addressed through the fee schedules rather than through an additional tax? Chairman Greer said that this was his 8th budget process that he's been involved in and he said it was undoubtedly the leanest since he's been on Council. He said he was disappointed that the Council doesn't have a means for giving the employees a cost of living raise. Ms Floyd thanked Mr. Preston for setting up the meetings with staff. She said that she would like to schedule some time this week to meet with Ms. Humphreys and Ms. Davis. She said that she was also concerned about the pay increases for EMS personnel and Sheriff's office. Ms. Floyd moved to extend the discussion time by 2 more minutes and Mr. McAbee seconded. Vote was six in favor and one opposed (Tolly). Ms. Floyd said that the County was wasting money when the County trains employees and then they leave to go somewhere else. Chairman Greer announced that Council would be having a Council workshop on May 12 from 9 am – 12 noon at either the Library or Civic Center. Ms. Wilson moved to expend the time once again for discussion by 10 more minutes and Ms Floyd seconded. Vote was three in favor (Floyd, Wilson, Greer) and four opposed (Tolly, Thompson, Dees, McAbee). Mr. McAbee moved to extend the time for discussion by 5 minutes and Mr. Thompson seconded Vote was unanimous. Mr. Thompson said that he had two requests – 1 was to have an actual budget on first reading and the other request was there would not be a tax increase. He said both requests were made and he commended Mr. Preston and his staff for their excellence job on the budget. He said that he was concerned about no raises for county employees and the experience that the County needs to maintain. He said another concern was – this year in order to bring the budget in with out a tax increase – capital by 81% that means next years budget will be real tuff. He then thanked Mr Preston and his staff for their good job. Ms. Wilson asked for the GLX117 (a) without social security number but with addresses

Mr. Dees asked if the case was currently under investigation by a local law enforcement authority and Mr. Preston said it was under investigation by SLED.

Ms. Wilson: Well, if y'all decide not to go into executive session perhaps Mr. Tolly will provide me with a copy of his thorough and complete report that he received because I did not. Thank you.

Mr. Preston: I'd like to suggest that some of the operational questions that come about several Council members in the past – if you have issues or concerns about the Animal Shelter you can sit down with me and the department head and express those if you have any questions concerning the operations part of the Animal Shelter. I welcome you and I'll schedule a meeting and you're more than welcome to go do that and to go tour the facility. We do have an expansion underway. And yes we do have parvo at the Animal Shelter – it comes and goes anytime you pick up animals on the street you're going to have that. And we've just recently been able to acquire a piece of property adjacent to it where we can build our addition that was approved by Council so that's being addressed. That's all I have.

Mr. Tolly called for the question and Mr. Dees seconded. Vote was unanimous. Vote on the request for a legal briefing was three in favor (Wilson, Greer, Floyd) and four opposed (Tolly, McAbee, Thompson, Dees). Motion failed.

CITIZEN COMMENTS: Other Matters – Mr. Terry Chapman talked to Council about the overcrowding of the County Jail. Mr. Chapman said that he was in the Jail ministry at the Anderson County Detention Center. He said there were 505 inmates in a 300-person jail. He asked Council to check on the possibility of speeding up the court system.

REMARKS FROM COUNCIL MEMBERS

District #7 – Ms. Wilson: Thank you, Mr. Chair. At the last Council meeting we were given a list of 80 plus transfers from June 2005 and I had some questions that I asked during that meeting which have yet to be answered. Prior to that I had requested a total (a list of and a total) for budget transfers for 05-06 which we've just completed and I'm also going to request for any transfers that have been made in 06-07 to date. It's part of our over-sight responsibility and you know to get the information a year later when there is a 30 day notification and that was just absurd to hear the explanation that even after it was audited back in November and presented to us in, I guess in January, we get it in June. That is absurd and beyond acceptability. I am requesting that information now. I would also like to have my GLR110s from the last date, which I believe was in March, to date. I did want to point out that I was in receipt of a Freedom of Information Act request concerning the wreck to the County owned Denali and I'm in the process of reviewing that. But I do need this information as do each of you as well. Thank you.

District #5 – none

District #1 – none

District #2 – Ms. Floyd warned all staff making copies for Council's consideration and approval, for them not to assume that Council will have to look at each document. Council is not "rubber stampers."

District #3 – Mr. Greer said that Ms. Floyd just said that this was not a rubber stamp Council but if you listen to a certain radio station you would believe that it is. He said that everyone saw tonight that this Council was definitely not a rubber stamp Council.

District #6 – none

Being no further business the meeting was adjourned at 8:10 p m.

Respectfully submitted,

Linda N. Eddleman

Linda N. Eddleman, CCC
Clerk to County Council

4. For. Mr Holt Hopkins and crews From: Mr David Scott, HOA Board Member
5. For. Road Maintenance – Mr. Jay Patterson's crew (Mr Max Koon and Inmate crew) From: Ms Sarah Shirley
6. For Road Maintenance – Mr Scott Brothers and crew – Mr. Phil Brown, Mr. Calvin Scott, Mr. Denver Mills, Mr. John Day, and Mr. Timothy Wilson From. Mr. Joseph Weller

b. Reports:
   1. Recreation Report
   2. Building and Codes Report – July 2006
   3. Anderson County Environmental Enforcement – Animal Control, Litter Control – July 2006
   4 4-U Calendar Year Comparisons (Total Ridership) July 2006
c. Minutes/Agendas.
   1. Anderson Sports & Entertainment Center – Meeting of April 24, 2006
   2. Anderson Regional Airport – Meeting of June 19, 2006
d. Investment and Job Creation Requirements met – Hilton Garden Inn
e. Email concerning the Center for Carolina Living – Annual Property Taxes in Selected S.C. Cities
f Design South Professionals, Inc. – Status Report – Capital Projects
g. Anderson County receives two Awards of Excellence
h. County earns financial award for 10th consecutive year
i. Anderson County wins statewide award
j Departmental Transfers

Ms Wilson asked if Council ever received May, June, and July reports from the Anderson Sports and Entertainment Center. Regarding the Airport, it seems that the self-serve fuel pump that is chronically broken needs to be addressed, she said. There is also an issue in the Maintenance Department where the Maintenance Supervisor has resigned and the next person needs to be trained, she asked. Was any training money put into the Maintenance Supervisor that should be paid back to the county? Mr. Hopkins said that they did lose their head mechanic, and then they moved an existing full time mechanic into the position. Ms. Wilson also asked about the Administrator's Report Item #d – the back up states that the FILOT tax information with Hilton Garden Inn – the latest payroll was not attached She then made a request to review the material at a time that is convenient in a county office. At the back of the packet, the Departmental Transfers include May and July, she requested the month of June transfers. Ms. Wilson also requested the GLR110s from mid-March. Mr. Preston said that he would make an appointment for her to view the payroll materials requested for the Hilton Garden Inn

Mr Thompson pointed out that Ms. Angie Stringer won two awards from the National Association of Counties.

Council took a five minutes recess. Chairman Greer called the meeting back to order.

CITIZEN COMMENTS: Other Matters – Mr. Terry Chapman and Mr. Brooks Brown spoke.

REMARKS FROM COUNCIL MEMBERS

Being no further business the meeting was adjourned at 10:10 p.m.

Respectfully submitted,

Linda N. Eddleman

Linda N. Eddleman, CCC
Clerk to County Council

Mr. Dees moved to appropriate $6,501.18 for the Powdersville Recycling Center for paving, grading, and drainage from District #6 Recreation account.

District #7 – none

ADMINISTRATOR'S REPORT:

a. Letters of Appreciation:
   1. For: Mr. Joey Preston From: Mr. Bill Dees
   2. For: Road Maintenance – Mr. Tony Owens, Mr. Jerry Stamps and crew (Mr. Steve Shirley, Mr. Donald Dickson, Mr. James Swanson) From: Mr. Jim Johnson
   3. For: Anderson County Litter Office From: S.C. Department of Transportation's Colorful Spaces Program
   4. For: Road Maintenance – Mr. Jay Patterson's Crew (Mr. John Wilson and Mr. Larry Erskine) From: Ms. Alberta Willis
b. Training and Certificates: Mr. Keith Bowman – Special Events Contingency Planning for Public Safety Agencies, Animals in Disaster-Awareness and Preparedness
c. Reports:
   1. District Paving Report
   2. Environmental Enforcement – Animal Control Report and Litter Control Report for September 2006
   3. Building and Codes Monthly Report for September 2006
d. CAT to Central Wal-Mart begins October 16
e. Letter to Mr. William V. Trammell concerning his Letter to the Editor
f. Letter from Taylor Jones concerning Public Safety Offices
g. Letter from Ms. Gina Humphreys concerning BB & T as Trustee for Special Source Revenue Bonds
h. Anderson County Transportation Committee approved projects

Mr. Preston announced that the Belton Partnership would be having a ribbon cutting for the historic train depot on October 26, 2006 at 5:30 p.m.

Ms Wilson wanted to comment on the Letter to Mr. Trammell (Administrator's Report Item # e). She said she provided Mr. Trammell with some of the information concerning employee numbers. She informed everyone that in the 03, 04, and 05 CAFRs -the last page in the book has a table. The June 2003 CAFR it stated that the County had employees including full and part time in the amount of 802. In the June 2004, it stated that the County had full and part time employees in the amount of 775. In the June 2005 Comprehensive Annual Financial Report (CAFR) the total was 874. She also received in a letter from Mr. Preston last year stating that the County had approximately 937 or around 950 employees. She said that there was no clear number of employees on any one documentation. Item #g – Letter from Ms. Humphreys – she pointed out that the document was dated in 2004. What is the County's policy concerning selecting this trustee? Wouldn't the Council need to do this on each issue or at least the current council should approve it. Mr. Preston said that there was a difference between the actual number of employees on payroll and the number that is approved in the budget. Mr. Preston said that in the future maybe she could contact staff before providing information like this. Mr. Martin said that on the question concerning the trustee – he is not a bond attorney and he has not researched the issue. He said he would research and get back but it was his belief that the reason B.B.&T was the trustee was that they were the successful proposer for that actual bond issue.

CITIZEN COMMENTS: Other Matters – No citizens wished to speak.

REMARKS FROM COUNCIL MEMBERS

Ms. Wilson said that at the last meeting she asked if any of the employees being commissioned were possibly the daughter of former Chief Deputy Busha and Mr. Preston replied no. She said that she found out to the contrary that one of the officers commissioned is the daughter of Mr. Busha. She received a number of phone cards from the area near the Starr Iva C & D landfill and evidently the county has been giving away dirt that is being hauled to Georgia. She said that they were told that they were giving the dirt away to save money on digging the cell. She said dirt is not dirt-cheap. She said that the County is either being a poor steward of that asset or someone is benefiting at the exception of the County. Mr. Preston read into the record a memo from Vic Carpenter (copy is on file in the Clerk to Council's office) saying that the County does not sell dirt or topsoil. But they do make available at no cost to anyone spoil dirt and mulch. They are currently building a new cell at the landfill and this is a major construction project. The dirt in the way of the cell must be excavated and that dirt is a byproduct of the construction process, and must be removed immediately. This is called

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that somebody was willing to take it off our hands and the company in question hauled off a total of 1,436 dump truck loads of dirt. At an average cost of $80 we would pay for a load that was a savings of $114,000 and some change. We are proud of the fact that we did not spend that money that would have been very easily been possible to spend because someone was willing to take the dirt from us for free. So that is a further explanation of why we did not try to sell the dirt. We are pleased we found someone willing to take the dirt. I guess I didn't do a good enough job explaining why we didn't sell the dirt. And there is the reason why the dirt was not sold." Ms. Wilson stated that when she contacted the trucking company they informed her that they had rented their trucks to another contractor - a Mr. Martin. She said that she understands that he was hauling the dirt for fill dirt to an Ingles site in Georgia. If this is true, she said, is there a DHEC issue that should have been brought forth then. Ms. Wilson asked Mr. Carpenter for a list of the five contractors that he offered the dirt to.

ORDINANCES - THIRD READING:

Chairman Greer presented third reading of Ordinance #2006-035 - an ordinance authorizing the execution and delivery of a Lease Purchase Agreement between Anderson County and Milliken and Company whereby certain assets used in the manufacturing process will be leased to Milliken and Company, and other matters relating thereto Mr. Thompson moved to approve and Ms. Wilson seconded. Vote was 6/0.

Chairman Greer presented third reading of Ordinance #2006-027 - an ordinance to amend Ordinance #98-019, As previously amended by Ordinance Nos. 99-029, 2000-014, 2001-046, 2002-017, 2002-036, 2003-022, 2003-047, 2003-051, 2003-053, 2003-054, 2002-004, 2004-044, 2004-047, 2004-048, 2005-032, and 2005-043 relating to the Industrial/Business park of Anderson and Greenville Counties so as to enlarge the park Mr. Thompson moved to approve and Ms. Wilson seconded. Vote was 6/0.

Ms. Wilson asked for a Point of Order and the Chairman granted her request. Ms. Wilson said going back to agenda Item #8 (a) - under Article V, Section 5.2 - the section has a Greenville street address that is incorrect for the Anderson County Council's office Mr. Martin said that he would get with Mr. Robert Galloway and get the typo corrected

PRESENTATION. Abandonment of Twin Cove Road - Mr. Rodger Pierce said that the Master Road List shows Twin Cove Road #C-20-0059 as being 413 feet from Cole Road. It is being proposed that the Road be changed to 660 feet. Mr. Hopkins received a request from Mr. Randall Brantley to pave an additional 150 feet of Twin Cove Road, which would take it down to the driveway and gate. According to Mr. Hopkins observations of the old road bed, the tar and gravel surface, conversations with other residents, and an examination of tax maps and other records, lead them to believe that Twin Cove was once a circle, measuring in length 1200+/- feet. Part of the road is now overgrown with trees and brush, but nearly 790 feet has been open to the public for years until Mr. Brantley installed a gate on his property line roughly two years ago. He said that there is already a turn around and a fence at the end of Mr. Brantley's property. Mr. Pierce said that the road on the map was not correct but should go straight. He said he opposed the closing of the road down to the fence at the 968.7 feet because with the gate across the public road it causes traffic to dump into his driveway causing extensive damage to his driveway. There is also a sign "End of Road" maintenance where a lot of water comes down the road and dumps on his property He said that the county needed to take care of the road ditches. He said that Mr. Hopkins stated that he would install a small 3-point cul-de-sac at the end of the 660' mark. There is already a turn around at the 868.7 ft. mark. He asked why did the Transportation Department allow the road to be blocked for two years? He said he opposed it two years ago. Also, why did the Transportation Department blacktop this portion of the road being abandoned? He asked for Council not to abandon the road. Ms. Wilson moved to extend discussion time by 5 minutes and Mr. McAbee seconded. Council discussed further. Vote was 6/0.

ORDINANCES - FIRST READING:

Chairman Greer read the title of Ordinance #2006-043 - an ordinance amending, in limited particulars only, the Master Road List of all County roads located in and maintained by the County of Anderson, South Carolina, created by ordinance #2001-007; and expressing intent to cease county maintenance on and to authorize County consent to judicial abandonment and closure of a portion of a certain Anderson County Road; and other matters related thereto. Mr. Thompson moved to approve and Mr. McAbee seconded. Mr. Martin said that the ordinance amends the Master Road list for the County that has to be done by ordinance and they also included the abandonment of a portion of the final road once it is added. Council took a five-minute recess at this time. Chairman Greer called the meeting back to order. Mr Hopkins gave a brief video

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her. According to other parties, she was hired by you and placed at the Airport where no one was ever needed before. It is also, understood that she will be absent for maternity leave which was known to you at the time of her hiring.
Since, you state repeatedly that she works for you wouldn't this contradict your 'no' answer that you didn't know whose daughter she is?"
Ms. Wilson then read into the record the following sample of the 4 disclosure forms.
"By signing below, Bobrow-Anderson, LLC hereby represents to the Anderson County Council that:

1. It has not sold, assigned or otherwise transferred any interest it has in the Lease of the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
2. It has not entered into any agreement(s) whether verbally or in writing, with any person(s) or entities regarding the sale, assumption, transfer or buy out of the remainder of the lease term for the former Kroger Building located at 401 E. River Street, Anderson, South Carolina."

She said the form had signature lines for Bobrow-Anderson, LLC and for a notarization.

She read the next document into the record:
"By signing below, Joey Preston, County Administrator, hereby represents to the County Council that.

1. He, nor any entity owned by him or in which he has an ownership interest, has any financial interest in the transaction for the purchase and sale of the former Kroger building located at 401 E. River Street, Anderson County Carolina.
2. He, nor any entity owned by him or in which he has an ownership interest, has purchased any interest Bi-Lo has in the Lease of the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
3. He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's option to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
4. He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's right of first refusal to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
5. He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's six (6) five (5) year lease renewal options granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
6. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding the sale, assumption, transfer or buy out of the remainder of the lease term for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
7. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding option to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
8. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding the right of first refusal to purchase the property granted by the lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.
9. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding the six (6) five (5) year lease renewal options granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina."

There is a signature line for the Administrator to sign and for the Notary Public.

She then began reading the next letter into the record.
"By signing below, Marshall Carithers hereby represents to the County Council that:

1. He, nor any entity owned by him or in which he has an ownership interest, has any financial interest in the transaction for the purchase and sale of the former Kroger building located at 401 E. River Street, Anderson County Carolina.
2. He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's option to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.

3 He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's right of first refusal to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.

4. He, nor any entity owned by him or in which he has an ownership interest, has purchased Bi-Lo's six (6) five (5) year lease renewal options granted by the Lease Agreement for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.

5. He, nor any entity owned by him or in which he has an ownership inters, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding the sale, assumption, transfer or buy out of the remainder of the lease term for the former Kroger building located at 401 E. River Street, Anderson, South Carolina.

6. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding option to purchase the property granted by the Lease Agreement for the former Kroger building located at 401 E River Street, Anderson, South Carolina.

7. He, nor any entity owned by him or in which he has an ownership interest, has not entered into any agreement(s), whether verbally or in writing, with any person(s) or entities regarding the right of first refusal to purchase the property granted by the Lease Agreement ..."

Chairman Greer informed Ms. Wilson that her time had expired unless there was a motion to extend they would move on. Ms. Wilson moved to extend time by 2 minutes. Motion died from a lack of a second. She said that there was another document to Bi-Lo.

PRESENTATION. Mr. Joey Preston said that he intended for the presentation to be by Mr. Taylor Jones but instead he said he would take the opportunity to read his second response to Ms. Wilson. He said he failed to see where he contradicted himself in the first response.

"Dear Ms. Wilson,

Your letter dated November 30, 2006 which copies all media points inaccurately summarizes my previous correspondence to you and it's not surprisingly very misleading. I am attaching copies of my previous correspondence for you to review, again and for those benefit of those persons copied on your November 30, 2006 letter. Regarding the Kroger issue as I indicated in my October 24, 2006 memo to Council, I will not sign any legal document that has been prepared by your attorneys. I've already stated in writing to County Council I have no financial interest in the Kroger property. If you want to know about other peoples' interest regarding Kroger, then I suggest you ask them yourself because I've already told you that I have no authority to speak for them. It appears that you did not like my response to you on October 24, 2006 but I stand by it and do not intend to pursue this matter further for you on your behalf. As for the County employee you asked me about at County Council meeting in early October, I've already explained to you in a letter dated November 8, 2006 at the time you asked me if this employee was related to Tim Busha I answered "no" because I knew there were no county employees with the name "Busha". I was unaware that Tim Busha had a daughter working for the County. After the Council meeting, I investigated and learned that Tim Busha's daughter is a county employee. I also told you that I learned from her department head that she is extremely qualified and certified and a trained officer. You imply in your letter that you would not have hired her just because she was pregnant which would have been a direct violation of the Federal Pregnancy Discrimination Act. To add to that, why does it matter that she's Tim Busha's daughter? Again, I must remind you that all County employees work for me and they are entitled to ordinary respect. Your continued attempts to derogate fame and humiliate county employees is inexcusable. In the future, please leave county employees off your political agenda whatever it may be."

He said he would like to end by saying that he wondered if Ms. Wilson would have signed that same agreement that she presented to the broker that worked for the company that sold the Kroger building - if she would have signed that same agreement for the Walgreen's Property.

ADMINISTRATOR'S REPORT

a Letters of Appreciation:

1. For: Mr. Bill Dees From: Crime Stoppers
2. For: Mr. Jerry Stamps' Road Maintenance Crew (Jr. Greenway, Scott Crawford) and Mr. Jerry Cash's Crew (Mr Mike Gregory, Mr. Robert Mattison, Mr. James Smith, Mr. Barry Smith, Mr. Jim Neal, Mr. Jeremy Zelenko, and Mr. Carl Dutton) From: Mr. Grover Keough
3. For: Mr. Scott Brothers' Crew (Mr. Russell Simms and Mr. Anthony Williams) From: Ms. Linda Stone

b Reports:

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Andrew Hammett: Andrew Hammett. I live at [redacted] (Spoke For)

Bob Waldrep: Yes, sir.

James Rubinstein: James Rubinstein.

Bob Waldrep: Where do you live?

James Rubinstein: I live at [redacted] your district, sir. (Spoke For)

Bob Waldrep: Okay. Thank you. Ms. Martin.

Elva Martin: I'm Elva Martin. I live at [redacted] in Michael Thompson's district five. (Spoke Against)

Bob Waldrep: Mr. Deanhart.

Michael Deanhart: My name is Michael Deanhart, [redacted] (Spoke For)

(Tape Change)

Bob Waldrep: Well, it's ---

(Tape stops and begins with following)

Cindy Wilson: -- possibly on your instructions, reviewed certain tapes of 911 calls from approximately a year ago concerning a call for police service in a local park. The reports I've received and which I know also to have been provided to SLED indicate that the following day an unnamed county employee in the Central Dispatch office was called in to modify those

tapes in order to remove certain details of those calls. I'm told that such a modification would be a clear violation of law, and I would request if he could offer any information on this matter. I find it very troubling that we have these horrendous overpayments out of the Sheriff's department, transfers out of the Clerk of Court's office. We just have continuing rumblings about dispatch. There are so many ramifications to all of this. Our people in this county deserve to be protected by knowing that our dispatch is in safe order and that we don't have shenanigans going on there. Thank you.

Bob Waldrep: Okay.

Gracie Floyd: Mr. Chairman.

Bob Waldrep: Ms. Floyd.

Gracie Floyd: Thank you. Ms. Wilson, I'm sorry you received those letters and things. But I'd like to see them please. I'd like to see the anonymous letters written to you concerning this because I'd like to know if we have some serious concerns here that you may need assistance with.

Cindy Wilson: It's anonymous.

Gracie Floyd: I'm not -- I would like to see those letters so we can see if we need to work on this and if we need to do something about it.

order. Our distinguished colleague from District six has the floor at this time.

BOB WALDREP: Just as a point of order that I am raising as Chairman on that point. But I certainly will remove myself and withdraw that. But just it disturbs me when any of us make personal references to each other on the council floor.

RON WILSON: It's a little difficult to discuss this topic without doing so.

BOB WALDREP: Okay. Proceed, sir. Time -- we'll have to vote an extension of time. Five minutes.

CINDY WILSON: Second.

BOB WALDREP: All in favor raise your right hand. Ms. Wilson, Mr. Greer, Mr. Thompson, Mr. Wilson, Mr. McAbee and myself. Any opposition? One abstention? An abstention by Ms. Floyd. Okay. Mr. Wilson?

RON WILSON: Thank you. But I mean, we -- you know, she started down this line of criticizing Mr. Hopkins and Mr. Ricketson. And I knew when I came on this council that it was -- heavily polarized this county. And I came on with one viewpoint, which was the only one I had heard. And I came on and acted pretty much accordingly And as time as went by, I've changed some of those viewpoints and opinions. And I've noticed in the committee meeting that, you know, anything that Mr. Hopkins or Mr. Ricketson brings up, it's immediately wrong in this person's mind because they're too closely linked to the administrator. I also had the good fortune last night to attend a council meeting in Spartanburg. And I was extremely impressed with the politeness and the harmony of that council. And I sat there thinking, you know, why can't we have this in Anderson? And I'm getting -- you know, it seems that this individual, that it's not the questions because there's apparently endless questions from this individual. No matter what you say, no matter how you cover it, no matter how you address it, it's all about the questions and not the answers. And I have, as I said at the start of it, I have, you know, seconded her motions whether I agreed with them or not. I will not do that any further. And I know there was some action taken here, you know, a few months back that I disagreed with strongly and think it was wrong. But I also believe, unless this particular council member decides that they want to work with a body and be part of the

and it was a one day course. Does that not, does that not create a tremendous ...

END OF TAPE 2, SIDE 1

JOEY PRESTON: ... certified.

CINDY WILSON: Well, I requested information concerning the education background and work background. And did you receive a letter earlier that was hand delivered to you regarding those requests for information?

JOEY PRESTON: At ten till five this afternoon.

CINDY WILSON: Well, it was done much earlier. But I just want to point out to you that there's nothing confidential in what I've requested regarding an employee in this newly founded department.

JOEY PRESTON: That's yet to be determined.

CINDY WILSON: I'm not requesting social security numbers or medical information, just background concerning education and also work -- prior work experience.

JOEY PRESTON: Ms. Wilson, we have to make sure that our employees aren't being harassed also.

CINDY WILSON: Well, how do we know who we're talking about then? How can you say I'm harassing someone when I'm asking you?

JOEY PRESTON: I didn't say you were.

CINDY WILSON: You are the boss of this person.

JOEY PRESTON: I didn't say you were.

CINDY WILSON: Well, you certainly inferred that. All right. Onto some other questions we've got. Where is our design manual? I understand that Mr. Smith told Ms. Eddleman at the last meeting, prior to the last meeting that he had made a copy of the manuals to give to us that were given to you. And yet we still don't have them.

JOEY PRESTON: Mr. Smith, would you come to the microphone, please, sir?

MR. SMITH: Good evening, Mr. Chair.

JOEY PRESTON: Well, Mr. Smith, hold tight for a second. I would like to read an e-mail that was provided to Ms. Wilson at the last council meeting from Mr. Smith. Mr. Preston, council person Wilson has requested council clerk Linda Eddleman to contact the Environmental Services Division to request a copy of the Anderson County Storm Water

there's an issue of qualification and there's an issue of dealing with this ---

BILL MCABEE: It was a single amendment.

BOB WALDREP: -- diligent attempt. Can we bifurcate it? Can we break it down?

CINDY WILSON: All right. Let me start ---

BOB WALDREP: On the first issue about qualifications, that motion has been made. Did you -- you called for the question?

LARRY GREER: I did.

BOB WALDREP: Okay. The question is called for. Ms. Wilson?

CINDY WILSON: I'll gladly put it into two segments.

BOB WALDREP: All right. Well, I'm calling for the question now in two segments.

CINDY WILSON: All right. And the first motion is that we will diligently attempt to do that list of ---

BOB WALDREP. Well, I'm calling for the question first before we get to the ---

CINDY WILSON: Okay.

BOB WALDREP: All in favor? Ms. Wilson, Mr. Greer, Mr. Thompson, Mr. Wilson. I'm calling for the question.

BILL MCABEE: Oh, calling for the question?

BOB WALDREP: Yeah. -- Mr. Wilson, Mr. McAbee and Ms. Floyd and myself. Okay. Now that the question is before us, whether we would amend it to require that there be a diligent attempt.

CINDY WILSON: Okay.

BOB WALDREP: All in favor of this amendment would you raise your right hand, please? Ms. Wilson, Mr. Greer, Mr. Wilson, Mr. McAbee, myself. All opposed? All abstaining? Ms. Floyd, Mr. Thompson. So that part passes. And then the next issue has to deal with qualifications. And I'm not exactly sure of the motion on this, other than the qualifications be -- what was it, Ms. Wilson?

CINDY WILSON: Well, in looking at what it states here, it's somewhat left to, I guess, the boss's discretion. But it says, a high school diploma or G.E.D. equivalent supplemented by two years of post secondary college or technical instruction in civil engineering or related field and one year of experience in general construction, engineering inspecting or related fields or an

equivalent combination of education, experience.

BOB WALDREP: Ms. Wilson, I'm just trying to stay on track here. And that -- is that what you're proposing?

CINDY WILSON: Yes.

BOB WALDREP: That those qualifications be required?

CINDY WILSON: As opposed to someone who is just certified through a construction site inspector's certification course.

BOB WALDREP: All right. We've heard ---

CINDY WILSON: And that was what our administrator gave me. It seems to be a lot more specific

BOB WALDREP: Okay. Does everybody understand the motion?

LARRY GREER: Mr. Chairman, I would like to see a copy of what she's referring to.

JOEY PRESTON: Mr. Chair, I think she just read the qualifications for the storm water manager, which is in our job description.

CINDY WILSON: No. That's the inspector that you gave me. The manager requires a college degree. You gave this to me. I think ---

JOEY PRESTON: Ma'am, the qualifications for inspector are right here in the ordinance This is it.

CINDY WILSON: Well, the ordinance ---

JOEY PRESTON: This is what DHEC requires and that's what was in the ordinance.

CINDY WILSON: What you gave me earlier is more appropriate than what is in the ordinance that you're presenting to us tonight.

BOB WALDREP: Okay. So your motion is to amend to include all those qualifications that you read out?

CINDY WILSON. Well, as he presented them to me in June. If y'all would like to pass it down and read it ...

BOB WALDREP: I'm just -- gentlemen, I'm just trying to understand what the motion is, what she is trying to state, what we are voting on as related to these qualifications.

BILL MCABEE: I call for the question, whatever it is.

LARRY GREER: Second.

BOB WALDREP. The question has been called for. All of those in favor of the question ...

A lot of the questions and requests for information go back to May, July, August and more recently October the 11th. I've requested information about the grants. That was provided, except for the details of someone with one of the lobbying firms billing a great deal of expense money to the county. I would like to have that information, please. And secondly, the names and positions of county employees for whom Anderson County paid tuition for Leadership Anderson and why a check in the amount of sixty-two hundred and fifty dollars was written by the county treasurer for tuition without the department and employee references. Thirdly, an explanation of where the difference between what the county pays for chamber checks and the actual redemption amount goes in answer to the question regarding the employee's potential receipt of a larger check directly from their own department's employee benefits account. Now, the fourth one, I think we can just cut to the chase on this. I've requested an opportunity to look at the credit card expenditures since -- you know, including May till today's date for months now. So I'm just going to say let's go over there Friday at ten thirty and have an opportunity to look at those files. May we have an answer on that, Mr. Preston, right now? I know the last time y'all challenged me and said, oh, Ms. Wilson can come over here and look at anything she wants to. And when Ms. Wilson went over there to look, you then reported that there was some big ruckus, which of course never happened. People were very polite and I did have a chance to look at some of the credit card expenses. So I've requested since, I think September 25th, to be provided a date to go and look at the credit card expenditures. And we may come over say ten thirty Friday morning?

JOEY PRESTON: No, ma'am.

CINDY WILSON: Why not?

JOEY PRESTON: I will not be here Friday.

CINDY WILSON: Well, your presence is not necessary.

JOEY PRESTON: Yes, ma'am, it is. Last time you were there you released credit card numbers to the media.

CINDY WILSON: You released them to me. Why didn't you redact it if it was something that was so important?

JOEY PRESTON: You went to the file cabinet, pulled them out, looked at them.

administrator's department. The extravagance that you will note does not quite match. If you cross-reference First Citizens to the GLR110 it appears that we have ten credit cards and yet we've been told we only have fourteen credit cards across the board. There are, as I said, ten First Citizens in cross-referencing with the GLR110, eight Carolina First and five Palmetto Bank. There were no expenditures listed for Palmetto Bank and yet a fair number of them involving thousands of dollars which the Palmetto Bank credit card is basically used by the sheriff's department and the detention center. After multiple requests we still have very little to look at. I think my greatest fear in that we went -- Mr. Waldrep and another couple of members of the media and I walked into the finance department I believe December 14th. We were not allowed to look at these files. This is all public information. Even a person off the street should be able to go look at it.

MICHAEL THOMPSON: Ms. Wilson. Mr. Preston, do you have a procedure for looking at files?

JOEY PRESTON: Yes, sir. You would need to, first of all, file an FOI if you're a citizen.

MICHAEL THOMPSON: If you're a county council member?

JOEY PRESTON: You would need to follow county protocol. You just can't walk up to a file cabinet, open it up and start looking at it.

MICHAEL THOMPSON: And protocol is?

JOEY PRESTON: County Council would need to ---

MICHAEL THOMPSON: To go through you basically?

JOEY PRESTON: And/or go before the county council.

CINDY WILSON: I have been asking multiple times in writing and verbally for the opportunity to go look at it. I've even tried to make an appointment multiple times with the administrator. He continues to stonewall and say that he's not available. And his presence is really not necessary for me to go look at it. I'm sorry. Were you wanting to say something, sir?

MICHAEL THOMPSON: Wait, wait, wait, wait. Ms. Wilson, are you yielding to Mr. ---

CINDY WILSON: Temporarily.

MICHAEL THOMPSON: Mr. Waldrep.

BOB WALDREP: Just one question. Mr. Preston, what is the protocol, and is that a printed

protocol with regard to a sitting, elected member of this council to see public records? You've conferred with Mr. Martin now. Could you tell me what that is?

JOEY PRESTON: I believe that Mr. Martin referred to the procedure for county council.

BOB WALDREP: And what does it say, Mr. Martin? What is that protocol?

MICHAEL THOMPSON: Mr. Martin.

TOM MARTIN: Thank you, Mr. Chairman. Mr. Waldrep, the actual question Mr. Preston posed to me is that state law and frugal rule that is state law, members of county council may only talk to or question members of the staff through the county administrator. So the protocol is that all requests to deal with county staff except in investigations authorized by council, have to go through the administrator. It's not county policy. It's state law.

BOB WALDREP: You've interpreted it state law, Mr. Martin. You are pronouncing that from on high as a member of the count, I would imagine, that's your interpretation of what state law is, that a sitting council member cannot go in and have access to the public records? Is that what you're saying? I want to get you on record on this. Okay?

TOM MARTIN: Mr. Chairman.

MICHAEL THOMPSON: Mr. Martin.

TOM MARTIN: Mr. Waldrep, I've made no assertion that I'm pronouncing from on high or that I'm any kind of court. You asked me what my interpretation was. There is a South Carolina Supreme Court case directly on point that members of county council deal with the staff of the county only through the administrator. It's not my rule.

BOB WALDREP: What's the name of that case?

TOM MARTIN: I don't happen to have that written on my hand, but I'll be happy to provide it to you. It's in the South Carolina Code annotated. You may look it up.

BOB WALDREP: Well, thank you, as county attorney, I appreciate that opportunity. But I'm just really disturbed that we now have created a situation where it takes virtually a majority of the council in order for someone to be able to look at public records. If that is the protocol, then that protocol needs to be reexamined in some way, because that keeps a minority of this council from looking at public records and that's very distressing.

CINDY WILSON: May I have my floor back,

Chairman, in your previous service on council, you voted for one every year. Not only that, you voted for a midyear budget every year because in your previous service on council, Anderson County did its budgeting within a Ouija Board. The -- things have changed. We have not had a tax anticipation note since your predecessor was finance director, Ms. Humphries. And that's because of the financial house we are now keeping, Mr. Chairman.

BOB WALDREP: Thank you, Mr. McAbee.

APPLAUSE

BOB WALDREP: I want to remind you that when I was Chairman in 1992, and you keep alluding to my previous service, I would tell you that I never encountered the problems that I encounter in this administration in simply getting information.

APPLAUSE

BOB WALDREP: Never, sir. And I've been in it for a long time. And so, Ms. Humphries, I hope you don't feel belittled. And Mr. Preston has used that term. You are the lightning rod for Mr. Preston. You are both standing in the same boat. You are Tweedle Dum and Tweedle Dee. So whenever I ask you a question, it's to Mr. Preston in reality. And whenever I ask Mr. Preston a question, it is to you, because you are one inextricable entity as far as finances is concerned. So please know I do not mean to belittle you, but I will continue to press. And I didn't want to get to this point until we get what we ask for. The games that are being played by changing the nomenclature and the process, for example, when we go back for months ago and ask for information about what this money is and how it goes and why council has not been apprised of it, and we're told, well, these are loans, there are not transfers. We cannot keep up with a government that does not give us a clear financial picture. You cannot have a ship with no compartments where the money just swashes around, rolls around in such a way as that we cannot keep up with it. So now the only leverage that we have, Mr. Preston, Ms. Humphries, is to somehow address this. We might lose -- I might lose on this particular issue, but at least we do have your attention. You're passionate for the sheriff and we are passionate for law and order for the sheriff too. But that's why I would say maybe the sheriff can go to your office and stand there until you start doing what we consider a directive from this council or through Mr. Preston. You know,

understand that it came out of county council's special account, matching grant funds, that should really raise questions. Then we move onto Ms. Amy Plummer who another council member appointed to a seat on the economic development commission. That councilperson and this lady traveled, it looks like around twenty-five thousand dollars worth of expenses paid for those individuals to travel. Ostensively for Anderson County but did we ever vote to do this? It was not paid out of Anderson County council's reimbursable account. It came out of our economic development department. And that department is really making a big effort to recruit industry to the state. But should our council people who have not been approved by the council be acting in that capacity? The administrator claims that there are no records of these two individuals being paid, yet there are extensive records that we have seen that do indicate they're being paid. And I would like to challenge that that information be provided. And I would make myself ...

End of tape 2, side 1

CINDY WILSON: ... come and look and if there's something of interest that we can bring our own copiers and copy and of course redact any social security numbers or IRS numbers. The -- another request was to have an accounting for the current -- well the credit card information, the backup information. It needs to be pointed out that we were offered the opportunity to go and look February 6th and 8th. The requests began in September. What we saw when we got there was very troubling. There were files that appeared to be hastily put together. There were duplications of the same receipts sometimes. Sometimes the credit card information was mixed from one file to another. There were very little expense reports, very few in there. We requested copies of what we saw. We had that set aside. We were told that we would be able to pick that up shortly. It's now March 4th. We don't have that information. I request that we be provided that along with the GLR110s. The request was also that with the contention that many of the expenses for meals, travel, lodge and food and catering had been reimbursed, donated or contributed and not paid by taxpayers be provided backup documentation which would include but not be limited to the name of the donor, the date and the amount of contribution, the name of the department, function or other for which money had been given, and a copy of. The only thing I've gotten

SER RQ

Sharon Pigage

From: Gwen Bynoe
Sent: Thursday, July 10, 2008 6.01 PM
To: Sharon Pigage
Subject: Joey R Preston- Service Purchase-

The member referenced above is interested in purchasing additional service.

I have mailed him the forms for verification of bus driver service, and work while in school. He and the county are attempting to buy out his contract and they may actually pay for some service.

I have his salary verification and will bring it down in the morning.

Gwen

Process for (2) periods of Public Svc

RECEIVED
JUL 11 2008
SERVICE



7/11/2008

SRS_00214

2209

Rec'd 7/11/08 SEP

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

July 10, 2008

Ms. Gwen Bynoe
South Carolina Retirement System
Post Office Box 11960
Columbia, SC 29211

County Administrator
Joey R Preston

Council Members
Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

Dear Ms. Bynoe:

In connection with the buy back of unearned time for a five-year time period for Joey R. Preston, you requested that the Anderson County Finance Department supply you the estimated gross salary for calendar year 2008. Based upon Mr. Preston's present-weekly salary, we estimate his gross salary for 2008 to be $161,643.97. However, County employees are slated to receive a 3% COLA for the pay period ended July 26, 2008 that will be paid on August 1, 2008. If this increase is contemplated, his estimated gross wages will be $163,712.19.

use SEP

If you need additional information, please feel free to contact me at (864) 260-4351.

Sincerely,

Rita M. Davis
Finance Manager

Anderson County

2001, 2002 J. Mitchell Graham Award Winner
for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4000 · (864) 260-4548 fax
www.andersoncountysc.org

PLAINTIFF'S EXHIBIT 81

PENGAD 800-631-6989

SRS_00005

FOLDER DOCUMENT

NONQUALIFIED SERVICE

Service Type. 79

SSN

Name: JOEY R PRESTON

Date Request Received 07-10-2008

System 1
Account: 01 SCRS

Current Salary. $ 161,643 97 (704 02)

Career High Fy Salary· 163,827 43
SCRS\2006

Total Service Credit· 05 00 00

Contributions. 286,698 00
Interest

Member Total· 286,698 00

Paid 11/19/2008
$286,698 00 Employer Paid
SEG

Calculation Date	07-15-2008
Calculation Time.	13.40·25 3
Calculation User	RHUFFL
Verify Date	07-15-2008
Verify Time	13:40.26 6
Verify User.	RHUFFL
Invoice Mail Date	07-15-2008
Invoice Number	2413335580179001
Pay Due Date.	01-11-2009

FOLDER DOCUMENT

PUBLIC SERVICE

Service Type: 75

SSN

Name: JOEY R PRESTON

Date Request Received.

System. 1
Account 01 SCRS

Current Salary: $ 161,643 97 (704.02)

Career High Fy Salary· 163,827.43
SCRS\2006

Service Beg Date	Service End Date	Service Yr Mo Da	Full Time %	Svc Ovrd	Creditable Serv Yr Mo Da	Pos
01-01-1983	12-31-1983	00-02-01	1 0000	X	00-02-01	E
01-01-1984	12-31-1984	00-05-22	1 0000	X	00-05-22	E
01-01-1985	09-30-1985	00-09-00	1.0000		00-09-00	E

Total Service Credit 01 04 23

Contributions 36,623 95
Interest·

Member Total. 36,623 95

Paid 12/23/2008
$36,623.95 Employer Paid
SEG

Calculation Date	11-26-2008
Calculation Time	15.27 55 8
Calculation User.	RPIGAG
Verify Date.	11-26-2008
Verify Time·	15:33:26 9
Verify User.	RPIGAG
Invoice Mail Date.	11-26-2008
Invoice Number.	2413335580175003
Pay Due Date.	03-23-2009

PS THE ABOVE REPRESENTS THE REMAINING PUBLIC SERVICE AVAILABLE FOR PURCHASE

SRS_00007

FOLDER DOCUMENT

PUBLIC SERVICE

Service Type· 75

SSN

Name JOEY R PRESTON

Date Request Received 07-10-2008

System 1
Account· 01 SCRS

Current Salary. $ 161,643 97 (704 02)

Career High Fy Salary: 163,827 43
SCRS\2006

Service Beg Date	Service End Date	Service Yr Mo Da	Full Time %	Svc Ovrd	Creditable Serv Yr Mo Da	Pos
10-01-1985	12-31-1985	00-03-00	1 0000		00-03-00	E
01-01-1986	12-31-1986	01-00-00	1 0000		01-00-00	E

Total Service Credit. 01 03 00

Contributions 32,765 49
Interest

Member Total 32,765 49

Calculation Date. 11-17-2008
Calculation Time 11·00 17 2
Calculation User RPIGAG
Verify Date: 11-17-2008
Verify Time. 11 02 18 8
Verify User: RPIGAG
Invoice Mail Date· 11-17-2008
Invoice Number· 2413335580175002
Pay Due Date 03-23-2009

PS AS REQUESTED, THE ABOVE REPRESENTS THE COST TO PURCHASE A PORTION ONLY OF YOUR PUBLIC SERVICE

Paid 11/19/2008
$32,527.00 Employer Paid
$238 49 Nondeferred
SEG
Total Paid $32,765.49

FOLDER DOCUMENT

PUBLIC SERVICE

Service Type 75

SSN.

Name· JOEY R PRESTON

Date Request Received 07-10-2008

System. 1
Account. 01 SCRS

Current Salary· $ 161,643 97 (704 02)

Career High Fy Salary: 163,827.43
SCRS\2006

Service Beg Date	Service End Date	Service Yr Mo Da	Full Time %	Svc Ovrd	Creditable Serv Yr Mo Da	Pos
01-01-1983	12-31-1983	00-02-01	1 0000	X	00-02-01	E
01-01-1984	12-31-1984	00-05-22	1 0000	X	00-05-22	E
01-01-1985	12-31-1986	02-00-00	1 0000		02-00-00	E

Total Service Credit 02 07 23

Contributions: 69,389 44
Interest·

Member Total 69,389 44

11/17/08 per Gwen, provide cost to purchase portion for 1-3-0 .sep

Calculation Date· 09-24-2008
Calculation Time· 09·43:01 1
Calculation User RJACKC
Verify Date 09-24-2008
Verify Time 09·43·20 8
Verify User RJACKC
Invoice Mail Date· 09-24-2008
Invoice Number: 2413335580175001
Pay Due Date. 03-23-2009

SRS_00009

South Carolina Retirement Systems

Member Service Payment Invoice

JOEY R PRESTON
2835 OLD WILLIAMSTON RD
ANDERSON SC 29621

Date: July 15, 2008
Invoice Number: XXXXX35580179001
Employer Code: 704.02
System: SCRS

The following is provided to allow you to establish: **NONQUALIFIED SERVICE**

Total Service Credit. **05 Years 00 Months 00 Days**

Member Payment Required $ 286,698.00 **Invoice Expiration Date: January 11, 2009**

You must be an active contributing member at the time your payment is remitted. Please make all checks payable to the South Carolina Retirement Systems and remit a copy of this invoice with payment. Retirement benefits contingent on this service purchase will not be effective until full payment is received.

Please be aware that some types of purchased service may not be used in determining retiree health insurance eligibility You are strongly encouraged to contact your employer, health care provider, or the Employee Insurance Program (EIP) at 888-260-9430 or 803-734-0678 regarding your insurance coverage

Upon processing your service payment or payroll deduction request, an additional review will be performed. If this results in changes to the amount of your payment or your service credit, you will be notified.

If you wish to select the installment payroll deduction option, complete and return the following portion of this invoice for an estimate After processing, you will receive a Payroll Withholding Authorization form indicating a payroll deduction amount for your review and signature.

Select Payment Method: ___Deferred (pre-tax) ___Non-deferred (after tax)

Member Payment Required: **$ 286,698.00**

Less Optional Down Payment < _____ > **(Do Not Send Payment with this Form)**
(___ Please check if the down payment is a rollover)

Amount to be Financed: $ _____
(Member Payment less Down Payment)

Number of Months to be Financed:_____ Pay Frequency:_____ (Checks Received Per Year)

Form 2320

State Budget and Control Board * South Carolina Retirement Systems
Fontaine Business Center * 202 Arbor Lake Drive * Post Office Box 11960 * Columbia, South Carolina 29211
803-737-6800 * 800-868-9002 (SC only)



SRS_00015

Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

Retiring South Carolina's Public Workforce For Life

Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

November 19, 2008

JOEY R PRESTON
2835 OLD WILLIAMSTON ROAD
ANDERSON SC 29621

RE: Invoice Num XXXXX35580179001
Invoice Amt: $286,698.00

SSN: [redacted]

Dear Member:

We acknowledge the receipt of your payment in the amount of $286,698.00 to establish NONQUALIFIED SERVICE credit for the time representing a total service credit of 5 year(s) 0 month(s) and 0 day(s).

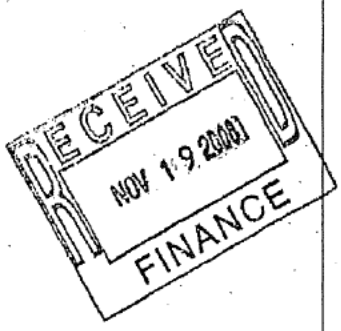
If you should have any questions, please contact our Customer Service Department at (803) 737-6800 or (800) 868-9002 (in state members only).

Location Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

(800) 868-9002 (in SC only)
(803) 737-6800
www.retirement.sc.gov

Mailing Address:
Post Office Box 11960
Columbia, South Carolina 29211-1960

ITEM NO.	INVOICE DATE	AMOUNT OF ITEM	DESCRIPTION	CHECK NUMBER	AMOUNT OF CHECK
001		286698.00	GENERAL FUND		
				[redacted]	286698.00*



DETACH BEFORE DEPOSITING
THIS IS FOR YOUR CLAIM RECORD

ANDERSON COUNTY, S.C.
ANDERSON, S.C. 29622

ANDERSON COUNTY
SOUTH CAROLINA

ANDERSON COUNTY COUNCIL

No. [redacted]

CAROLINA FIRST
ANDERSON, SC 29621

ANDERSON, SOUTH CAROLINA 29622

PAY *286698*DOLLARS AND*00*CENTS

PAY TO THE ORDER OF

SOUTH CAROLINA RETIREMENT SYST

DATE	CHECK NO.	AMOUNT
11/19/2008	[redacted]	**286,698.00

00000

Jean P. Phillips

[redacted]

SRS_00083

South Carolina Retirement Systems

Member Service Payment Invoice

JOEY R PRESTON
2835 OLD WILLIAMSTON ROAD
ANDERSON SC 29621

Date: November 26, 2008
Invoice Number XXXXX35580175003
Employer Code: 704.02
System: SCRS

The following is provided to allow you to establish. **PUBLIC SERVICE**

Begin Date	End Date	FTE%	Service Credit
01-01-1983	12-31-1983	100	00 Years 02 Months 01 Days
01-01-1984	12-31-1984	100	00 Years 05 Months 22 Days
01-01-1985	09-30-1985	100	00 Years 09 Months 00 Days

Total Service Credit ***01 Years 04 Months 23 Days***

Member Payment Required $ 36,623.95 **Invoice Expiration Date: March 23, 2009**

You must be an active contributing member at the time your payment is remitted. Please make all checks payable to the South Carolina Retirement Systems and remit a copy of this invoice with payment. Retirement benefits contingent on this service purchase will not be effective until full payment is received.

Please be aware that some types of purchased service may not be used in determining retiree health insurance eligibility. You are strongly encouraged to contact your employer, health care provider, or the Employee Insurance Program (EIP) at 888-260-9430 or 803-734-0678 regarding your insurance coverage.

Upon processing your service payment or payroll deduction request, an additional review will be performed. If this results in changes to the amount of your payment or your service credit, you will be notified.

If you wish to select the installment payroll deduction option, complete and return the following portion of this invoice for an estimate. After processing, you will receive a Payroll Withholding Authorization form indicating a payroll deduction amount for your review and signature.

Select Payment Method: ___Deferred (pre-tax) ___Non-deferred (after tax)

Member Payment Required. **$ 36,623.95**

Less Optional Down Payment: < _____ > **(Do Not Send Payment with this Form)**
(___ Please check if the down payment is a rollover)

Amount to be Financed $ _____
(Member Payment less Down Payment)

Number of Months to be Financed _____ Pay Frequency _____ (Checks Received Per Year)

P.S. THE ABOVE REPRESENTS THE REMAINING PUBLIC SERVICE AVAILABLE FOR PURCHASE.



Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

Retiring South Carolina's Public Workforce
For Life

Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

December 23, 2008

JOEY R PRESTON
2835 OLD WILLIAMSTON ROAD
ANDERSON SC 29621

RE: Invoice Num XXXXX35580175003
Invoice Amt: $36,623.95

SSN: [redacted]

Dear Member:

We acknowledge the receipt of your payment in the amount of $36,623.95 to establish PUBLIC SERVICE credit for the time representing a total service credit of 1 year(s) 4 month(s) and 23 day(s).

If you should have any questions, please contact our Customer Service Department at (803) 737-6800 or (800) 868-9002 (in state members only).

Location Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

(800) 868-9002 (in SC only)
(803) 737-6800
www.retirement.sc.gov

Mailing Address:
Post Office Box 11960
Columbia, South Carolina 29211-1960

County of Anderson SC
General Fund
P.O. Box 8002
Anderson, SC 29622

[redacted] [redacted]

DATE 12-11-08

PAY TO THE ORDER OF S.C. Retirement System $ 36,623.95

Thirty six thousand six hundred twenty three & 95/100 DOLLARS

CAROLINA FIRST

FOR [redacted]

AUTHORIZED SIGNATURE

SENCE OF THESE FEATURES WILL INDICATE A COPY

South Carolina Retirement Systems

Member Service Payment Invoice

JOEY R PRESTON
2835 OLD WILLIAMSTON ROAD
ANDERSON SC 29621

Date: November 17, 2008
Invoice Number: XXXXX35580175002
Employer Code: 704.02
System: SCRS

The following is provided to allow you to establish **PUBLIC SERVICE**

Begin Date	End Date	FTE%	Service Credit
10-01-1985	12-31-1985	100	00 Years 03 Months 00 Days
01-01-1986	12-31-1986	100	01 Years 00 Months 00 Days

Total Service Credit: **01 Years 03 Months 00 Days**

Member Payment Required $ 32,765.49 **Invoice Expiration Date: March 23, 2009**

You must be an active contributing member at the time your payment is remitted. Please make all checks payable to the South Carolina Retirement Systems and remit a copy of this invoice with payment. Retirement benefits contingent on this service purchase will not be effective until full payment is received.

Please be aware that some types of purchased service may not be used in determining retiree health insurance eligibility You are strongly encouraged to contact your employer, health care provider, or the Employee Insurance Program (EIP) at 888-260-9430 or 803-734-0678 regarding your insurance coverage.

Upon processing your service payment or payroll deduction request, an additional review will be performed. If this results in changes to the amount of your payment or your service credit, you will be notified.

If you wish to select the installment payroll deduction option, complete and return the following portion of this invoice for an estimate After processing, you will receive a Payroll Withholding Authorization form indicating a payroll deduction amount for your review and signature.

Select Payment Method: ___Deferred (pre-tax) ___Non-deferred (after tax)

Member Payment Required **$ 32,765.49**

Less Optional Down Payment: < _____ > **(Do Not Send Payment with this Form)**
(___ Please check if the down payment is a rollover)

Amount to be Financed: $ _____
(Member Payment less Down Payment)

Number of Months to be Financed._____ Pay Frequency _____ (Checks Received Per Year)

P.S. AS REQUESTED, THE ABOVE REPRESENTS THE COST TO PURCHASE A PORTION ONLY OF YOUR PUBLIC SERVICE.

State Budget and Control Board * South Carolina Retirement Systems
Fontaine Business Center * 202 Arbor Lake Drive * Post Office Box 11960 * Columbia, South Carolina 29211
803-737-6800 * 800-868-9002 (SC only)



Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

Retiring South Carolina's Public Workforce For Life

Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

November 19, 2008

JOEY R PRESTON
2835 OLD WILLIAMSTON ROAD
ANDERSON SC 29621

RE: Invoice Num XXXXX35580175002
Invoice Amt: $32,765.49

SSN: [redacted]

Dear Member:

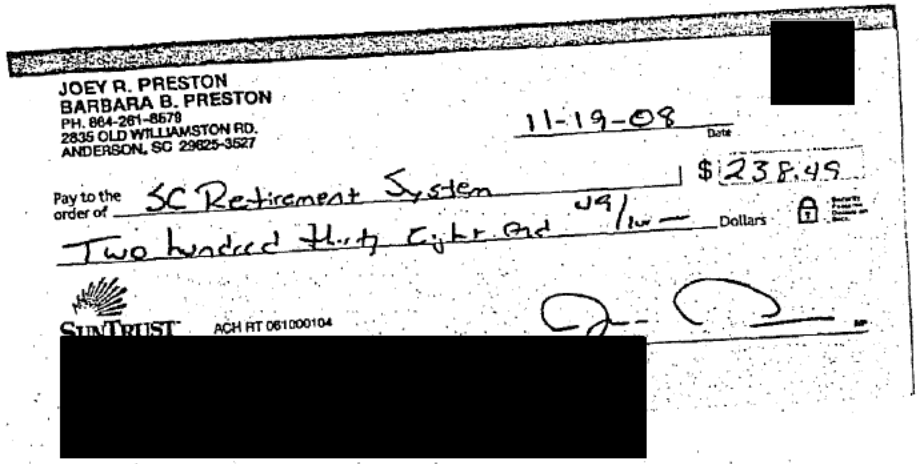
We acknowledge the receipt of your payment in the amount of $238.49 to establish PUBLIC SERVICE credit for the time representing a total service credit of 1 year(s) 3 month(s) and 0 day(s).

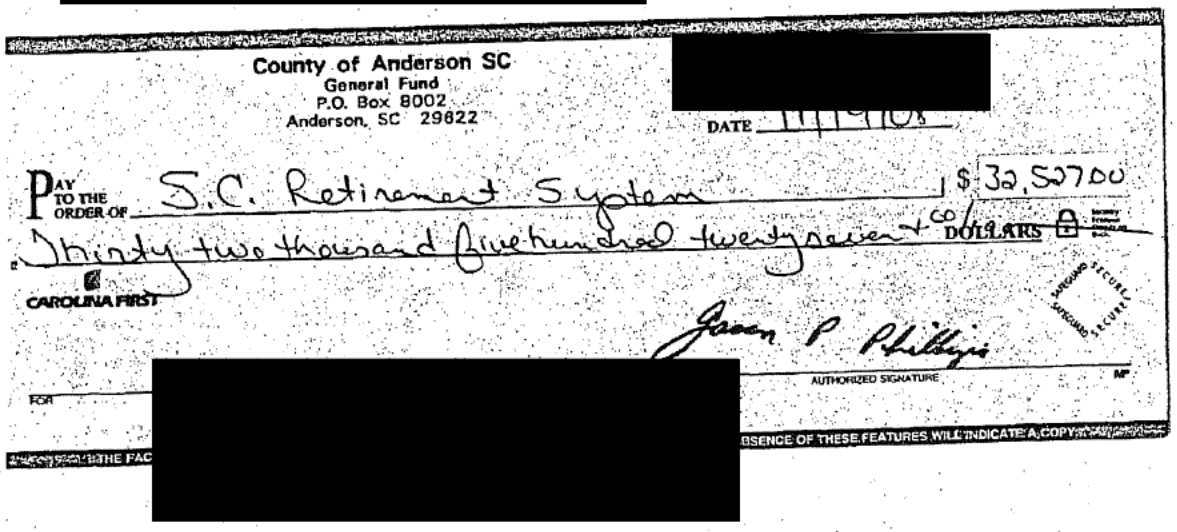
If you should have any questions, please contact our Customer Service Department at (803) 737-6800 or (800) 868-9002 (in state members only).

Location Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

(800) 868-9002 (in SC only)
(803) 737-6800
www.retirement.sc.gov

Mailing Address:
Post Office Box 11960
Columbia, South Carolina 29211-1960





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FINANCE

002241

SRS_00084

ANDERSON COUNTY
SOUTH CAROLINA

Making News, Making Progress.

November 21, 2008

County Administrator
Joey R. Preston

Council Members
Michael G. Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie B. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

Ms. Gwen Bynoe
South Carolina Retirement System
Post Office Box 11960
Columbia, SC 29211

Dear Ms. Bynoe:

I plan on retiring December 31, 2008. In connection with this, I have provided the highest paid twelve (12) calendar quarters on the attached spreadsheet. Would you please calculate what my estimated monthly retirement amount from the South Carolina Retirement System will be based on this data. I will have seven (7) vacation days and three (3) sick days accrued that will apply towards my retirement.

If you need additional information, please feel free to contact me at (864) 260-4031.

Sincerely,

Joey R. Preston
Administrator

Anderson County
All-America City

PLAINTIFF'S EXHIBIT 85

2001, 2002 / Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Cooperation Award Winner

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4000 · (864) 260-4548 fax

ANDERSON COUNTY
SOUTH CAROLINA

Making News.
Making Progress.

TO: Mr. Joey R. Preston, County Administrator

FROM Rita Davis, Finance Manager

SUBJECT: Retirement Wages

DATE: November 21, 2008

Attached is a summary of your gross wages for retirement purposes for the last twelve calendar quarters totaling $1,284,579.90. The quarter ended December 31, 2008 contains your normal wages of $38,731.86 and $796,615.00 of wages paid per your severance agreement with Anderson County dated November 18, 2008 for total wages of $835,346.86 for that quarter.

Please be advised that you will receive two additional checks in January 2009; one for the two weeks ended December 27, 2008 (paid on January 2, 2009) and the last paycheck for the payroll period ended January 10, 2009 (paid January 16, 2009) for which you will be paid for December 29 – 31, 2008.

Please advise if you need additional information.

County Administrator
Joey R. Preston

Council Members
Michael G Thompson
Chairman
District 5

Bill McAbee
Vice Chairman
District 4

Bob Waldrep
District 1

Gracie S. Floyd
District 2

Larry E. Greer
District 3

Ron Wilson
District 6

M. Cindy Wilson
District 7

Clerk to Council
Linda N. Eddleman

Anderson County
All-America City

2001, 2002 J. Mitchell Graham Award Winner for Excellence in Governmental Performance
2002 Government Regional Communication Award Winner

Post Office Box 8002 · Anderson, S.C. 29622-8002
(864) 260-4000 · (864) 260-4548 FAX
www.andersoncountysc.org

Joey R. Preston

Quarter Ending Date	*Gross Wages*
12/31/2008	$ 835,346.86
9/30/2008	$ 44,811.11
6/30/2008	$ 38,648.22
3/31/2008	$ 41,521.11
12/31/2007	$ 48,745.08
9/30/2007	$ 40,564.93
6/30/2007	$ 34,769.94
3/31/2007	$ 40,564.93
12/31/2006	$ 48,165.54
9/30/2006	$ 39,004.77
6/30/2006	$ 33,432.66
3/31/2006	$ 39,004.77
Total of highest 12 quarters	**$ 1,284,579.90**

12 highest consecutive quarters of salary	$ 1,284,579.90	
Annual leave payment	4,789.76	
Salary + annual leave payment	$ 1,289,369.66	
AFC including annual leave payment	429,789.89	
Creditable retirement service = 28 years		
$429,789.89 x 1.82% =	7,822.18	
$7,822.18 x 28 =	219,021.04	Annual retirement annuity
$219,021.04 / 12 =	18,251.75	Standard monthly annuity (Option A)

rdavis@andersoncountysc.org

Preston

2835 Old Williamston Road • Anderson, South Carolina 29621 • 864.261.8579

December 1, 2008

Ms. Amanda Green
Assistant Director
SC Retirement Systems
PO Box 11960
Columbia, SC 29211

Dear Ms. Green:

I am in receipt of the SCRS Monthly Benefit Estimate (copy attached) provided to me by the South Carolina Retirement System. This letter is to make the SCRS aware that I disagree with the calculation of earnable compensation and to request that you recalculate the same.

I will be more than happy to provide the SCRS a copy of my employment contract and a copy of my employment termination agreement. Please do not make a final decision regarding this matter until a complete and thorough review of that document and a release has been performed. I have attached both for you to review. By way of clarification, the money that I recently received from Anderson County is NOT extra compensation and it is not an amount greater than that which I was entitled to under the terms of my employment contract.

The salary that I received was payment through the end of my contract term and it was an essential part of my salary negotiations years ago. Knowing that working for a political body is risky, I insisted that a termination without cause provision was included to ensure that I would obtain my full salary if I was terminated without cause. As a result of being terminated without cause recently, as evidenced by the attached release, I am entitled to my full salary under the contract, not just what has been paid to date. This is not extra compensation; it is compensation pursuant to a negotiated and signed employment contract.

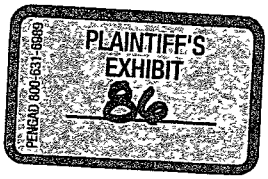
If a final decision is made that the salary I received pursuant to my contract does not count towards earnable compensation, does it count towards my service credit as it represents two years of work? If so, please explain how the service credit would be recalculated.

Please let me know if you need any additional information from me or my attorney regarding the terms of my employment with Anderson County, and I would also appreciate knowing when a final decision is made as I may want to appeal that final decision.

Sincerely,

Joey R. Preston

cc: Ms. Gwen Bynoe



Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

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Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

December 10, 2008

Mr. Joey R. Preston
2835 Old Williamston Road
Anderson, SC 29621

Dear Mr. Preston:

Your letter dated December 1, 2008, addressed to Ms. Amanda Green, has been forwarded to me for review and response. In your letter you state that you disagree with the estimated Average Final Compensation (AFC) used in your SCRS benefit estimate calculated on November 24, 2008, and request the AFC be recalculated. You specifically request that the lump-sum payment(s) paid to you by your employer at the end of your employment be considered earnable compensation for AFC and/or service credit purposes.

First, I would like to reiterate that the AFC of $166,739.84 you are questioning is only an estimate. It has not been subjected to our normal review procedures and, as such, may be adjusted either up or down before being finalized. Having said that, the question at hand deals with the treatment of $780,575.00 paid to you by your employer as a "severance benefit" as outlined on page 2 of the *Severance Agreement and Release of Claims* you provided this office.

Several statutes and definitions are helpful in this analysis:

- §9-1-10(4) "Average final compensation" with respect to those members retiring on or after July 1, 1986, means the average annual earnable compensation of a member during the twelve consecutive quarters of his creditable service on which regular contributions as a member were made to the system producing the highest such average; a quarter means a period January through March, April through June, July through September, or October through December. An amount up to and including forty-five days' termination pay for unused annual leave at retirement may be added to the average final compensation. Average final compensation for an elected official may be calculated as the average annual earnable compensation for the thirty-six consecutive months before the expiration of the elected official's term of office.



Location Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

(800) 868-9002 (in SC only)
(803) 737-6800
www.retirement.sc.gov

Mailing Address:
Post Office Box 11960
Columbia, South Carolina 29211-1960

- §9-1-10(8) "Earnable compensation" means the full rate of the compensation that would be payable to a member if the member worked the member's full normal working time; when compensation includes maintenance, fees, and other things of value the board shall fix the value of that part of the compensation not paid in money directly by the employer.

- §9-1-1020 (In relevant part)...Payments for unused sick leave, single special payments at retirement, bonus and incentive-type payments, or any other payments not considered a part of the regular salary base are not compensation for which contributions are deductible. Contributions are deductible on up to and including forty-five days' termination pay for unused annual leave. If a member has received termination pay for unused annual leave on more than one occasion, contributions are deductible on up to and including forty-five days' termination pay for unused annual leave for each termination payment for unused annual leave received by the member. However, only an amount up to and including forty-five days' pay for unused annual leave from the member's last termination payment shall be included in a member's average final compensation calculation.

The estimated AFC you have received from the Retirement Systems is inclusive of your twelve consecutive highest quarters of creditable service on which contributions as a member were made to the system and as are currently posted to your account. It is based on earnable compensation received while you worked and contributed to the system while earning service credit.

In contrast, the "severance benefit" paid to you recently by your employer is not earnable compensation for retirement purposes as it is not based on performance of your prior job duties. It is, in your own words, "...payment through the end of my contract term...".

This lump sum is not earnable compensation in relation to work that you have performed or will perform, but rather is a negotiated lump sum settlement of a contract dispute (or contract matter). As such, this type of payment would be classified as a "payment not considered part of your regular salary base" and would be excluded from compensation per §9-1-1020 as cited above.

Looked at another way, the $780,575 severance payment represents over four and one-half years of earnings based on your highest fiscal year salary reported to SCRS of $169,479 in 2008. As I understand your request, you wish to include the severance payment in the same twelve quarter period that already contains the 12 highest quarters of your normal salary. Even if the severance payment was treatable as earnable

compensation, which it is not, it would be attributable to multiple years of compensation and the earnings would have been earned over multiple quarters in the future. This would require that the AFC calculation reflect the true number of quarters over which the salary would have been earned. The severance payment can not be placed in a prior period that already contains full compensation and thereby artificially include more than 12 quarters worth of compensation in the AFC period.

As to your question of service credit, since your employment with a covered employer will terminate as of January 1, 2009, you will receive no further service credit after that date. If you resume covered employment at a later date, and have not retired or withdrawn your contributions, then any additional service credit earned through your new employer will add to your existing service credit balance.

I realize these are not the answers that you were hoping for, but I hope you understand we have a duty to administer the trust funds in a fair and equitable manner as is spelled out in state statute. If you disagree with this determination, you may file a written appeal with Director Peggy G. Boykin, CPA, pursuant to the South Carolina Retirement Systems Claims Procedures Act set out in S.C. Code Ann. Section 9-21-10 *et seq.*, within one year of the date of this letter.

Sincerely,

Travis J. Turner, CPA, CISA
Assistant Director, Financial Employer Services
South Carolina Retirement Systems
Phone: 803.737.7751; Email: tturner@retirment.sc.gov

PERSONAL
CONFIDENTIAL

C O P Y

Preston
2835 Old Williamston Road • Anderson, South Carolina 29621 • 864.261.8579

December 22, 2008

Peggy G. Boykin, CPA
Director SCRS
Post Office Box 11960
Columbia, South Carolina 29211-1960

Dear Mrs. Boykin:

I am Joey R. Preston of 2835 Old Williamston Road, Anderson, South Carolina 29621. This letter constitutes my written appeal regarding the South Carolina Retirement System's calculation of my retirement benefits pursuant to S.C. Code § 9-21-10, et. seq. Specifically, this letter is an appeal of the decision contained in a letter by Assistant Director, Travis Turner, dated December 10, 2008, which indicated that certain sums I earned under my employment contract do not constitute earnable compensation for Average Final Compensation and service credit purposes.

FACT SUMMARY:

In 1998, Anderson County hired me as County Administrator pursuant to an Employment Agreement dated July 22, 1998. The Employment Agreement provided that I would be paid an annual base salary plus deferred compensation in the event I was terminated without cause. The agreement indicated that the amount of the deferred compensation paid at the conclusion of my employment would be "based upon the length of [my] total service to the County." My subsequent Amended Employment Contract contained the same provision basing my deferred compensation on my length of service.

On November 18, 2008, I entered into a Severance Agreement with the County ending my employment on January 1, 2009. The Severance Agreement referenced the county's payment of $780,575 to me, which was due under my Employment Agreement as deferred compensation based on the number of years I served with the County.

I recently received a letter from Travis Turner, Assistant Director at SCRS, dated December 10, 2008, which provided that the agency excluded $780,575 of my earned wages from its calculation of my retirement benefits. Mr. Turner's letter reasoned that these funds were paid as a severance benefit and thus could be excluded from my Average Final Compensation calculation.



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I submit this timely appeal of Mr. Turner's decision to the Director of SCRS pursuant to S.C. Code 9-21-50. The $780,575 in wages paid to me constituted "earned compensation" and should be included in the calculation of my Average Final Compensation.

ARGUMENT AND AUTHORITY

The South Carolina Supreme Court has instructed that the retirement statutes "should be liberally construed in favor of those to be benefitted and the objective sought to be accomplished." *King v. South Carolina Ret. Sys.*, 319 S.C. 373, 461 S.E.2d 822 (1995). Therefore, the following relevant statutes must be construed liberally in favor of expanding my benefits.[1]

This appeal concerns the SCRS's calculation of my "Average Final Compensation," which S.C. Code § 9-1-10(4) defines as follows:

> [T]he average annual ***earnable compensation*** of a member during the twelve consecutive quarters of his creditable service on which regular contributions as a member were made to the system producing the highest such average; a quarter means a period January through March, April through June, July through September, or October through December. An amount up to and including forty-five days' termination pay for unused annual leave at retirement may be added to the average final compensation.

S.C. Code § 9-1-10(4) (emphasis added). "Earnable compensation" is defined as "the full rate of the compensation that would be payable to a member if the member worked the member's full normal working time; when compensation includes maintenance, fees, and other things of value the board shall fix the value of that part of the compensation not paid in money directly by the employer." S.C. Code § 9-1-10(8).

In the present case, the Assistant Director has excluded $780,575 of my earned wages from my average final compensation calculation. The Assistant Director asserts that because the monies at issue were referenced in my Severance Agreement the monies were excludable from earnable compensation under S.C. Code § 9-1-1020. Specifically, the Assistant Director states as follows:

> This lump sum is not earnable compensation in relation to work that you have performed or will perform, but rather is a negotiated lump sum

[1] The primary rule of statutory construction is to ascertain and effectuate the intent of the Legislature. *E.g., Hodges v. Rainey*, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000). When construing statutory language, the statute must be read as a whole, and sections which are part of the same general statutory law must be construed together and each one given effect. *TNS Mills, Inc. v. South Carolina Dep't of Revenue*, 331 S.C. 611, 620, 503 S.E.2d 471, 476 (1998).

Jireston

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ADMINISTRATION

> settlement of a contract dispute (or contract matter). As such, this type of payment would be classified as a "payment not considered part of your regular salary base" and would be excluded from compensation per § 9-1-1020.

(See December 10, 2008 Letter, quoting SC Code § 9-1-1020).

The Assistant Director's position is misplaced. The monies at issue were payments based on my performance of my job. Specifically, my employment contract negotiated in 1998 prior to my employment provides in relevant part:

> If the Administrator is terminated for any reason other than [conviction of a crime of personal gain or moral turpitude, or refusal to perform job duties], he shall be deemed to have been terminated without cause and shall be entitled to all pay and financial benefits remaining on his contract for the balance of the contract period in a lump sum or in incremental payments, as he, in his sole discretion, shall choose, as severance pay for such termination without cause. . . . The Administrator shall receive additional severance pay under this paragraph, ***based upon length of his total service to the County.***

The monies at issue were specifically negotiated ***prior*** to my employment with the County as part of my compensation for my work. By the terms of the agreement the payment was made in exchange for services rendered – the payment's size depended on the length of my service. The payment constituted a deferred wage because the more I worked for the County, the higher the payment at the end of my employment became. The payment at issue was paid pursuant to the plain terms of my employment agreement.

The payment constituted deferred wages for my years of service, which the County paid at the conclusion of my employment. Under South Carolina law, the fact that compensation is deferred or paid at the end of employment, does not exclude it from the retirement system. In fact, the Attorney General's Office issued an opinion holding that deferred compensation constitutes earned compensation under the retirement statutes. 1978 S.C. AG LEXIS 353.

The Attorney General's Office has also opined that an employee's "compensation" under FOIA disclosure requirements cannot be limited to his or her salary schedule, but must also include other payments to the employee constituting remuneration for services performed. 1995 S.C AG LEXIS 29. See also, 1979 S.C. AG LEXIS 828 (defining earnable compensation broadly to be based on an employee's full wage despite the employee in that case earning only 60% of his wage due to being out on sick leave).

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Preston
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Moreover, South Carolina law defines "wages" broadly. The State Retirement Social Security Act defines wages as "all remuneration for employment as defined herein, including the cash value of all remuneration paid in any medium other than cash." S.C. Code 9-5-30(1).[2] Similarly, the South Carolina Payment of Wages Act defines wages as "all amounts at which labor rendered is recompensed, whether the amount is fixed or ascertained on a time, task, piece, or commission basis, or other method of calculating the amount and includes vacation, holiday, and sick leave payments which are due to an employee under any employer policy or employment contract."

The payment at issue here clearly falls within the definition of "wages" as it was in remuneration for my work for the County under my Employment Agreement. The payment constitutes "earned compensation" because it was negotiated prior to my employment and was based on my length of service to the County. The payment's size depended on my length of service – the longer I served, the larger the payment owed. Thus, the County's payment was in exchange for the amount of work I performed. Accordingly, the payment must be included in the calculation of my Average Final Compensation.

Based on the reasoning and citation of authority cited above, I respectfully request that the SCRS recalculate my Average Final Compensation to include the previously excluded $780,575 of his earned wages.

As a final note, I understand that S.C. Code §9-21-50 instructs that I submit my Social Security Number with this appeal. Due to privacy concerns and federal law protections, I have omitted my Social Security number from this document. Please let me know if you do not have already have access to the number, and I will submit it to you.

Sincerely,

Joey R. Preston

[2] The statute specifically excludes any payments inconsistent with the Federal Insurance Contributions Act.

Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

Retiring South Carolina's Public Workforce For Life

Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

April 7, 2009

Brian L. Quisenberry, Esquire
Young Clement Rivers, LLP
Post Office Box 993
Charleston, SC 29402-0993

RE: Joey Preston's Claim Regarding His Earnable Compensation
[redacted]

Dear Mr. Quisenberry:

Please find enclosed the South Carolina Retirement Systems' Final Agency Determination No. 09-004, signed by Director Peggy Boykin on April 7, 2009. This Determination constitutes the final decision of the South Carolina Retirement Systems and the State Budget and Control Board.

If you disagree with the Determination, you may, in accordance with S.C. Code Ann. § 9-21-60 (Supp. 2007), request a contested hearing on the Determination before an administrative law judge by filing a Request for a Contested Case Hearing with the Administrative Law Court within thirty (30) consecutive calendar days after your receipt of this Final Agency Determination. **However, if you fail to respond within this time limitation, your right to appeal the Final Agency Determination will end.** I have enclosed with this letter two copies of the Administrative Law Court's "Request for Contested Case Hearing" form. If you choose to request a contested case hearing in this matter, you must file the Request for a Contested Case with the Court, along with a copy of the Final Agency Determination and a filing fee of One Hundred Dollars ($100.00), at the following address:

Clerk
Administrative Law Court
Edgar A. Brown Building
1205 Pendleton Street, Suite 224
Columbia, South Carolina 29201

In addition, a copy of the request for a contested case hearing should be sent to me at Post Office Box 11960, Columbia, South Carolina 29211-1960. If your client is unable to pay the required filing fee, you may request a waiver of the fee by filing a completed Request to Waive Filing Fee form with the Clerk at the same time the request for a contested case

PENGAD 800-631-6989
PLAINTIFF'S EXHIBIT 89

Location Address:
202 Arbor Lake Drive
Columbia, South Carolina 29223

(800) 868-9002 (in SC only)
(803) 737-6800
www.retirement.sc.gov

Mailing Address:
Post Office Box 11960
Columbia, South Carolina 29211-1960

hearing is filed with the Court. For more information about requesting a contested case before the Administrative Law Court, you may contact the Clerk of Court at (803) 734-0550.

Once you have filed a request for a contested case hearing with the Court, all further proceedings will be before the Administrative Law Court and will be conducted in accordance with its rules of procedure.

If you have any questions concerning this matter, you may call me at (803) 737-6898 or my paralegal, Robin Benson, at (803) 737-6811.

Sincerely,

David K. Avant
Managing Legal Counsel

Enclosures: Final Agency Determination No. 09-004
Two (2) Request for Contested Case Hearing forms

Mark Sanford, Chairman
Governor

Converse A. Chellis, III, CPA
State Treasurer

Richard Eckstrom, CPA
Comptroller General

State Budget and Control Board
South Carolina Retirement Systems

Peggy G. Boykin, CPA
Director

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Hugh K. Leatherman, Sr.
Chairman,
Senate Finance Committee

Daniel T. Cooper
Chairman,
Ways and Means Committee

Frank W. Fusco
Executive Director

FINAL AGENCY DETERMINATION

NO. 09-004

In Re: Joey R. Preston, [redacted]

This Final Agency Determination is issued in accordance with the South Carolina Retirement Systems Claims Procedures Act set out at S.C. Code Ann. §§ 9-21-10 et seq. (Supp. 2008) and the South Carolina Retirement Systems Claims Procedure (2005). In this matter, Claimant Joey R. Preston ("Claimant") complains about the calculation of his estimated average final compensation ("AFC") to the Director of the South Carolina Retirement Systems. In particular, Claimant contends that a $780,575.00 severance benefit he received as part of a severance agreement with his employer was improperly excluded from the compensation used to calculate his estimated AFC.

BACKGROUND

Claimant Joey Preston is a forty-five-year-old retired member of the South Carolina Retirement System ("SCRS" or "System"), who retired from employment as the County Administrator for Anderson County on December 31, 2008, with a service retirement benefit under the System. Claimant began his employment with Anderson County in September 1996, and executed a renewable Master Employment Agreement ("Employment Agreement") with the County in July 1998. Pursuant to that Employment Agreement, Claimant was paid an initial annual base salary of $95,000.00 by the County, subject to annual cost-of-living and performance-based increases. As a result of such increases over the intervening years, Claimant received approximately $163,712.30 in regular salary from the County in 2008, based upon initial figures provided by the County's Finance Manager in July and November 2008.[1]

On November 18, 2008, Claimant entered into a Severance Agreement and Release of Claims ("Severance Agreement") with the County. Pursuant to that Severance Agreement,

[1] The figures provided by the County's Finance Manager also reflect that Claimant received $159,607.74 in salary in 2006 and $164,644.86 in salary in 2007.

Claimant's employment with the County would be terminated by January 1, 2009, and, in return, Claimant would receive the sum of $1,139,833.00 from the County by November 30, 2008, of which $359,258.00 would be paid to the Retirement Systems to purchase service credit on behalf of Claimant and the remaining $780,575.00 would be paid directly to Claimant "in the form of a severance benefit." In connection with that severance payment, Anderson County mailed a check to the Retirement Systems on November 19, 2008, in the amount of $40,033.00, a sum that, according to the County's Finance Manager, represented employer contributions to the System for the severance payment made to Claimant. However, by a letter dated November 26, 2008, the Retirement Systems returned the $40,033.00 check to Anderson County, advising the County that severance payments and other similar special payments outside an employee's regular salary base are not compensation for which contributions are deductable under SCRS.

As noted above, in addition to making this severance payment, the County had also agreed in the Severance Agreement to purchase service credit for Claimant in the System in an amount that would allow him to retire upon the termination of his employment with the County. During this process, Claimant received a benefit estimate from the Retirement Systems on November 24, 2008, that reflected an estimated average final compensation ("AFC") for Claimant of $165,270.64.[2] This estimated AFC is generated based upon Claimant's earnable compensation that has been reported to the Retirement Systems by Claimant's employer and upon which retirement contributions have been made to the System on Claimant's behalf. In response to that benefit estimate, Claimant sent a letter to the Retirement Systems on December 1, 2008, in which he complained that his estimated AFC was inaccurate because it failed to reflect the $780,575.00 payment made to him in November 2008 as part of his Severance Agreement with Anderson County. By a letter dated December 10, 2008, the Retirement Systems informed Claimant that, under the applicable SCRS statutes, his severance payment is not considered compensation that was part of his regular salary base, such that the payment did not constitute earnable compensation under the System and could not be included in the calculation of his average final compensation.

[2] In addition to this November 24, 2008 benefit estimate, subsequent benefit estimates prepared for Claimant and the County in December 2008 and letters sent to Claimant regarding his estimated retirement benefits in January 2009 also estimate Claimant's AFC at $165.270.64.

On December 29, 2008, Claimant submitted a letter to the Director of the Retirement Systems, seeking review of the exclusion of his $780,575.00 severance payment from the calculation of his estimated AFC. This Final Agency Determination is issued in response to that appeal.

DISCUSSION

In this matter, Claimant contends that the lump-sum payment of $780,575.00 that he received as a severance payment upon the termination of his employment with Anderson County should be included in his earnable compensation for the purpose of calculating his average final compensation under SCRS. However, for the reasons set forth below, I find that Claimant's severance payment was properly excluded from the earnable compensation used to estimate Claimant's AFC.

Under the South Carolina Retirement System, a member's service retirement benefit is based upon the number of years of his creditable service multiplied by a particular percentage of his average final compensation. See S.C. Code Ann. § 9-1-1550(B)(1) (Supp. 2008). The Retirement Code defines the "average final compensation" used in that calculation as "the average annual earnable compensation of a member during the twelve consecutive quarters of his creditable service on which regular contributions as a member were made to the [S]ystem producing the highest such average." S.C. Code Ann. § 9-1-10(4) (Supp. 2008). "Earnable compensation" is defined, in turn, as "the full rate of the compensation that would be payable to a member if the member worked the member's full normal working time." Id. § 9-1-10(8). The meaning of earnable compensation under SCRS is further refined by the provisions of S.C. Code Ann. § 9-1-1020 (Supp. 2008), which sets out the manner in which contributions from an employee's compensation are to be made to the System. Specifically, under Section 9-1-1020, the employee contributions made to the System are determined by a percentage of the compensation that is properly attributed to an employee's "earnable compensation." Id. In attributing this compensation, Section 9-1-1020 states that "[p]ayments for unused sick leave, single special payments at retirement, bonus and incentive-type payments, or any other payments not considered a part of the regular salary base are not compensation for which contributions are deductible." Id. (emphasis added). Therefore, pursuant to Sections 9-1-10(4), (8), and 9-1-1020, the compensation attributable to each quarter under consideration in the calculation of a member's average final compensation should only include the member's regular compensation

earned for that quarter, and not any special payments or bonuses made in excess of the member's normal salary for the quarter. See Duvall v. S.C. Budget & Control Bd., 377 S.C. 36, 659 S.E.2d 125 (2008).

In the instant matter, Claimant seeks to include a severance payment made pursuant to the termination of his employment with Anderson County in the earnable compensation used to calculate his estimated AFC. However, this severance payment is not part of Claimant's regular salary base and, as such, is not earnable compensation that can be included in the calculation of his AFC. All of the relevant documents in this matter—Claimant's Employment Agreement with Anderson County, his Severance Agreement with the County, and the correspondence from the County's Finance Manager regarding Claimant's compensation from the County for 2008—recognize the severance payment made to Claimant upon the termination of his employment with the County as a special severance payment entirely distinct from his regular salary base and from the normal wages paid to him for the last quarter of his employment with the County. While Claimant is correct that thus severance payment is compensation from the County, the question presented here is not whether the severance payment constitutes compensation in a general sense, but rather whether that severance pay meets the statutory definition of "earnable compensation" under the Retirement Code such that the payment should be included in the calculation of his AFC. Cf. Duvall, 377 S.C. at 42 n 6, 659 S.E.2d at 128 n.6 (distinguishing the question of whether payments for unused leave constitute compensation for services rendered from the question of whether such payments "should be figured into the average final compensation computation"). And, on that question, it is clear that Claimant's severance payment from the County was not part of his regular salary from the County, does not constitute "earnable compensation" under the SCRS, and thus cannot be included in the computation of his AFC under the System.

That this claim must fail is illustrated by the fact that inclusion of the severance payment in his earnable compensation would result in a gross distortion of Claimant's AFC. According to Claimant's own assertions, including the severance payment with his "normal wages" in the computation of his earnable compensation would increase his AFC from the $165,270.64 estimated by the Retirement Systems to some $429,789.89, and would bring his annual retirement benefit to over $219,000.00 In short, under Claimant's proposed figures, not only would his average final compensation be over two-and-a-half times greater than any salary he

earned during one regular year of employment, but further the annual retirement *benefit* derived from that AFC would be nearly one-third greater than any salary he had ever earned during his employment. The South Carolina Supreme Court has routinely recognized that this sort of dramatic inflation of a member's average final compensation that would "allow members to retire with benefits calculated on an 'average' salary which is greater than any salary they earned during employment" is an absurd result that cannot have been the intention of the General Assembly in defining "earnable compensation" under the Retirement Code. Kennedy v. S.C. Ret. Sys., 345 S.C. 339, 348, 549 S.E.2d 243, 248 (2001); see also Duvall, 377 S.C. at 45, 659 S.E.2d at 129 (same); Wehle v. S.C. Ret. Sys., 363 S.C. 394, 404, 611 S.E.2d 240, 245 (2005) (same).

CONCLUSION

For the reasons set forth above, I find that the $780,575.00 severance payment received by the Claimant from Anderson County is not "earnable compensation" under the South Carolina Retirement System and, as such, it cannot be included in the calculation of his average final compensation.

Peggy G. Boykin, CPA
Director, South Carolina Retirement Systems

April 7, 2009
Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF ANDERSON	)	IN THE COURT OF COMMON PLEAS Civil Action No. 2009-CP-04-4482
Anderson County, Plaintiff, vs. Joey Preston and the South Carolina Retirement System, Defendants.	)	**AFFIDAVIT OF JOEY PRESTON**

Personally appeared before me, the undersigned, who, being duly sworn, states as follows:

1. My name is Joey Preston.
2. I am over the age of eighteen (18) years old.
3. I am of sound mind and competent to attest to the facts contained in this affidavit.
4. The facts contained in this affidavit are known from personal knowledge, unless specifically indicated.
5. I served as the Anderson County Administrator from the Fall of 1996 to January 1, 2009.
6. Pursuant to the Severance Agreement, which I executed with Anderson County, I left my position as County Administrator at the end of 2008.
7. Since that time, the prior employment contract, under which I was employed, was obviously not renewed, and thereafter lapsed.
8. I paid a large amount of state and federal taxes on the monies paid to me under the Severance Agreement.
9. Some time in 2010, the statewide grand jury, convened at the urging of Anderson County representatives, commenced a criminal investigation about me.



10. The existence of the grand jury proceedings was immediately leaked to the media and reported in the local newspaper.

11. I believe it was first leaked by an Anderson County employee.

12. Approximately two years later, in June of 2012, the investigation ended and concluded there was no evidence that I had committed any wrong-doing.

13. Nonetheless, primarily because of this lawsuit and the grand jury investigation, I have been unable to obtain a new job, despite my numerous and repeated efforts to do so. Different potential employers have questioned me extensively about these charges and expressed their concerns about the charges while they were pending.

14. The monies paid under the Severance Agreement, among other things, were: used to pay state and federal taxes; used to support myself, my ex-wife and my children for three years, used try to start a new business so I could earn a living for three years; used to defend myself against lawsuits involving Anderson County, a wrongful DUI arrest, and the grand jury process for three years; and I otherwise poorly invested it.

15. Even if the Court ordered rescission in this case, which it should not, I no longer have the severance monies to repay or the ability to regain such monies.

16 I otherwise lack the financial resources to repay the amounts paid to me under the Severance Agreement.

17. As a consequence of the above, it is impossible for myself and Anderson County to be returned to the "status quo" or original position as it existed before the Severance Agreement was executed.

FURTHER AFFIANT SAYETH NOT.

This 28th day of August, 2012

Joey Preston

Sworn to before me this 28th
day of April, 2012.

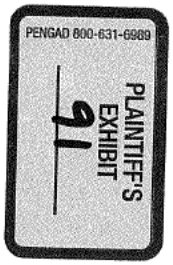
Notary Public for South Carolina
My commission expires: 1/24/2015

PERSONAL FINANCIAL STATEMENT

of Joey R. Preston, [redacted]

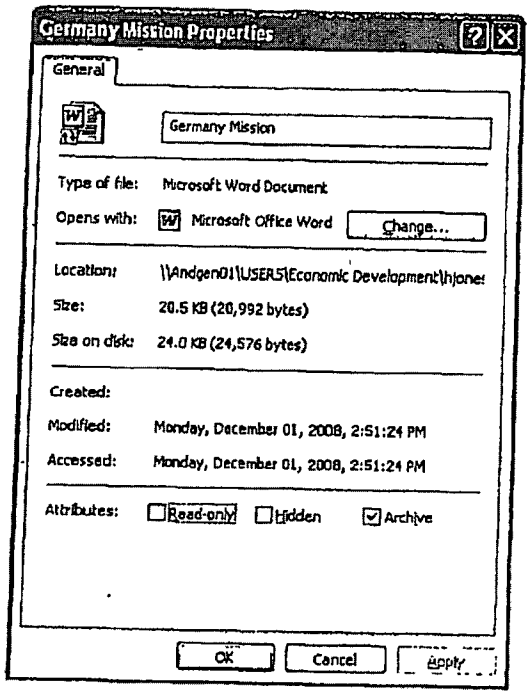
CONFIDENTIAL

	Description/Location	Title owner	FMV	Debt	Equity	Notes
1	**Cash on Hand**		**(Assets)**	**(Liabilities)**		
2	**Money in checking accounts**					
2a	Certus Bank Acct	Joey Preston	$368.94		$368.94	
2b	SunTrust Acct	Joey Preston	$4,000.00		$4,000.00	
2c	BB&T Account	Hammond Preston House, LLC	$5,476.11		$5,200.66	
2d	BB&T Account	JRP Family Trust	$5,971.49		$5,200.00	
2f	BB&T Student Account	Joey Preston and Will Preston	$1,964.73		$1,964.73	
4	**Life Insurance**					
4a	MetLife Whole Life policy 625A	Joey Preston	$12,381.00	$11,109.73	$1,271.27	Cash value after loan
5	**Stocks and Bonds**					
5a	CertusSecurities	Joey Preston custodian of Jack	$148.83		$148.83	For minor child, Jack Preston
6	**Real Property**					
6a	[redacted]	Joey Preston	$600,000.00	$467,842.45	$132,157.55	1st Mortgage GMAC of $379798.61 as of 6/18/2012 2nd Mort. Bank of Anderson $88043.84.
6b	Anderson Low Country Properties (Marion St)	Anderson Lowcountry Properties, LL	$376,448.00	$350,000.00	$5,289.60	Own 1/5 and am personal guarantor of loan along with other members of loan.



6c	[redacted]	Joey Preston	$90,000.00	$61,323.89	$28,676.11	as of 7/15/2012
6d	Timeshare	Joey Preston	$30,000.00	$4,000.00	$26,000.00	as of 8/1/2012
7	**Value of all other Property**					
7a	Furniture/Personal Property	Joey Preston	$100,000.00		$100,000.00	
7b	2011 Cadillac SRX	Joey Preston	$33,595.00	28646.84	$4,948.16	$315,225.85 asset subtotal
8	**Unsecured Debts**					
8a	Business Credit Line	Joey Preston		$53,100.80	($53,100.80)	7/11/2012
8b	Business Gold Card	JRP dba Preston Enterprises		$255,515.52	($255,515.52)	8/22/2012
8c	Constant Credit acct ending	JRP dba Preston Enterprises		$2,456.12	($2,456.12)	7/17/2012
8d	Credit card	Joey Preston		$1,929.17	($1,929.17)	8/8/2012
8e	UNC Alum Card	Joey Preston		$17,061.72	($17,061.72)	8/7/2012
8f	Marriott Rewards	Joey Preston		$25,570.65	($25,570.65)	8/8/2012
8g	Internal Revenue Service	Joey Preston		$28,321.52	($28,321.52)	6/25/2012
8h	US Airways	Joey Preston		$1,516.67	($1,516.67)	8/5/2012
8i	Roe Cassidy Coates and Price	Joey Preston		$73,674.83	($73,674.83)	6/20/2012
8j	Nelson Mullins Riley and Scarborough	Joey Preston		$35,000.00	($35,000.00)	Does not reflect contingent amount
8k	Upstate Law Group, LLC	Joey Preston		$72,850.86	($72,850.86)	Thru 5/17/2012
8l	Robert C. Moorhead, CPA	Joey Preston		$3,895.25	($3,895.25)	1/31/2012
8m	PLUS loan for Will Preston's college	Joey Preston		$36,727.00	($36,727.00)	7/5/2012

8n	Discount Bark	Joey Preston		$7,970.95	($7,970.95)	5/8/2012
8o	John Call Me Jack Enterprises, LLC 401k loan	Joey Preston				
8p	Credit card	Joey Preston		$6,849.20	($6,849.20)	8/11/2012
8q	Credit card	Joey Preston and Barbara B. Preston		$1,032.25	($1,032.25)	8/7/2012
8r	Credit card	Joey Preston and Barbara B. Preston		$262.98	($292.98)	7/27/2012
8s	U.S. Army credit card	Joey Preston		$1,147.98	($1,147.98)	7/8/2012
					($624,913.47)	
9	**Child's Accounts**					
	Life Insurance Cash Value					
9a	Minnesota Life Variable Adjustable Life Policy for Jack Preston #2330670V	Joey Preston	$875.38		$875.38	$100k policy. Cash value shown
	Savings Accounts					
10a	BB&T Acct [redacted]	JRP Family Trust	$1,000.64		$1,000.64	Custodial account for Jack Preston
		Total Assets	$315,225.85			
		Total liabilities	($624,913.47)			
		Net Worth	($309,687.62)			



EXHIBIT

PLAINTIFF'S EXHIBIT 92

Plf_00868

To: Joey R. Preston,
County Administrator

From: Heather Simmons Jones,
Assistant County Administrator

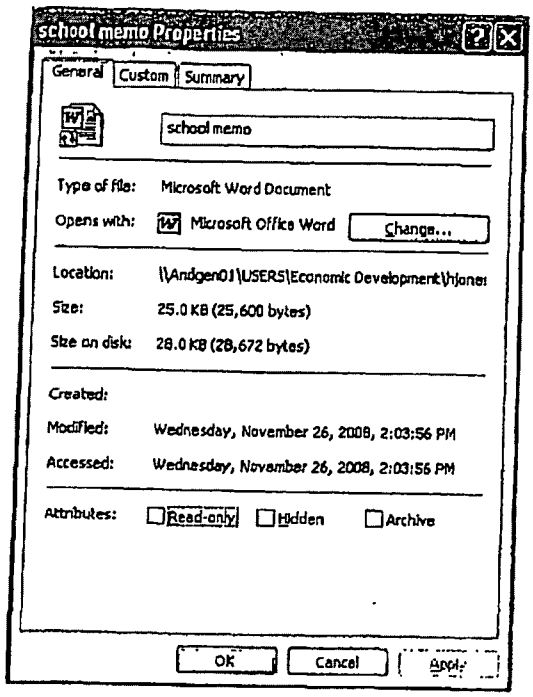
RE: Upstate Alliance Mission Trip to Germany

Date: November 17, 2008

Recently the Upstate Alliance announced that they will be taking a recruiting mission to Germany in the Spring of 2009. The delegation will call on Automotive OEM's, existing industries in the Upstate, automotive and aviation suppliers, as well as a groomed list of companies interested in US investment. Since Anderson County has such strong representation from German investment and equally is working with two major German projects totaling almost $200 million, I would ask that I be granted permission and travel expenses by Anderson County to attend this mission.

Please let me know if you have questions. I will keep you updated as the dates and details come in.

Thank you for your time.


school memo Properties
General
Custom
Summary
school memo
Type of file: Microsoft Word Document
Opens with: Microsoft Office Word
Change...
Location: \\Andgen01\USERS\Economic Development\hjones
Size: 25.0 KB (25,600 bytes)
Size on disk: 28.0 KB (28,672 bytes)
Created:
Modified: Wednesday, November 26, 2008, 2:03:56 PM
Accessed: Wednesday, November 26, 2008, 2:03:56 PM
Attributes: Read-only Hidden Archive
OK
Cancel
Apply


PLAINTIFF'S
EXHIBIT
93


EXHIBIT
HUSEBY

Plf_00864

TO: Heather Jones

FROM: Joey R. Preston

DATE: October 16, 2006

RE: Educational Reimbursement

Per our conversation during your recent interview, this memo will serve as a record in your file to memorialize the following agreement between you as an employee of Anderson County and Anderson County through its Administrator, that being me, Joey R. Preston, or any such successors:

Anderson County for your willingness to develop yourself professionally and bring new skill sets to our county organization, agrees to pay 100% of the reimbursable costs associated with not more than two classes per given semester or four in any one year at an accredited university, provided an invoice and appropriate grade, as outlined in county policy, are achieved.

I look very forward to working with you in the years to come and the initiatives you will bring to fruition for our economic development division in Anderson County.

From: Heather Jones
Sent: Wednesday, November 26, 2008 4:40 PM
To: Joey Preston
Subject: RE: To Do list

Economic Development Director

From: Joey Preston
Sent: Wednesday, November 26, 2008 4:38 PM
To: Heather Jones
Subject: Re: To Do list

Doing?

From: Heather Jones
To: Joey Preston
Sent: Wed Nov 26 16:37:23 2008
Subject: RE: To Do list
As a matter of fact, could you work for the City of Spartanburg?

From: Joey Preston
Sent: Wednesday, November 26, 2008 4:34 PM
To: Heather Jones
Subject: Re: To Do list

Ok. Will take care of it friday. Found me a job yet?

From: Heather Jones
To: Joey Preston
Sent: Wed Nov 26 14:11:06 2008
Subject: To Do list

I just sent over in IO mail the last will and testament:

PAF forms for 4 employees
Approval of Rogers Site, Site Certification
Memos for HSJ's file re: education and vehicle use
Furniture/Carpet Approvals for Robert
Transfers of $12,000 to part time and $22,000 for full time
Transfer of $4,000 for marketing

Please feel free to call or email me with questions.

<<vehicle memo.doc>> <<school memo.doc>>
Heather Simmons Jones, SCCED
Anderson County

1

EXHIBIT
4/14/11 Jones
19
HUSEBY
Worldwide Litigation Support

PLAINTIFF'S EXHIBIT 94
PENGAD 800-631-6989

Plf_ 05049

Assistant County Administrator-
Economic Development
126 N. McDuffie Street
Anderson, SC 29621
(864) 260-1386 W
(864) 260-1369 F
hjones@andersoncountysc.org
www.andersonpartnership.com

Joey Preston

From: Allison Schaum [slrc@crystalink.com]
Sent: Wednesday, July 18, 2007 12:44 PM
To: Joey Preston
Subject: Allison Schaum Consultant
Importance: High

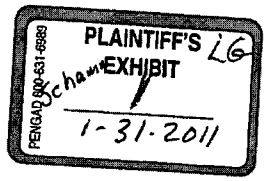
Mr. Preston:

Hello. I wanted to thank you again very much for the opportunity to meet with you last week. I very much enjoyed our conversation. As promised, I have attached the presentation outline and an attachment with North Carolina's earnings on its Farm to School Program for 2006.
I have formatted this outline for a Power Point Presentation but if that is not necessary I can create binders for everyone to have at the presentation. Please notify me of your preference. If you prefer the binder option please let me know how many people will be at the meeting next Monday, July 23rd at 4:00 pm. I look forward to your feedback on the outline and have a good day.

Sincerely,

Allison Schaum

P.S. Fred Broughton, Manager of Small Farms Project 803-734-2224. I apologize, I failed to give you his phone number at my interview.



JP_000336



Palmetto Agricultural Consultants, LLC
Allison Schaum
allis[redacted].com

Telephone: 864-476-0656
Cellular: 864-871-3501
Facsimile: 864-476-8946

August 15, 2007

Palmetto Agricultural Consultants Business Proposal for Anderson County

The only thing constant is change. An adage that still rings true, especially in agriculture. Agricultural changes have occurred in many geographic regions similar to Anderson County and have proven quite profitable.

Supporting farmers in Anderson County is important because it supports the local economy while providing a living wage for farmers, it conserves fuel and reduces the environmental impact of our food choices, it keeps food fresh and flavorful and connects consumers with the people producing our foods.

There are many possibilities for vast economic expansion agriculturally in Anderson County and Palmetto Agricultural Consultants can help these possibilities become realities. Currently there are zero school districts in South Carolina participating in the National Farm to School Program. This is an excellent opportunity for Anderson County to be the first! Initiating the National Farm to School Program in Anderson County is a massive undertaking but with proper plan and communication it can be done with Palmetto Agricultural Consultants.

Working closely with Joey Nimmer and the Food Service Director, a school can be chosen and then surveys can be



conducted to determine the schools nutritional needs. The results from this survey can then be coordinated with Brandon Grace and funneled to the farmers to determine what portion they can provide for the school. Farmers will plant what they know people will buy. These surveys will give the farmers the head start they need in order to provide for the schools.

A series of meetings will be necessary to determine produce, amount, season availability, packaging and delivery schedule.

The National Farm to School program has agreed to hold a one day seminar with school officials, farmers and county officials in attendance. The purpose of this seminar is to answer any questions those in attendance may have and provide all tools necessary to make the program a success.

Once this monumental achievement has been made the same steps can be implemented to increase the number of farm to institution sales. AnMed is currently buying fresh produce but working closely with AnMed and conducting similar surveys, Palmetto Agricultural Consultants can determine what nutritional needs are not being met. Once it is clear what AnMed and other institutional needs are, Palmetto Agricultural Consultants can then work through the farmers to determine what they will be able to provide. Again, produce, amount, season availability, packaging and delivery schedules will have to be worked out.

The formation of an Anderson County Food Cooperative is also another way for farmers to be more accessible to consumers. An internet database of local farmers with the produce or product they offer and all contact information would provide consumers a one stop website to find local farmers. The Independent Restaurant Association members should also be noted with their contact information. This allows consumers to know which restaurants buy local produce from Anderson County farmers. This would also enable Palmetto Agricultural Consultants to communicate more effectively during the implementation of the Farm to School Program/Farm to Institution Program.

Biofuel is quickly becoming popular due to rising fuel costs. Necessity is the mother of invention and many farmers are devising ways to put any farm waste to work. Many farmers have discovered ways to make farm machinery,

trucks and other equipment operate on farm waste. Palmetto Agricultural Consultants can help Anderson County farmers learn to capitalize on agricultural waste.
Palmetto Agricultural Consultants can also work closely with farmers to increase the number of Community Supported Agriculture (CSA.) There are only two Community Supported Agriculture farms in Anderson County. A farmer or group of farmers collaborates with a certain amount of customers for certain crops for as long as the farmers will be able to provide those crops. This set amount of customers will pick up their product weekly. Prior to the crops being planted the customers prepay the farmers for the season. CSAs are great because they offer farmers the security of pre-payment for the season of crops and customers a one stop shop.

At many conferences and Farm to Fork meals, representatives from Whole Foods, Greenlife, Garners, etc. are in attendance. Cultivating a working relationship with those reps to try to tempt a new store in Anderson County would be explosive for the economy in Anderson County.

Increasing the amount of produce that local restaurants purchase from local farmers would also prove to be another outlet for farmers to move their product. Working carefully with John Benca with the Independent Restaurant Association to determine what produce or meat that the restaurants would like to see offered by farmers and then communicating these needs to the farmers. Again, farmers will plant what they know people will buy. Communication is key.

Palmetto Agricultural Consultants feels confident in its ability to deliver these programs to Anderson County. The agreed upon hourly rate for services performed under this business proposal is $20. Anderson County may pay consultants expenses as a separate item monthly. Monthly expenses include, but are not limited to, health benefits, all travel expenses, educational course fees and any other expenses that are incurred in helping Anderson County in this agricultural project.

I look forward to your response to Palmetto Agricultural Consultants business proposal.

Sincerely,

Allison Schaum

Agricultural Economic Growth

Ideas proven in similar communities, geographic regions, and economic climates

JP_000347

Why is Local Agriculture Important?

- It supports local economy, creates jobs and gives farmers a living wage
- It conserves fuel and reduces the environmental impact of our food choices
- Keeps food fresh and flavorful
- Connects you with the people producing your foods

JP_000348

Local vs. Organic Debate
What do you choose?

- Local food uses less fossil fuels and is thereby environmentally sound
- Organic food uses zero pesticides, herbicides, antibiotics, growth hormones, etc. and is thereby better for the consumer's health
- Answer: Local and organic is the best choice but this is ultimately up to the consumer.

JP_000349

Concepts to Consider for Promotion

- Farm to School
  - Program to supply county school district with locally grown foods
- Farm to Institution
  - Program to supply colleges, hospitals and nursing homes with locally grown foods
- Creation of Anderson County Food Cooperative
  - This allows farms to be more accessible to the consumer
- Increase the Number of CSA's
- Local Source Restaurant Supply
  - Growing retail strategy monopolizes on local / fresh food supply

JP_000350

Farm to School Outline

- In order to establish program infrastructure, initial implementation should begin with a single school, Elementary is best.
- Modern understanding of nutritional needs, particularly in children, is greatly outpacing organizational supply systems.
  - Science has proven that children perform and behave better when subject to modern nutritional programs.

JP_000351

Farm to School Sequence

- **Identify single school for initial implementation.**
- **Contact Food Service Director for selected district**
  - Present concept of program and benefits for students, schools, local economy, etc.
  - Conduct survey to assess school cafeteria current needs.
  - Supplement current needs with menu suggestions that take advantage of typical locally grown food items.
- **Contact local farms and food processors utilizing local food sources**
  - Involve district Vocational Centers Horticulture Program Director as a potential supplier
  - found via Anderson County Food Cooperative.
  - Discuss and provide literature about program
  - Identify potential crops/foods eligible for program
- **Hold a meeting with Food Service Director and farmers**
  - Coordinate type of produce, amount, season availability, packaging and delivery schedule.

JP_000352

Other aspects of Farm to School Program

- Assist with contract details:
  - Total estimated volume of each item to be delivered
  - Timeframe that each item will be ripe/delivered
  - Acceptable substitutes
  - Pricing
  - Delivery details (method, location, frequency, time, etc.)
  - Packing requirements (box, grade, loose pack, bulk, etc.)
  - Post harvest handling requirements (is product pre-cooled?)
  - Processes for meeting health and safety standards
  - Cost per unit, payment terms, payment process
- National Farm to School Program day long workshop to be held in the fall.
  - Principal, school administrators, school nurse, Food Service Director and farmers should attend this day long workshop
- Fall of 2008 is a realistic goal to implement this program

JP_000353

Farm to Institution

- Very similar to Farm to School
- Colleges, hospitals and nursing homes
- Hospitals and nursing homes stand to benefit the most

Anderson County Food Cooperative

- Internet listing of all farmers will increase on farm sales
- Foundational point for Farm to School Program
- Signage will increase name recognition

JP_000354

Biofuel

- Rising petroleum based fuel costs are leading to an explosive development of the biofuel industry
- Rising fuel costs also makes critical the local supply of biofuel raw materials
- There are several Upstate biofuel producers already in operation and expanding their operations
- Clemson University has scientists actively working to optimize biofuel production from locally grown crops like switchgrass and soybeans

JP_000355

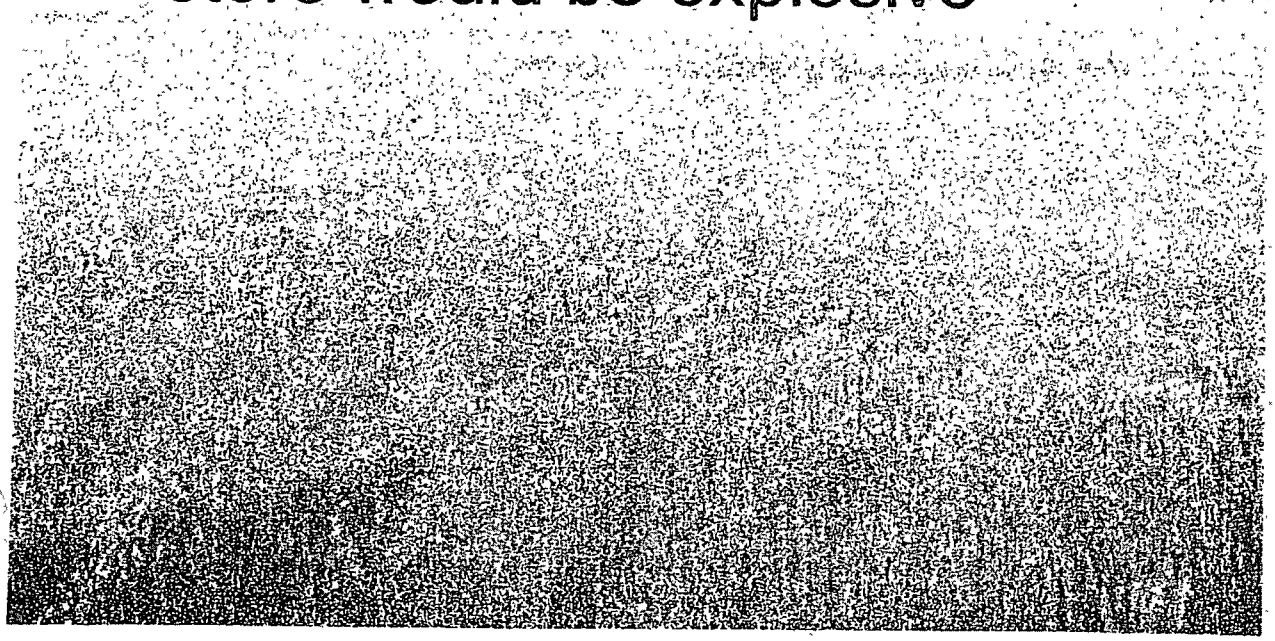
Community Supported Agriculture

- There are currently only two CSA's in the whole of Anderson County
- Serve as another avenue for farmers to market
- Appealing to the farmer because it's guaranteed money/guaranteed moving of product
- Carefully worded contracts are key for farmer and consumer so expectations are clear on both ends

JP_000356

Attract Small Grocery Stores that Promote Local Produce

- "Green"grocery stores are the wave.
- Anderson could tempt such stores as Greenlife, Earth Fare, Garners or Whole Foods
- Economic impact of such a store would be explosive



JP_000357

Local Source Restaurant Supply

- Upstate restaurants are increasing in quantity and quality
- Many restaurants promote themselves by their use of the freshest locally grown ingredients
- Local farms can connect via local farmers markets and/or by establishing direct connections with restaurants

JP_000358

Why Am I Qualified?

- I live on an 80 acre farm currently raising Red Devon cattle, San Clemente goats, St. Croix sheep, various breeds of chickens, turkeys and pigs in the future
- I am a member of the Carolina Farm Stewardship Association (CFSA) and have attended numerous Farm Tours and Conferences
- Classes attended

  -Biosecurity Plan for Your Farm and received a two hour certification

  -Farm Marketing and lectures by Dr. John Ikerd, leader in Economics and Sustainable Agriculture Movement
- Member of the American Livestock Breeds Conservancy which is dedicated to preserving agricultural heritage breeds. Our farm is following these teachings; virtually all livestock on our farm are "endangered" type livestock
- I am a member of the American Devon Cattle Association
- My mission is to promote local and organic agriculture in Anderson County by inspiring, educating and organizing farmers while expanding the local economy

JP_000359

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

ARTICLES OF ORGANIZATION
LIMITED LIABILITY COMPANY

TYPE OR PRINT CLEARLY IN BLACK INK

The undersigned delivers the following articles of organization to form a South Carolina limited liability company pursuant to Sections 33-44-202 and 33-44-203 of the 1976 South Carolina Code of Laws, as amended.

1. The name of the limited liability company which complies with Section 33-44-105 of the South Carolina Code of 1976, as amended is Palmetto Agricultural Consultants, LLC

2. The address of the initial designated office of the Limited Liability Company in South Carolina is [redacted]

3. The initial agent for service of process of the Limited Liability Company is

Allison J. Schaum
Name

Allison J. Schaum
Signature

and the street address in South Carolina for this initial agent for service of process is [redacted]

4. The initial organizer is

(a) Allison J. Schaum
Name

[redacted]

(b)
Name

Street Address City

State Zip Code

(Add additional lines if necessary)

5. [ ] Check this box only if the company is to be a term company. If so, provide the term specified:

PLAINTIFF'S EXHIBIT 3 LG
Schaum 1-31-2011

PEMCAD 800-631-6989

Palmetto Agricultural Consultants, LLC
Name of Limited Liability Company

6. [X] Check this box only if management of the limited liability company is vested in a manager or managers. If this company is to be managed by managers, specify the name and address of each initial manager:

(a) Allison J. Schaum
Name
[redacted]

(b) _____
Name
_____
Street Address City
_____
State Zip Code

(c) _____
Name
_____
Street Address City
_____
State Zip Code

(d) _____
Name
_____
Street Address City
_____
State Zip Code

(Add additional lines if necessary)

7 [ ] Check this box only if one or more of the members of the company are to be liable for its debts and obligations under section 33-44-303(c). If one or more members are so liable, specify which members, and for which debts, obligations or liabilities such members are liable in their capacity as members.

_____
_____
_____

Palmetto Agricultural Consultants, LLC
Name of Limited Liability Company

8 Unless a delayed effective date is specified, these articles will be effective when endorsed for filing by the Secretary of State Specify any delayed effective date and time.

9. Set forth any other provisions not inconsistent with law which the organizers determine to include, including any provisions that are required or are permitted to be set forth in the limited liability company operating agreement

10. Signature of each organizer

Allison J. Schaum

Allison J. SChaum

(Add Additional lines if necessary)

Date August 15, 2007

FILING INSTRUCTIONS

1 File two copies of this form, the original and either a duplicate original or a conformed copy

2 If space on this form is not sufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form or prepare this using a computer disk which will allow for expansion of the space on the form

3 This form must be accompanied by the filing fee of $110 00 payable to the Secretary of State

Return to Secretary of State
P O Box 11350
Columbia, SC 29211

NOTE

THE FILING OF THIS DOCUMENT DOES NOT, IN AND OF ITSELF, PROVIDE AN EXCLUSIVE RIGHT TO USE THIS CORPORATE NAME ON OR IN CONNECTION WITH ANY PRODUCT OR SERVICE. USE OF A NAME AS A TRADEMARK OR SERVICE MARK WILL REQUIRE FURTHER CLEARANCE AND REGISTRATION AND BE AFFECTED BY PRIOR USE OF THE MARK FOR MORE INFORMATION, CONTACT THE TRADEMARKS DIVISION OF THE SECRETARY OF STATE'S OFFICE AT (803) 734-1728

Form Revised by South Carolina Secretary of State, January 2000

IMPORTANT

AGREEMENT between

Client 101 South Main Street, Anderson, SC 29624 [Anderson County, SC] (hereinafter referred to as "**Client**")

And

Consultant [redacted] Palmetto Agricultural Consultants, [redacted] (hereinafter referred to as "the **Consultant**")

WHEREAS the **Consultant** has agreed to provide services hereof to **Client** AND WHEREAS the parties have agreed and do hereby agree that the terms of such agreement be put into writing NOW THEREFORE the parties agree to be bound and obliged by the following terms and conditions:-

2. The Services

The **Consultant** shall or shall ensure that its employees shall perform the services as described in Appendix 1 ("the Service"). Nothing herein contained shall be construed as or have the effect of constituting a relationship of employer and employee between the parties hereto

The fee payable by **Client** to the **Consultant** shall be the fee specified in Appendix 1. The fee shall be payable at the frequency indicated in Appendix 1. Where it is indicated in Appendix 1 that Invoices shall be submitted by the **Consultant,** the **Consultant** shall submit to **Client** invoices for fees payable adding the appropriate rate. **Client** shall pay each invoice within 30 days of the date of the invoice. The **Consultant** shall submit invoices to the address specified in Appendix 1.

The **Consultant** shall or shall ensure that its employees shall complete a timesheet in respect of each day it provides the Service to **Client** and submit same to **Client** on a monthly basis. The **Consultant** shall invoice **Client** upon receipt by **Client** of signed corresponding timesheets, copy of which shall accompany each invoice

The **Consultant** shall attend meetings called by the **Client** should the **Client** wish to discuss aspects of this agreement.

Reasonable expenses when properly and necessarily incurred and when approved in writing by the appropriate **Client** line manager shall be paid by **Client**. The **Consultant** shall ensure that expenses forms where appropriate and where provided by **Client** to the **Consultant**, are completed and delivered to **Client** as soon as practicably possible following upon the expense actually incurring.

Signed by and on behalf of **Client** Group

By

Dated [September 4, 2007]

Signed by and on behalf of **Consultant**

PLAINTIFF'S EXHIBIT LG 1-31-2011

PEWGAD 800-631-6989

Plf_01404

By Allison Schaum

Dated September 4, 2007

APPENDIX 1

Date Of Commencement

September 4, 2007

Date of Termination

Month to Month

The Services

Begin the steps to implement the Farm to School Program in Anderson County schools. All of the details of the Farm to School Program have been previously laid out and explained.

Grow the farm to Institution programs in Anderson County.

Creation of Anderson County Food Cooperative including local farmers, local restaurant proprietors, institutional leaders and school officials.

Grow the number of Community Supported Agriculture systems in Anderson County. There are currently 2-3.

Coordinate an increase in farm sales to local restaurants through a constant stream of communication.

Fees payable

A fixed hourly rate of $65 will be payable.

Frequency of payment fees

Fees will be paid monthly in arrears, to be settled by **Client** within 30 days of the date of invoice.

Invoices to be submitted Monthly to [Anderson County]

Travel and out of pocket expenses

Travel and out of pocket expenses incurred in relation to agreed project activities will be reimbursed at standard rates as agreed.

Holidays/ Absence

Are unpaid and can be taken during the course of the contracted period, subject to prior agreement of the **Client.**

Normal working week

The **Consultant** will work hours as required to meet the defined deliverables within the budgeted time period as set out in The Services above.

COPY

County of Anderson SC
General Fund
P.O. Box 8002
Anderson, SC 29622

[redacted] [redacted]

DATE December 31, 2007

PAY TO THE ORDER OF Palmetto Agricultural Consultants, LLC $ 2,426.69

Two thousand four hundred twenty-six & 69/100 DOLLARS

CAROLINA FIRST

SAFEGUARD SECURITY

FOR Consulting December [redacted]

AUTHORIZED SIGNATURE

ABSENCE OF THESE FEATURES WILL INDICATE A COPY

PLAINTIFF'S EXHIBIT LG Schaum 6 1-31-2011

PENGAD 800-631-6989

Plf_02937

Palmetto Agricultural Consultants, LLC.

INVOICE

[redacted]
Phone 864-871-3501 Fax 864-476-8946

INVOICE #DECEMBER
DATE: DECEMBER 30, 2007

TO:
Joey Preston
Anderson County Administrator
PO Box 8002
Anderson, SC 29624
864-260-4031

FOR:
Agricultural Consulting
Tax id# [redacted]

PO#81712

DESCRIPTION	HOURS	RATE	AMOUNT
Week of 12/3/07	6.00	$65	$390
Week of 12/10/07	3.80	$65	$247
Week of 12/17/07	7.67	$65	$498.55
Week of 12/24/07	17.43	$65	1132.95
December Expenses			$158.19

Return Ck to
Teresa Barrister

Make all checks payable to Palmetto Agricultural Consultants
Total due in 15 days. Overdue accounts subject to a service charge of 1% per month.

Thank you for your business!

TOTAL $2426.69

OK

[redacted]

Plf_02938

ck to Mr. P

County of Anderson SC
General Fund
P.O. Box 8002
Anderson, SC 29622

[redacted]

DATE 7-2-08

PAY TO THE ORDER OF Palmetto Agricultural Consultants LLC $ 2,077.38

Two thousand seventy seven & 38/100 DOLLARS

CAROLINA FIRST

Agricultural consulting

Jason P Phillips
AUTHORIZED SIGNATURE

FOR [redacted]

...NCE OF THESE FEATURES WILL INDICATE A COPY...

PLAINTIFF'S EXHIBIT LG
1-31-2011

Plf_02925

Palmetto Agricultural Consultants, LLC.

INVOICE

[redacted]
Phone 864-871-3501

INVOICE #JUNE
DATE:JUNE 30, 2008

TO:
Joey Preston
Anderson County Administrator
PO Box 8002
Anderson, SC 29624
864-260-4031

FOR:
Agricultural Consulting
Tax id#[redacted]

PO#81712

164-5827-000-241

DESCRIPTION	HOURS	RATE	AMOUNT
Week of 6/1/08	3.08	$65	$200.20
Week of 6/9/08	9.00	$65	$585.00
Week of 6/16/08	2.96	$65	$192.40
Week of 6/23/08	13.17	$65	$856.05
Week of 6/30/08	.50	$65	$32.50
June Expenses			$211.23
		TOTAL	$2077.38

Make all checks payable to Palmetto Agricultural Consultants
Total due in 15 days. Overdue accounts subject to a service charge of 1% per month.

Thank you for your business!

Plf_02926

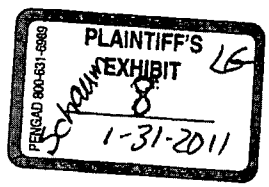
From: Allison Schaum [allison@palmettoag.com]
Sent: Monday, October 27, 2008 12:15 PM
To: Joey Preston
Subject: PAC Services Agreement
Attachments: PAC Service Agreement Final.doc

Mr. Preston:

Hello there. I hope you're doing well today! I have had a new contract drafted and I wanted to send it to you for your review and comments. Please feel free to contact me at any time to discuss this. Thank you for your time and have a wonderful day.

Sincerely,

Allison Schaum
Palmetto Agricultural Consultants
864-871-3501
allison@palmettoag.com



SERVICES AGREEMENT

Palmetto Agricultural Consultants, LLC and Anderson County

This Agreement in entered into by and between Palmetto Agricultural Consultants, LLC and Anderson County. The effective date of this Agreement is _____ and shall expire three years from the date of this agreement.

RECITALS

Palmetto Agricultural Consultants, LLC agrees to provide consulting services to Anderson County.

AGREEMENT

1. TERM OF AGREEMENT

Palmetto Agricultural Consultants, LLC hereby contracts with Anderson County for services as defined herein, such contract commencing on the Effective Date of this Agreement and terminating on the last performance day of the contract , unless extended by mutual Agreement of both parties or terminated as hereinafter provided.

GENERAL PROVISIONS:

1.1.1 LEGAL REPRESENTATION. Each party acknowledges right to separate legal counsel in relation to this Agreement.

1.1.2 COMPLETE AGREEMENT OF THE PARTIES. This document represents the complete Agreement of the parties and it supersedes any agreement that may have been made prior to this Agreement. This Agreement may be amended in writing by mutual consent of the parties to this Agreement.

1.1.3 ASSIGNMENT. This Agreement may not be assigned unless such assignment is mutually agreed to by the parties to this Agreement.

1.1.4 BINDING. This Agreement shall be binding upon both of the parties hereto.

1.1.5 GOVERNING LAW. The parties hereby expressly acknowledge and agree that this Agreement is entered into in the State of SOUTH CAROLINA and,

to the extent permitted by law, the Agreement shall be construed and enforced according to the laws of the State of SOUTH CAROLINA.

1.1.6 FAILURE TO OBJECT NOT A WAIVER. The failure of a party to object to, or to take affirmative action with respect to, any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver of the violation or breach or of any future violation, breach, or wrongful conduct.

1.1.7 UNENFORCEABLE TERMS. Any provision hereof prohibited or unenforceable under any applicable law of any jurisdiction shall as to such jurisdiction be ineffective without affecting any other provision of this Agreement. To the full extent, however, that the provisions of such applicable law may be waived, they are hereby waived to the end that this Agreement may be deemed to be a valid and binding agreement enforceable in accordance with its terms.

1.1.8 EXECUTION IN PARTS OR PHASES. This Agreement may be executed in parts or phases as may be defined in this Agreement and when so executed shall constitute one agreement binding on all parties.

1.1.9 FURTHER ASSISTANCE. From time to time each party shall execute and deliver such further instruments and shall take such other action as the other party may reasonably request in order to discharge and perform their obligations and agreements hereunder and to give effect to the intentions expressed in this Agreement.

1.1.10 INCORPORATION BY REFERENCE. All exhibits and attachments referred to in this Agreement are incorporated herein in their entirety by such reference.

1.1.11 CROSS-REFERENCES. All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement, and shall not be deemed to be references to any other transaction, agreement, or document.

1.1.12 MISCELLANEOUS PROVISIONS. The various headings and numbers herein and the grouping of provisions of this Agreement are for the purpose of convenience only. The language in all parts of this Agreement shall in all cases be construed in accordance to its fair meaning as if prepared by all parties to the Agreement and not strictly for or against any of the parties.

1.1.13 CONFIDENTIALITY OF INFORMATION. Both Parties agree to protect and to require all personnel to protect to the fullest extent required by law the confidentiality of the other party of information received in connection with the services provided.

2. SERVICES TO BE PROVIDED: Palmetto agrees to provide the following services:

Begin the steps to implement the Farm to School program in Anderson County schools.

Implement/grow the Farm to Institution programs in Anderson County.

Begin the steps to create an Anderson County Food Cooperative including local farmers, local restaurant proprietors, institutional leaders and school officials.

Attempt to grow the number of Community Supported Agriculture systems in Anderson County beyond its current number (1-2 at present).

Coordinate farm sales to local restaurants through a constant stream of communication.

2.1 ACCESS. Palmetto Agricultural Consultants, LLC shall be provided access to County facilities as required in performance of its duties.

2.2 VITAL SERVICES. Anderson County recognizes that the services under this Agreement are vital to Palmetto Agricultural Consultants, LLC and must be continued without interruption.

3. COMPENSATION.

In consideration for the services required herein, Anderson County agrees to compensate Palmetto Agricultural Consultants, LLC as follows: Palmetto shall perform and shall be paid by County for the services of its employee, Allison Schaum the rate of $75.00 per hour for the first twelve months, and shall increase by $10.00 per hour each succeeding year (year 1: $75, year 2: $85, year 3: $95). Anderson County understands that Palmetto shall bill and Anderson County shall pay ½ the hourly rate for each additional employee of Palmetto beyond Allison Schaum.

Travel and out of pocket expenses incurred in relation to agreed project activities will be reimbursed by the County.

Palmetto shall invoice County monthly. Palmetto ensures that it shall properly document all work and expenses and such documentation shall be timely provided to County upon request.

4. INDEPENDENT CONTRACTOR.

In performing services and duties hereunder, Palmetto and any person acting on Palmetto's behalf shall do so as independent contractors and are not to be deemed employees or agents of Anderson County.

5. REMEDY FOR BREACH.

5.1 Each party acknowledges that the services to be rendered by it hereunder are of a special, unique, and extraordinary character which gives this Agreement a peculiar value to each. If County should terminate this agreement liquidated damages shall be immediately due and shall be computed as follows: by multiplying that year's and each following year's remaining months of the three year contract as if twenty hours per week had been invoiced for the work of employee Allison Schaum.

6. TERMINATION

6.1 CAUSES FOR TERMINATION. This Agreement shall terminate immediately upon the occurrence of any one of the following events:

6.1.1 The written agreement of the parties;

6.1.2 Either party commits a breach of duties hereunder, unless waived by the other party or cured by the breaching party within 10 days after the aggrieved party having given written notice thereof.

IN WITNESS WHEREOF, the parties have executed the Agreement.

PALMETTO AGRICULTURAL CONSULTANTS, LLC:

SIGNATURE:_____

TITLE:_____

DATE:_____

ANDERSON COUNTY:

SIGNATURE:_____

TITLE:_____

DATE:_____

SERVICES AGREEMENT

Palmetto Agricultural Consultants, LLC and Anderson County

This Agreement in entered into by and between Palmetto Agricultural Consultants, LLC and Anderson County. The effective date of this Agreement is November 1, 2008 and shall expire three years from the date of this agreement.

RECITALS

Palmetto Agricultural Consultants, LLC agrees to provide consulting services to Anderson County.

AGREEMENT

1 TERM OF AGREEMENT

Palmetto Agricultural Consultants, LLC hereby contracts with Anderson County for services as defined herein, such contract commencing on the Effective Date of this Agreement and terminating on the last performance day of the contract , unless extended by mutual Agreement of both parties or terminated as hereinafter provided.

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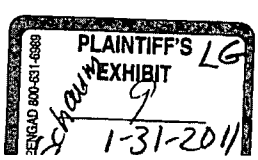
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6.1.2 Either party commits a breach of duties hereunder, unless waived by the other party or cured by the breaching party within 10 days after the aggrieved party having given written notice thereof.

IN WITNESS WHEREOF, the parties have executed the Agreement.

PALMETTO AGRICULTURAL CONSULTANTS, LLC:

SIGNATURE: Allison Schaum

TITLE: Consultant, Owner

DATE: November 1, 2008

ANDERSON COUNTY:

SIGNATURE: _____

TITLE: County Administrator

DATE: November 1, 2008

County

interviewed administrators, health- school officials and

Agri-consulting non issue for Councilman

By Stan Welch

District Six Councilman Ron Wilson's interest in local or sustainable agriculture is no secret. He has touted it as a viable factor in the County's economic development strategy ever since taking his seat in 2006.

His daughter, Allison Schaum's status as an agricultural consultant for Anderson County, is less well known, and offers Wilson's opponents an opportunity to question the arrangement as unethical. Wilson understands that but says he is perfectly comfortable with his role in the matter.

"My role is that I have no role in this. I have been interested in local agriculture for a good while. It is the coming thing in American agriculture. Two or three years ago, I spoke to my daughter Allison and told her what I thought about local agriculture. I told her she should look into getting out in front of the issue, perhaps by starting a consulting business. She was working at a law firm in North Carolina at the time and taking a lot of grief about it, since that firm had represented

(Continued on Page 11)

[redacted]

oth ment heads understood "that we cilman.

ting

Agri-consulting . . .

(Continued from Page 1)

me in some rather public matters."

"One day last summer I was out at the farm helping put up some fence and she told me she had started a consulting business. I said that was great and she said she had a contract with the County. Since she and my son-in-law Chuck have a great relationship with the Farmers Market in Spartanburg, I assumed that was the county she meant. But a little later in the day I asked her what county she was working with and she said Anderson County. Well, I just about had to sit down I knew what was coming, but she didn't. She asked me what was wrong and I said she didn't understand Anderson County politics."

Schaum's consulting firm, Palmetto Agricultural Consultants, LLC was organized and registered with the SC Secretary of State on August 17, 2007. She is listed as the registered agent for that firm on the SCSOS website. The firm appears in county records as having received at least $6000 in compensation in September of last year, just six weeks after registering with the state. Those funds were paid from an account identified on county records as matching grant funds.

Other county records also indicate that the same fund, per account number, is also used to provide funds for special Council projects, and is used to supply some paving account funds to individual members of Council. In January of this year, the first annual Upstate Sustainable Agricultural Summit was held in Anderson

Schaum's firm was deeply involved in organizing and producing the summit, which was intended to bring various aspects of the agricultural community together as resources. Anderson County was listed as one of the sponsors, along with other governmental and corporate organizations.

Aside from the summit in January, Schaum said her main project is establishing a farm to school program, which allows and encourages the purchase and use of local agriculture products by the local schools. "This brings fresh healthy foods to the schools, and also reinforces the very real link between our children and the land that they draw their food from," said Schaum

She also sees local and sustainable agriculture as a viable factor in Anderson County's overall economic development strategy. "The only segment of American agriculture that is growing is this segment. It can absolutely play a role in the area's economic development."

Councilman Wilson said he realizes that the situation provides ammunition to his opponents. "I know many of them will say I had something to do with this, that this proves a closer tie between me and Joey Preston. But I don't care. I told Allison she knows the truth and I know the truth. So that's what matters."



002309

Plf_00885

Allison Jill Schaum

[redacted]

EDUCATION

Bob Jones University, Greenville, South Carolina
Bachelor of Arts, May 1998
Major: Prelaw
GPA: 3.02

Baylor University, Waco, Texas
August 1994-May 1995
Major: Pre-Business
GPA: 3.259

WORK EXPERIENCE

Palmetto Agricultural Consultants, LLC. Consult with counties on projects to grow the agriculture economy. Projects include Farm to School Program, Farm to Institution Program, Formation of Anderson County Food Cooperative, encouraging bio-fuel options, increasing the number of Community Supported Agriculture (CSA's) and working with local restaurants to increase the amount of local food being served. (2007-present)

Southern Legal Resource Center, Case Manager. Drafted fact statements, maintained attorney-client communication, proofread motions, drafted affidavits, filed documents with the courts and electronically, participated in depositions, participated in hearings at district court and appellant court levels. Woodruff, SC (2001-2007)

Jervey Eye Group, Accounts Payable. Processed payables for Jervey Eye Group, Jervey Optical Lab and Jervey Eye Surgery Center. Coordinated the company picnic, Christmas party and charitable events. Coordinated and maintained uniform allowance for 140+ employees. Greenville, SC (1999-2001)

CEL Chemical and Supplies, Office Assistant. Placed client orders, made sure orders arrived on time, scheduled pick ups, general office duties. Easley, SC (1998-1999)

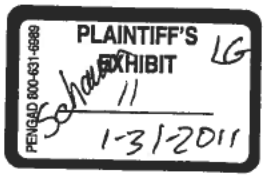
Griffin & Associates, Office Assistant. General office duties, delivered orders, placed orders. Greenville, SC (1997)

ACTIVITIES, HONORS AND HOBBIES

-Who's Who Among American High School Students
-Member of Gamma Chi Tau Society
-Live on a 100+ acre farm and using sustainable agriculture methods.
-Member of American Devon Cattle Association
-Member of Carolina Farm Stewardship Association and attend conferences
-Member of American Livestock Breeds Conservancy

REFERENCES

Provided upon request.



JP_000343

22nd
~~23rd~~
~~24th~~

VTC/ Rob Wosker

Anderson County

10/2/08

Supreme court decision @ Wilson.

He knows he's finished → needs to go out on his own terms.

Joey had slander action against her → Joey settled it.

They have said during press conferences → would suspend Joey. Come Jan 1 they will assign him tasks he can't complete → and then fire him.



STATE OF SOUTH CAROLINA COUNTY OF ANDERSON Michael Cunningham, Plaintiff, v. Anderson County Defendant.	)	COURT OF COMMON PLEAS TENTH JUDICIAL CIRCUIT Civil Action # 2009-CP-04-1693 **ORDER OF JUDGMENT**

This action was commenced by the Plaintiff, Michael Cunningham ("Cunningham"), on April 22, 2009, alleging three causes of action against the Defendant, Anderson County ("County"). On February 16, 2010, Cunningham moved for Summary Judgment as to Liability on his Count I (Breach of Contract) and Count III (Wage Payment Act), and, thereafter, Anderson County moved for Dismissal or Summary Judgment as to all aspects of the Plaintiff's Counts I, II (Wrongful Discharge), and III. A hearing on the respective Motions was held on March 10, 2011, at the Anderson County Courthouse. Michael Cunningham was represented by Brian P. Murphy, Esquire, and Anderson County was represented by William W. Wilkins, Esquire, and E. Grantland Burns, Esquire. It is conceded that the cross motions regarding Counts I and III are based on material facts not in dispute. While the parties do not stipulate to the facts upon which Count II is based, it is agreed that the single legal issue as to Count II is ripe for disposition. For the reasons set forth herein, the Court DENIES Cunningham's motions and GRANTS the County's motion. Judgment will be entered for the County.

STATEMENT OF THE FACTS

The events relevant to this litigation began in November 2008. At that time, the Anderson County Administrator was Jocy Preston ("Preston") and the Plaintiff Cunningham was the Assistant

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County Administrator, a position he had held for several years. At the general election just held, three of the seven members of the County Council were not reelected. The sitting Council's term would expire on January 3, 2009, which was the beginning date of the new Council's term.

During a County Council meeting on November 18, 2008, the lame duck Council voted five to two: (1) to terminate Preston's contract and pay him more than $1.1 million in severance, and (2) to enter into a Master Employment Agreement ("Contract") with Cunningham for the position of Anderson County Administrator.

The Contract between Cunningham and the outgoing County Council set forth an initial term of employment "from December 1, 2008 ... until November 30, 2011" and provided for automatic renewals:

> In the event written notice of intent to not renew this Agreement is not given by either party to this Agreement to the other at least ninety (90) days prior to any annual anniversary of the date first above written, this agreement shall be extended on the same terms and conditions as herein provided, all for a new term consisting of the term then remaining at such annual anniversary date plus an additional period of one (1) year; such that the maximum effective term of this Agreement shall never exceed three (3) years and not be less than the respective term remaining when any notice of intent to not renew is given. Said agreement shall continue thereafter for a continuing, annually renewable term consisting of the respective term then remaining at such annual anniversary date unless written notice of intent to not renew is given by either party to this Agreement to the other at least ninety (90) days prior to any subsequent annual anniversary of the date first above written.

"[U]nless written notice of intent to not renew is given either party," there was no limit to the number of new terms of Cunningham's employment, although, each term could never be more than three years nor less than two years. The Contract further provided that the County could terminate Cunningham only for cause, defined as "the conviction of the Administrator of any crime involving personal gain to himself, any crime involving moral turpitude (as defined in South Carolina state law) or the refusal of the Administrator to perform the duties of this office," as well as a "serious illness or injury" lasting more than 90 days. Termination in any other manner was

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deemed to be "without cause" and entitled Cunningham to severance pay as follows:

> [A]ll pay and financial benefits remaining on his contract for the balance of the contract period in a lump sum or in incremental payments, as he, in his sole discretion, shall choose, as severance pay for such termination without cause. In addition, the Administrator shall also be compensated for all earned sick leave, vacation, holidays, compensatory time and other accrued benefits to date, calculated at the rate of pay in effect at termination. The Administrator shall receive additional severance pay under this paragraph, based upon the length of his total service to the County, and computed at the rate of one month aggregate compensation under this Agreement for every two years of such service, based on his original date of hire with the County of April 1998. The total severance pay under this Agreement shall not exceed thirty-six (36) months aggregate, total compensation at the rate of pay in effect upon termination.

The Contract set Cunningham's annual salary at $125,000. Cunningham signed the Contract on November 19, 2008, and commenced serving as the County Administrator on December 1, 2008.

After the term of the newly elected County Council began on January 3, 2009, the Council passed a resolution, at its first business meeting on January 6, 2009, condemning the manner in which Cunningham was hired as the County Administrator by the former County Council. Thereafter, the Personnel Committee met with Cunningham and offered him an at-will employment agreement, which Cunningham rejected. Cunningham also rejected a subsequent offer of employment as Assistant County Administrator while retaining his County Administrator salary. At the County Council meeting of February 3, 2009, the Personnel Committee noted that Cunningham had rejected the at-will agreement and opined that the "old contract . . . is null and void, unenforceable, and therefore he is presently an at-will employee." The Chair of the Council's Personal Committee, then made the motion to approve its recommendation that was clarified as stating that "Mr. Cunningham would no longer be an employee of Anderson County" and recommended that Cunningham be terminated and an interim County Administrator appointed. The motion was adopted by a five to two vote of County Council.

At the February 3rd meeting, Cunningham requested a hearing on his termination pursuant to

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S.C. Code Ann. § 4-9-620. That hearing was conducted on March 2, 2009, and at its conclusion the Council passed a resolution finalizing Cunningham's termination on the basis that the Contract was invalid. It is undisputed that the County did not pay Cunningham the severance set forth in the Contract. It is also undisputed that the County paid Cunningham for accrued vacation time, as required by County ordinance.

Cunningham, thereafter, commenced this action, claiming the County breached the Master Employment Agreement by terminating him without cause (Count I); the County wrongfully discharged him in violation of public policy (Count II); and the County violated the Payment of Wages Act, S.C. Code Ann. § 41-10-10 *et seq.* (Count III).

The parties engaged in discovery, following which Cunningham moved for summary judgment as to liability on Count I (Breach of Contract). The County opposed this motion and filed its own motion seeking summary judgment on all counts of the Complaint. Cunningham then filed a second summary judgment motion, seeking summary judgment as to liability on Count III (Payment of Wages). The parties thoroughly briefed both motions. The Court conducted a hearing on March 10, 2011, at which hearing, the parties presented their arguments regarding the motions. At the conclusion of the hearing, the Court asked the parties to submit supplemental briefs, which were filed in due course.

SUMMARY JUDGEMENT STANDARD

Summary judgment is proper when it is clear there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. Rule 56(c), SCRCP; *Legette v. Piggly Wiggly*, 368 S.C. 576, 629 S.E.2d 375 (Ct. App. 2006). *Baird v. Charleston County*, 333 S.C. 519, 511 S.E.2d 69 (1999); *Vermeer Carolina's, Inc. v. Wood/Chuck Chipper Corp.*, 336 S.C. 53, 518 S.E.2d 301 (Ct. App. 1999). Summary judgment should be granted when plain, palpable

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and indisputable facts exist upon which reasonable minds cannot differ. *Trico Surveying, Inc. v. Godley Auction Co.*, 314 S.C. 542, 431 S.E.2d 565 (1993). To determine whether an issue of fact exists, the court must view the evidence and all its inferences in a light most favorable to the nonmoving party. *Legette*, 368 S.C. at 579, 629 S.E.2d at 377, *Koester v. Carolina Rental Ctr., Inc.*, 313 S.C. 490, 443 S.E.2d 392 (1994). If there is no relevant competent evidence reasonably tending to establish the material elements of Plaintiffs' case, a motion for nonsuit must be granted. *Bullard v. Erhardt*, 283 S.C. 557, 324 S.E.2d 61 (1984).

DISCUSION

I. The County is entitled to summary judgment on Cunningham's claim for breach of contract.

By its terms, the Contract between Cunningham and the lame duck County Council purported to bind not only that Council until its term ended approximately six weeks later, but also the newly elected Council for its entire two-year term and that Council's successor (to be elected in November 2010) for at least half of its two-year term.[1] The County maintains that the Contract is invalid to the extent it attempts to bind any County Council other than the one that made the agreement and that Cunningham cannot sue to enforce it. The Court agrees with the County.

In *Newman v. McCullough*, 212 S.C. 17, 23, 46 S.E.2d 252, 255 (1948), the Supreme Court of South Carolina held that because the appointment or removal of a public officer is a governmental function, a local governing body cannot bind its successor body by entering into an employment contract extending beyond its own term. This rule has been more recently applied in *Piedmont Public Service District v. Cowart*, 319 S.C. 124, 459 S.E.2d 876 (Ct. App. 1995) (*Cowart I*), *affirmed*, 324 S.C. 239, 478 S.E.2d 836 (1996) (*Cowart II*), and in *City of Beaufort v. Beaufort-*

[1] The Court is not persuaded by Cunningham's argument that the Contract is not one for a definite term because the County was free to terminate the Contract at any time so long as it paid the required severance. The imposition of a penalty for termination without cause prior to a specified date is the very essence of an employment contract for a definite term.

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Jackson County Water & Sewer Authority, 325 S.E.2d 174, 480 S.E.2d 728 (1997). As our Supreme Court explained in *City of Beaufort*,

> When a municipal contract extends beyond the term of the governing members of the municipality entering into the contract, the subject matter of the contract will determine its validity:
>
> > The general rule is that, if the contract involves the exercise of the municipal corporation's business or proprietary powers, the contract may extend beyond the term of the contracting body and is binding on successor bodies if, at the time the contract was entered into, it was fair and reasonable and necessary or advantageous to the municipality. However, if the contract involves the legislative functions or governmental powers of the municipal corporation, the contract is not binding on successor boards or councils.

City of Beaufort, 325 S.C. at 178-79, 480 S.E.2d at 731 (quoting *Cowart I*, 319 S.C. at 132, 459 S.E.2d at 880). This rule protects the public "by insuring that each governing body has available to it the powers necessary to effectively carry out its duties." *Cowart I*, 319 S.C. at 133, 459 S.E.2d at 881.

Among the most important responsibilities of a County Council is the appointment of the County Administrator. The Administrator is "the administrative head of the county government," and as such is "responsible for the administration of all the departments of the county government which the council has the authority to control." S.C. Code Ann. § 4-9-620 (1986). Among other duties, the administrator executes "the policies, directives and legislative actions of the council," prepares annual operating and capital improvement budgets, supervises the expenditure of county funds, administers personnel policies, and employs and discharges county employees. S.C. Code Ann. § 4-9-630 (1986). In light of these important duties, fundamental principles of democratic self-government demand that a newly elected county council must be vested with the unfettered discretion to remove, re-appoint, or modify the employment terms of the administrator in order to implement the policies desired by the voting public. *See, e.g., Figuly v. City of Douglas*, 853 F.

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Supp. 381, 384 (D. Wyo. 1994). For all of these reasons, the appointment of a county administrator is undoubtedly a governmental function. Thus, under the *Cowart* decisions and *City of Beaufort*, one county council cannot bind another by entering into an employment contract with an administrator for a period of time that exceeds the term of the then-sitting council. Cunningham's Contract, therefore, was at least voidable at the option of the County. *See Figuly*, 853 F.Supp. at 386 (holding that a contract extending beyond the term of the governmental body then sitting is invalid). Accordingly, the County did not breach the Contract when it declared the Contract void and terminated Cunningham's employment.

The Court must reject Cunningham's argument that the Home Rule Act supersedes the principle recognized in *Newman* and applied in *Cowart I*, *Cowart II*, and *City of Beaufort*. Cunningham maintains that *Newman* and its progeny apply only to special purpose districts and not to county governments. This narrow reading of the rule is at odds with the actual language of *Cowart II*, in which our Supreme Court held that the rule is applicable to a "local governing body," not just special purpose districts. *Cowart II*, 324 S.C. at 241, 478 S.E.2d at 837; *see also Cowart I*, 319 S.C. at 132-33, 459 S.E.2d at 880-81 (noting throughout the holding that the rule limiting contracts to the terms of then-sitting council members is one of general application to local governments). The Court notes that other jurisdictions have applied the rule equally to counties, cities, special purpose districts, and other types of municipalities, even those under Home Rule statutes. 10A Eugene McQuillin, *Law of Mun. Corp.* § 29.102.

There is an exception to the term-limit rule that applies when "the enabling legislation clearly authorizes the local governing body to make a contract extending beyond its members' own terms." *Cowart II*, 324 S.C. at 241, 478 S.E.2d at 838. Cunningham asserts that this exception applies to the Contract because the Home Rule Act provides that:

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> The council shall employ an administrator who shall be the administrative head of the county government and shall be responsible for the administration of all departments of the county government which the council has the authority to control. . . . The term of employment of the administrator shall be at the pleasure of the council . . . . The council may, in its discretion, employ the administrator for a definite term.

S.C. Code Ann. § 4-9-620.

The Court must disagree. Nowhere does § 4-9-620 "clearly authorizes the local governing body to make a contract extending beyond its members' own terms." *See Cowart II, supra,* and *Newman, supra.* It is one thing for a County Council to change the "term of employment of the administrator" from "at the pleasure of the council" to — "in its discretion" — "for a definite term," § 4-9-620, and altogether another to authorize "the council to make a contract extending beyond its own term," because:

> . . . no power of the council so to do exits, since the power conferred upon municipal councils to exercise legislative or governmental functions is conferred to be exercised as often as may be found needful or politic, and the council presently holding such powers is vested with no discretion to circumscribe or limit or diminish their efficiency, but must transmit them unimpaired to their successors. * * * As a general rule, the appointment and removal of public officers is a governmental function, and a municipal council cannot engage a public officer by contract for a term extending beyond that of its own members, so as to impair the right of their successors to remove such officer and to appoint another in his place.

Newman, 212 S.C. at 23, 46 S.E. 255.

To the contrary, S.C. Code Ann. § 4-9-620 expressly provides not only the right but the duty of the successors to "the council presently holding such powers," *id.*, that "[t]he council shall employ an administrator."

The presumption is that the Legislature does not intend to abrogate or modify a common law rule by the enactment of a statute on the same subject. *See Nuckolls v. Great Atl. & Pac. Tea Co.*, 192 S.C. 156, 5 S.E.2d 862, 864 (1939). This presumption is overcome only by "clear and unambiguous language" indicating intent to change the common law. *Coakley v. Tidewater Constr.*

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Corp., 194 S.C. 284, 9 S.E.2d 724, 726 (1940).

The language of the Home Rule Act does not indicate any intent to modify the common law, much less a clear and unambiguous intent to do so. The statutory grant of authority to employ an administrator "for a definite term" is entirely consistent with the common law limitation of a "definite term" being no longer than the term of the then-sitting local governing body which enters into the employment contract. A county administrator may be employed for many years, under a series of definite-term contracts entered into by successive councils. But, this authority is a far cry from the authority to bind successive councils to the employment of a county administrator that may not be of the new council's choosing. Indeed, the vital role played by the county administrator in executing the policies of the elected members of a county council weighs heavily against an interpretation of § 4-9-620 that would allow an employment contract to extend beyond the term of the council then sitting.

Under Cunningham's reading of the Home Rule Act, a county council could enter into a contract with a county administrator for any length of time—10, 20, or even 50 years– and force successive councils to accept the contract or to pay whatever severance is set forth in the contract (in the case of Cunningham's purported Contract, his severance would likely have amounted to $375,000). Cunningham's interpretation of the statute would lead to absurd results, and it must be rejected for that reason alone. *See Unisun Ins. Co. v. Schmidt*, 339 S.C. 362, 368, 529 S.E.2d 280, 283 (2000). The Court also must reject Cunningham's argument that application of the common law rule to the Home Rule Act renders the statute "superfluous." A legislative enactment is not superfluous merely because it codifies common law. *See Wagner v. City of Chicago*, 651 N.E.2d 1120, 1124 (Ill. 1995). To the contrary, the South Carolina Code is full of statutory provisions that codify the common law. *See, e.g., Clearwater Trust v. Bunting*, 367 S.C. 340, 349, 626 S.E.2d 334,

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338 (2006) (Business Corporation Act codifies common law duties owed to shareholders by corporate officers); *Wooten v. Wooten*, 364 S.C. 532, 550, 615 S.E.2d 98, 107 (2005) (S.C. Code Ann. § 20-30-130 codifies common law rule that alimony terminates at death); *Winns v. State*, 363 S.C. 414, 420, 611 S.E.2d 901, 904 (2005) (Pleicones, J., concurring) (S.C. Code Ann. § 17-19-30 codifies the "time and place of death" requirement of common law).

Cunningham notes that the Home Rule Act provides that "[t]he powers of a county must be liberally construed in favor of the county." S.C. Code Ann. § 4-9-25 (Supp. 2010). In the Court's view, the Home Rule Act supports the County's position, not Cunningham's, where it is provided that: "In those counties adopting the council form of government . . . , the responsibility for policy making and administration of county government shall be vested in the county council . . . ." § 4-9-310. It does not "favor" any county to be bound by the employment decisions of a former county council. To the contrary, construction of the Home Rule Act in favor of Anderson County requires the Court recognize the expressed right and duty of each duly constituted council that the "county council shall employ an administrator who shall be the administrative head of the county government . . . ." § 4-9-620.

In sum, the law in South Carolina is that once a new county council has taken office, a contract that deals with a governmental function and that purports to bind the new council is invalid as a matter of law, and a party to the contract has no right of action to enforce the contract or to seek damages for its breach for any period of the contract that extends beyond the term of the old council. Accordingly, this Court concludes that Cunningham has no right to enforce the Master Employment Agreement to the extent it purported to be for a term extending beyond January 4, 2009. *See State ex rel. Acker v. Major*, 94 S.C. 472, 78 S.E. 896 (1913). Because Cunningham had no right to employment under the Contract, the County did not breach the Contract when it declared

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the Contract void on March 2, 2009. [2]

II. The County is entitled to summary judgment on Cunningham's claim for wrongful discharge.

In South Carolina, employment is either for a definite term or at-will. *Young v. McElvey*, 286 S.C. 119, 123, 333 S.E.2d 566, 568 (1985). "Generally, an at-will employee may be terminated at any time for any reason or for no reason, with or without cause." *Stiles v. Am. Gen. Life Ins. Co.*, 335 S.C. 222, 224, 516 S.E.2d 449, 450 (1999). Indeed, an employer may terminate at-will employment even for a reason that is "morally wrong." *Ludwick v. This Minute of Carolina, Inc.*, 287 S.C. 219, 221, 337 S.E.2d 213, 214 (1985). In *Ludwick*, however, our Supreme Court recognized an exception to the general rule in the form of a cause of action for wrongful discharge when "the retaliatory discharge of an at-will employee constitutes violation of a clear mandate of public policy." *Id.* at 225, 337 S.E.2d at 216.

The public policy exception applies only to *at-will* employees. *See Stiles*, 335 S.C. at 224, 516 S.E.2d at 450 (holding that the public policy exception is available to "an at-will employee"); *id.* at 227, 516 S.E.2d at 451-52 (Toal, J., concurring) (explaining that the public policy exception is necessary for at-will employees who, unlike employees for a definite term, cannot bring an action for breach of contract). Cunningham was never an at-will employee he was employed under the Contract until the County exercised its authority to void the Contract. *See Figuly*, 853 F. Supp. at 387 (holding that city council properly approved a resolution declaring the administrator's contract void). At no point in this litigation has Cunningham ever alleged that he was an at-will employee,

[2] The fact that Cunningham continued to serve as County Administrator after the new County Council was elected and duly qualified, on January 4, 2009 — while negotiations were undertaken regarding his future employment — until the February 3, 2009, meeting when he was removed from office, is consistent with the public policy of this State disfavoring vacancies in public offices. In order to prevent a hiatus in the administration of government, administrative officers should holdover *de facto* until their successors are appointed and qualified. *See Florence County v. Moore*, 344 S.C. 596, 545 S.E.2d 507 (2001), and the cases cited there.

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but rather he has steadfastly maintained that the Contract was at all times valid and binding.[3] Under Cunningham's own theory of the case, therefore, he cannot claim the protection of the public policy exception.

III. The County is entitled to summary judgment on Cunningham's Wage Payment claim.

Count III of Cunningham's Complaint alleged that the County violated the Payment of Wages Act, S.C. Code Ann. § 41-10-10 *et seq.*, by failing to pay him accrued vacation and sick leave. The Act defines "wages" as "all amounts at which labor rendered is recompensed, ... and includes vacation, holiday, and sick leave payments which are due to an employee under any employer policy or employment contract." S.C. Code Ann. § 41-10-10(2). In 1990, this definition was amended to *exclude* "severance" from the definition of "wages." *See id.* note ("Effect of Amendment").

As a matter of county ordinance, Cunningham was entitled to payment for accrued vacation leave when he left his employment, and there is no dispute that the County paid him for vacation leave pursuant to that policy (and not under the Contract). The Anderson County Code provides that an employee is *not* entitled to payment for accrued sick leave at termination. Cunningham's claim of entitlement to payment for accrued sick leave rests on the Contract, which includes such payment as a portion of severance owed for termination without cause. In the first place, Cunningham is not entitled to any payment of severance resulting from the termination of a void contract. Further, the South Carolina Legislature has amended the Wage Payment Act to exclude "severance" from the definition of "wages." Because the Contract includes payment for accrued sick leave as a portion of

[3] In fact, Cunningham argues that under *Stiles*, he may maintain *both* a breach of contract action *and* a claim for wrongful discharge. *Stiles* does not hold, as Cunningham claims, that an employee for a definite term, like Cunningham, may sue for wrongful discharge. *Stiles* holds only that an at-will employee does not lose the protection of the public policy exception simply because the employee is entitled to notice prior to termination. *See Stiles*, 335 S.C. at 226, 516 S.E.2d at 451.

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severance, this payment is not "wages" under the Act. Accordingly, the County's alleged failure to provide such payment does not violate the Payment of Wages Act.

CONCLUSION

For the reasons set forth above, it is the conclusion of the Court that Michael Cunningham's Motions for Summary Judgment should be DENIED as a matter of law. Furthermore Anderson County's Motion for Summary Judgment is GRANTED in full.

JUDGEMENT

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED the Plaintiff's lawsuit is DISMISSED with prejudice, and judgment is entered in favor of the Defendant pursuant to SCRCP 56. Judgment for the Defendant on all causes of action.

AND IT IS SO ORDERED.

ALEXANDER S. MACAULAY, Judge

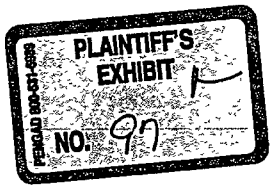
Signed this 11th day of May 2011
Anderson, South Carolina

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W Y C H E

Attorneys at Law

January 25, 2013



By Email

The Honorable Roger L. Couch
Spartanburg Judicial Center
180 Magnolia Street
Spartanburg, SC 29306

Re: *Anderson County v. Joey Preston and SCRS*
Case No.: 2009-CP-04-4482

Dear Judge Couch:

I write on behalf of Anderson County, in response to your invitation for comments on the implications of *Michael Cunningham v. Anderson County*, Op. No. 5072 (S C. Ct. App., Jan. 16, 2013) In short, the *Cunningham* decision further demonstrates that Anderson County Council's decision to pay Preston an excessive severance was arbitrary and unreasonable.

Cunningham struck down as void an employment agreement that was virtually identical (especially with respect to its terms concerning the duration of the contract) to Preston's employment agreement. *Cunningham* reaffirms that the *Cowart* line of cases means that, at the time County Council voted to pay Preston even more than was due under his employment agreement, that agreement was absolutely void. We submit this reconfirms that the lame-duck County Council's decision to pay Preston severance based on a claim for breach of his employment agreement was arbitrary and unreasonable.

In *Cunningham*, the Court of Appeals followed the precise line of reasoning that Anderson County's attorney, Tom Bright, used in advising the Personnel Committee that he thought there was a substantial question, under the *Cowart* decision, as to whether the

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employment agreement was enforceable beyond the term of the existing County Council. Mr Bright was correct. The Court of Appeals followed *Cowart* and held that the Cunningham contract was void:

> In *Cowart II*, our supreme court emphasized that the appointment or removal of a public officer "is a *governmental* function that cannot be impaired by an employment contract extending beyond the terms of the members of the local governing body." *Cowart II*, 324 S.C. at 241, 478 S.E.2d at 837 (emphasis added) (citation omitted). "Such a contract is not binding on the successors to the local governing body."
>
> ... Based on the foregoing, the circuit court properly concluded that Cunningham's contract was void and could not bind the 2009 Council.

Cunningham v. Anderson County, Op. No. 5072, at 7-11.

Tom Bright testified that he advised the Personnel Committee that there was no need for any action with respect to Preston's claim of "anticipatory breach." In light of the substantial and legitimate question concerning the legal validity of the very employment contract that served as the basis for the entire (and excessive) Severance Package, it was arbitrary and unreasonable for the Council to act hastily, and to agree to spend over a million dollars in public money without more justification than Preston's potential future claim based on an employment agreement of questionable validity.

Contrary to Preston's assertions in his letter to the Court, the *Cunningham* decision does not inject a new issue into this case. In its summary judgment briefing and in its post-trial memorandum, Anderson County referred to the trial court's decision in *Cunningham* as part of Anderson County's argument that it was arbitrary and unreasonable for the lame-duck County Council to agree to pay Preston a severance package worth more than the total severance to which he might have been entitled, even if one assumed he had a valid employment contract.

The Bright testimony and our argument to the Court included the observation that the contract could have been void after the expiration of the County Council that signed it, back in 1998. *Cunningham* confirms this was the case.

Preston's letter also seeks to supplement the record with his description of a newspaper report on the County's "total spend" – an undefined term. This effort does nothing to support his claim that the prudent course was to give Preston a $1.1 million severance and for subsequent Councils simply to allow him to keep it, whether it was deserved or not We would submit that it was the unjustifiable size of that severance, and the advocacy of Council members who never should have voted at all, that led to the conclusion that the Severance Package should be challenged Moreover, there is nothing in the record to indicate how much of the "total spend" is unrelated to this litigation or the challenge to the Severance Package, and thus might have occurred in any event. In short, it is ***not*** the case that the lame-duck Council served Anderson County well when it voted to pay the Severance Package to Preston.

Preston's reliance on after-the-fact events (such as the purported "total spend") also undermines his contention that the *Cunningham* decision has no bearing on the arbitrary nature of the Preston Severance Package. *Cunningham* is a strong confirmation that, by following Tom Bright's advice to do nothing, the lame-duck Council could have (had the majority had any interest in reducing the amount paid to Preston) avoided an unreasonable payout to Preston. By contrast, Preston's reliance on a hearsay news account of total expenditures on investigating and/or litigating multiple cases connected with Preston, over the several years since 2008, is a far weaker justification for the lame-duck Council members who voted to approve the Severance Package.

The *Cunningham* decision brings the haste and unreasonableness of this decision into even sharper focus. If the lame-duck majority – which included at least two members with conflicts that should have prevented them from voting – had been looking out for the County's best interests, rather than focusing so intently on paying Joey Preston before their terms ended, they never would have approved the Severance Package.

Thank you for your attention to and consideration of these points.

Respectfully yours,

Ted Gentry

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January 25, 2013

VIA E-MAIL & REGULAR MAIL
The Honorable Roger L. Couch
Post Office Box 2614
Spartanburg, SC 29304-2614

RE: Anderson County v. Joey Preston, *et al.*: 2009-CP-04-4482

Dear Judge Couch:

Please allow this correspondence to address the issues raised by Anderson County in relation to the recent decision of *Michael Cunningham v. Anderson County*, C.A. No. 2011-194209. For the reasons set out below, the *Cunningham* decision has no application to this case.

As the Court likely recalls, Michael Cunningham replaced Mr. Preston as the Anderson County Administrator as of December 1, 2008. During the November 18, 2008 meeting, where County Council adopted Preston's Severance Agreement, Council also executed a Master Employment Agreement with Cunningham to serve as the new County Administrator. In February of 2009, the recently sworn-in County Council terminated Cunningham. The new Council then conducted a *post facto* hearing on Cunningham's termination on March 2, 2009 when it again unsurprisingly voted to terminate Cunningham, as promised by Mr. Moore before taking office. (*See* Tr. Test. Michael Cunningham (Day 2).

On appeal, the Court of Appeals examined the issue of whether Cunningham's Master Employment Agreement, as executed by the outgoing Council, bound the successor County Council arriving as of January 2009. The Court held that Cunningham's Master Employment Agreement did not bind the incoming Council. Cunningham, therefore, could not sustain his breach of contract claim.

Contrary to what the County might now suggest, the Preston case does not involve the issues presented by *Cunningham*. The Preston case involved Mr. Preston's Severance Agreement, not his Master Employment Agreement. Unlike Cunningham's employment contract, Preston's Severance Agreement was presented, executed, and funded prior to the

incoming Council's arrival. Thus, the holding of *Cowart v. Poore,* upon which the Court of Appeals bottoms its analysis, has no application.

The unenforceability of Cunningham's Employment Agreement likewise does not undermine the legitimacy of the 2008 Council's decision-making. Surely, Anderson County does not suggest by raising the *Cunningham* opinion that the 2008 Council was required to forecast what an appellate court might rule 5 years later. As noted by Preston throughout this case, the 2008 Council's decision-making must be judicially reviewed under a "fairly debatable" lens in light of the facts known at that time.

If, as here, the 2008 Council's decision-making proved fairly debatable, South Carolina courts refrain from injecting their judgment into the discretionary decisions conferred upon a legislative body by statute. *See Bear Enterprises,* 319 S.C. 137, 140, 459 S.E.2d 883, 885 (Ct. App. 1995). Here, the General Assembly granted Counties discretion over employment decisions involving County Administrators pursuant to S.C. Code §4-9-620.

In the Preston case, the trial testimony of Bill McAbee, Larry Greer and Gracie Floyd established they had legitimate reasons for voting as they did. All feared what would result if the infighting persisted. All referenced the down-side risk articulated by employment counsel– a sum of $2 million dollars.

In this regard, the 2008 Council's worries have proved not only reasonable but prescient, as the Anderson Independent Mail recently reported (January 3, 2013), the County's total spend has now topped $2.3 Million, with another $125,000.00 set aside for legal costs. It is unclear whether these amounts include, or are in addition to, the $205,128.08 reflected in the County's January 9th, 2013 check registers for attorney's fees (presumably trial expenses). But, in any event, the Severance Agreement proves increasingly reasonable as time passes and the public spend towers.

It is unclear to Defendant how the County intends to lasso the *Cunningham* decision into the analysis of this case. To be sure, prior to now, the County has not substantively raised the issue other than to suggest that employment counsel expressed concerns about the enforceability of Preston's employment contract due to *Cowart* and its progeny. Of course, if employment counsel felt so confident in his view, he seemingly would not also have articulated a potential downside risk of two million dollars ($2,000,000.00)—advice the 2008 Council members uniformly recalled and employment counsel did not deny.

Regardless of how the County now interjects the issue, it does smack of unfairness. The principles set forth in *Cowart* are not new. How they applied to a County Administrator's contract were unclear but clearly fathomable. The principles, as the County's employment attorney can attest, were known and, if the County wished to raise their application, it should have done so before three months after the trial. This is especially true since the County was the Respondent in the *Cunningham* case and presumably aware of the principles at issue.

The County has not raised this issue before now, because it does not apply to our facts. Nor, over the past three years, has the County suggested otherwise. The County only raises the *Cunningham* decision because it is a new (albeit inapplicable) decision, which Plaintiff hopes to cast as intervening change in law in hopes of rearguing its case. Such issues are a far cry from the "one bad apple" theory the County has pursued before now.

The prejudice to Defendant by allowing the County to re-tool its liability theories post-trial is both real and unfair. Had the County raised any such issues before now, Preston could have analyzed the same and presented evidence during the six day trial. Raising theories anew begets new defenses requiring more evidence and further argument. For example, any issues of unenforceability of the Master Employment contract by virtue of its term, to the extent they are somehow material, must be legally squared with that contract's severability provision in paragraph 17(d). (*See* Pl. Ex. 1, p. 9.) A number of other legal issues similarly arise.

Factual issues exist as well. For example, the impact of the County's budget ordinance (carrying the force of law) running from July to July, in which the Administrator's contract is funded, raises a whole new slate of issues unanswered by a *Cunningham* decision (an opinion, for which, the time for a rehearing petition has not run, nor *certiorari* denied). Defendant's point, in this regard, is simple—raising completely new theories of liability, at this point, relegates the parties to square 1 litigating a whole new case, which is particularly unfair to Preston who does not have resort to unlimited public coffers.

To the extent the County now contends the *Cowart* doctrine somehow applies to Severance Agreement itself, such argument has, before now, never even been suggested. Indeed, it is difficult even to imagine how the County might argue it applied. At its core, the Severance Agreement did not bind the incoming Council's governmental discretion in any way. While it may have required forbearance from suit, its effect on the new Council proves no different than a standard release, unless of course, the incoming Council elects actively to breach the agreement.

With those prefatory remarks aside, the *Cunningham* case does confirm several points the County has thus far resisted. First, *Cowart v. Poore* does contain an exception, a point employment counsel at trial appeared reluctant to admit. Second, the hiring and firing of an Administrator does constitute a legislative governmental action, a point the County has thus far resisted in an effort to avoid the judicial deference and "fairly debatable" standard discussed in *Bear Enterprises*. Third, the fact that the Court of Appeals issued a 16 page written decision in the *Cunningham* case reflects that potential exposure to the County was a legitimate fear of the 2008 Council.

In conclusion, the fact that the County has never raised *Cowart*'s holding before now proves telling. *Cowart* was not raised because it does not apply. Raising the issues now, by invoking the recent *Cunningham* decision, proves no more than a thinly veiled proclamation of – "This changes everything." But, upon a closer review, we trust the Court will correctly

conclude, "This changes nothing," except perhaps, to make the County's case slightly more anemic for the reasons stated above.

Should the County's submittal raise any issues that I have not addressed and about which the Court has concerns, please let me know and I will gladly supplement.

Very truly yours,

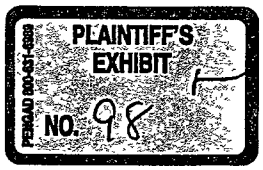
LWD

Lane W. Davis

LWD:eh

W Y C H E

Attorneys at Law



February 22, 2013

By Email & First Class Mail

The Honorable Roger L. Couch
Spartanburg Judicial Center
180 Magnolia Street
Spartanburg, SC 29306

Re: *Anderson County v. Joey Preston and SCRS;*
Case No.: 2009-CP-04-4482

Dear Judge Couch:

This letter addresses the primary concerns Anderson County has with the fee award requested by Preston in this case. The statutory provision governing a fee award against an arm of the State allows such an award only where the State acted without "substantial justification." Given the facts demonstrated at trial, including the Court's finding that Preston was given a Severance Package secured in part by the tainted votes of both the Chair of County Council and the Chair of the Personnel Committee, and the fact that the Severance Package exceeded the amount Preston had a contractual right to receive, there is no sound basis upon which to award attorneys' fees to Preston. Given those clear facts - and the existence of a clear line of authority that "one bad vote is enough" – Anderson County had more than ample justification to bring this action. In fact, Anderson County's claims were sufficiently meritorious to survive both a motion to dismiss and a motion for summary judgment filed by Preston.

We believe the statute provides the sole basis for a fee award in this case. However, aside from the statute, a fee award would also be improper because the Severance Agreement contains no provision for attorneys' fees to either party in the event of litigation challenging the validity of that document. Absent such a contractual provision, a fee award is not proper in a challenge to the validity of an agreement like this one.

If the Court were to decide an attorneys' fee award is appropriate, any such award should be limited to the difference between the attorneys' fees incurred by the Defendant and the fees he would have incurred defending a declaratory judgment action challenging the validity of the covenant not to sue. Alternatively, any award may be based only on attorneys' fees actually paid by Preston or fees which he has some contractual obligation to pay, and it should exclude unreasonable or duplicative charges. It is inappropriate to award, as damages to Preston, attorneys' fees and costs in excess of any amounts contractually agreed upon between Preston and his attorneys, or in excess of amounts reasonably incurred. Preston's fee petition seeks both amounts in excess of the amount contractually due, and duplicative and unreasonable charges.

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I. The Court Should Not Award Fees Under S.C. Code Ann. §15-77-300.

To justify an award of attorneys' fees under S.C. Code Ann. §15-77-300 (commonly referred to as the "State Action Statute"), Preston would have to demonstrate (1) that Anderson County acted without substantial justification in pressing its claim; and (2) that there are no special circumstances that would make an award of attorneys' fees unjust.

First, Anderson County was substantially justified in seeking to rescind the Severance Agreement. If its claims were without merit, they would not have survived Preston's motion to dismiss or Preston's motion for summary judgment Indeed, the Court has agreed with Anderson County that two of three votes challenged by Anderson County were improper. We submit that this sort of impropriety is a material breach of the public trust, and that it justifies this action. While the Court has indicated that it finds *Baird v. Charleston County*, 333 S.C. 519, 535, 511 S.E.2d 69, 77-78 (1999) persuasive in this case, it remains true that *Baird* is distinguishable and that there is a substantial line of authority that would invalidate the Severance Package on the basis of even one bad vote. Indeed, if the court does finally rule in favor of Preston and the matter is appealed, our appellate courts could certainly follow the lead of other jurisdictions and adopt the "one-tainted vote" rule in this case, without doing any violence to *Baird*.[1]

However, Anderson County is not required to prevail to demonstrate that it was substantially justified, for purposes of the State Action Statute, in challenging Preston's Severance Package. *Video Gaming Consultants, Inc. v. S. Carolina Dept. of Revenue*, 358 S.C. 647, 650, 595 S.E.2d 890, 892, 2004 WL 884833 (Ct. App. 2004) ("An agency's loss on the merits does not create a presumption that its position was not substantially justified."). We submit that the tainted votes, the size of the Package relative to Preston's contractual right to receive severance, and the procedural haste and irregularity of the meeting at which the Severance Package was approved, justified Anderson County in challenging the validity of the Severance Agreement.

Even if the action were not substantially justified, special circumstances exist here that would make an award unjust – particularly in the amount sought by Preston. First, as discussed in more detail below, much of the effort in this case was devoted to Preston's counterclaims that were dropped or settled, and thus had nothing to do with the core (and relatively straightforward) dispute over the validity of his Severance Package. During much of the pendency of this case, Preston sought to litigate his "anticipatory breach" claim within this litigation, and that claim forced the County to expend substantial time and effort on defenses relating to Preston's entire tenure as County Administrator, and that had little if anything to do with the dispute over the Severance Package.

We believe a fee award is also unjustified because of Preston's knowledge of the tainted votes cast in favor of his Severance Package. While the Court has indicated it does not believe Preston

[1] It seems noteworthy that a public body faced with a substantial fee award might have little choice but to appeal, especially in a high-profile case like this one

had a duty to point out these conflicts because he was adverse to the County in the matter, the fact remains that his own silence in the face of knowledge of a material impropriety contributed greatly to the circumstances that led to the filing of this lawsuit. Moreover, we would note that the proposition that Preston was adverse to the County in this matter is inconsistent with the idea that this lawsuit was primarily a challenge to his conduct as an employee; Preston cannot at once be treated as an employee (with a duty of loyalty) and an arm's length third party. If he is the latter, then the suit did not challenge his conduct as an employee and by its terms the covenant not to sue over employment matters does not apply and was not breached.

II. Attorneys' Fees Are Inappropriate Here Because the Severance Agreement Includes No Fee Provision.

In the absence of a clear and binding contractual provision to the contrary, we would submit that the State Action Statute is the sole basis on which attorneys' fees can be awarded against Anderson County. The statute reflects the Legislature's considered determination of the circumstances under which public money should be used to pay attorneys' fees in a case like this one. Preston's proposed treatment of his attorneys' fees as damages for breach would upset that balance.

First, this statute – which allows a fee award against the State – is in derogation of both the common law rule that attorneys' fees are not awarded to a prevailing party, and of sovereign immunity. For both reasons it should be strictly construed to occupy the field in terms of fee awards against the State. This conclusion is reinforced by the Supreme Court's decision in *Spartanburg County Dept. of Soc. Services v. Little*, 309 S.C. 122, 124, 420 S.E.2d 499, 500-01 (1992). Relying on the "important policy considerations implicit in section 15-77-300," the Supreme Court held that the specific provisions of the State Action Statute outweighed the more general provisions of a Code provision allowing an award of attorneys' fees in family court. Those same "important policy considerations" mean that fees should not be shifted to Anderson County in this case, in the absence of some specific agreement, and where the County's claims survived dispositive motions and were grounded in good faith factual and legal arguments.

In fact, the Severance Agreement contains no provision for attorneys' fees to the prevailing party in any litigation arising out of that agreement. This is important, in that South Carolina follows the American rule that attorneys' fees are not available to the prevailing party absent some contractual agreement to the contrary or a statutory scheme that would allow the same. *Historic Charleston Holdings, LLC v. Mallon*, 381 S.C. 417, 436, 673 S.E.2d 448, 458 (2009) ("Attorney's fees are not recoverable unless authorized by contract or statute."). The parties certainly could have negotiated such a provision, but they chose not to do so.

The fact that this case involves a covenant not to sue makes no difference in the analysis. Even outside the context of a law like the State Action Statute, other courts agree that attorneys' fees and costs are not damages unless the parties specifically intended such a recovery by expressly indicating so in the contract itself. *Artvale, Inc. v. Rugby Fabrics Corp* , 363 F.2d 1002, 1008

(2d Cir. 1966) ("Certainly it is not beyond the powers of a lawyer to draw a covenant not to sue in such terms as to make clear that any breach will entail liability for damages, including the most certain of all – defendant's litigation expense. Yet to distill all this out of the usual formal covenant would be going too far; its primary function is to serve as a shield rather than as a sword . . . ."); *Kamfar v. New World Rest. Group, Inc.*, 347 F. Supp. 2d 38, 51 (S.D.N.Y. 2004) ("A defendant normally may not recover damages – i.e., litigation expenses – for breach of a covenant not to sue unless the parties specifically intended such recovery."); *Bunnett v. Smallwood*, 793 P.2d 157, 161 (Colo. 1990) ("It is not unfair to require each party to pay its own legal costs if the parties did not find it necessary to include a fee shifting provision when they entered into the agreement."); *see also* 9 A.L.R.5th 933 (Originally published in 1993) ("The great majority of the courts in [cases seeking attorneys' fees as damages for breach of a covenant not to sue] have held that litigation expenses were not recoverable.")

Moreover, even if attorneys' fees were typically available as a measure of damages for breach of a covenant not to sue, they should not be awarded where the action in question was brought to determine the existence or validity of the agreement containing the covenant not to sue. *See Bellefonte Re Ins. Co. v. Argonaut Ins. Co* , 757 F.2d 523, 529 (2d Cir. 1985) ("[W]e [will] not read such a covenant, without more, as intended to subject to damages a plaintiff who claimed in good faith that it had been obtained by unfair means." (quotation marks and citation omitted)); *Schneider v. Dumbarton Developers, Inc.*, 767 F.2d 1007, 1016 (D.C. Cir. 1985) ("[T]he covenant [not to sue] would go only to the merits of the controversy settled – not to the existence or terms of the Settlement Agreement itself."); *Winchester Drive-In Theatre, Inc. v. Warner Bros. Pictures Distrib. Corp.*, 358 F.2d 432, 436 (9th Cir. 1966) ("When the very existence of a covenant is disputed in good faith that dispute must be resolved before the covenant can be recognized and allowance must be made for such resolution."); *Wolcott v. Ginsburg*, 697 F Supp. 540, 547 (D.D.C. 1988) ("Damages should not be awarded against those plaintiffs who have made a good faith challenge to the very existence or validity of an alleged covenant not to sue.").

Here, the County challenged the validity of the Severance Agreement containing the covenant not to sue; it did not sue for damages on the basis of claims released in the Severance Agreement. Although this Court has indicated an inclination to decide against the County, the County's claims were raised in good faith. As this Court recognized, there were significant irregularities that ultimately required four of the seven votes cast on the severance agreement to be disregarded by the Court.

III. If Attorneys' Fees Are Awarded, They Must Be Limited to The Difference Between the Cost of Defending the Action Brought and the Cost of Defending an Action for a Declaratory Judgment on the Validity of the Covenant Not to Sue.

As the numerous cases cited above make clear, a party to an agreement must have some way to challenge the validity of that agreement, even in the face of a covenant not to sue. Otherwise, parties could insulate a fraudulently obtained agreement simply by inserting a few magic words. Such a policy would clearly create a severe moral hazard. It is not, and cannot be, the law that the only way to challenge the existence or validity of a covenant not to sue is to breach the covenant, and to assume liability for whatever attorneys' fees the other side incurs. Accordingly, we continue to believe that this action did not breach the covenant not to sue, and that no fee award is appropriate.

Having said this, the Court has indicated its conclusion that the County could have made this challenge by means of a declaratory judgment action. If that is the case, then the appropriate measure of damages is not the entirety of Preston's attorney fees, but only the difference between what Preston actually spent to defend the case (excluding his counterclaim, as discussed below) and what he would have spent defending a declaratory judgment action challenging the validity of the covenant not to sue alone Since any such declaratory judgment action would have rested on the same grounds as this action, substantially the same effort would have been required. Accordingly, the Court should, at the very least, limit any award to the fees Preston can demonstrate he incurred in defending this case, but that would not have been incurred had the County filed a declaratory judgment action challenging the validity of the Severance Package.

IV. If Attorneys' Fees Are Awarded, the Court Cannot Award More Than the Amount Contractually Agreed Between Preston and His Attorneys.

An award of attorneys' fees under the State Action Statute is discretionary, not mandatory. *Layman v. State*, 376 S.C. 434, 658 S.E.2d 320 (2008). While we believe the Court has discretion to rely on factors like the ones raised in this letter to award less than the full amount of fees contracted by Preston, the statute is clear that the Court cannot depart upward from that amount: *"[I]n no event shall a prevailing party be allowed to shift attorneys' fees* pursuant to this section *that exceed the fees the party has contracted to pay counsel for work on the litigation*." S.C. Code Ann. §15-77-300 (B) (emphasis added). The same would be true if the Court decided to treat attorneys' fees as damages, contrary to the authority cited above; the calculation could not take into account "fees" that Preston did not owe.

Thus, it would violate the statute to follow the suggestion of Preston's counsel and re-write the fee agreements between counsel and Preston for this litigation. Any award is capped by the amount Preston is contractually bound to pay, as well as by the reasonableness of those amounts.

On page 13 of his affidavit, Mr Davis requests that the Court ignore the contingent fee

arrangement between Nelson Mullins and Preston and adjust it to Nelson Mullins' benefit, arguing that Nelson Mullins effectively miscalculated the risk associated with the contingent fee arrangement to which it agreed and contending that Nelson Mullins should be allowed to re-calculate that risk with the benefit of hindsight.[2] This is absolutely prohibited by the statute, and is otherwise insupportable. (This is why contingent fee agreements must be in writing.) If the circumstances were different, and this matter had resolved quickly – or in any event before Nelson Mullins' fees exceeded $350,000 – it is unlikely that any fee petition would have reflected a discount in the contingent fee on the basis that the law firm miscalculated the risk inherent in the case.

For the same reason, the suggestion that the Court award fees on the basis of a billable rate ***59% higher*** than the hourly billable rate that was contractually agreed upon is completely improper. On page 3 of her affidavit, Ms. Kern-Fuller requests that the court consider an attorneys' fee award based on a rate of $350.00 per hour for her time. However, the contract between Ms. Kern-Fuller and Preston set an agreed-upon rate of $220.00 per hour.[3] In addition, Ms. Kern-Fuller and her law firm were expressly included in the $350,000 contingent fee payment set forth in the retention letter as between Preston and Nelson Mullins, which called for the payment of 1/3 of that contingent fee amount ($116,667) to be paid over to Ms. Kern-Fuller in the event of success.

The contractual arrangement between Preston and his attorneys is the maximum amount the Court could award if it finds, in its discretion, that any attorneys' fee award is appropriate here. For the reasons set forth in this letter, including the following, Anderson County contends that any fee award should be reduced from that maximum amount.

Even within the limits of the contractual arrangement between Preston and his attorneys, the amount awarded must be reasonable in light of all the various factors. Here, a careful analysis of the affidavits of Mr. Davis and Ms. Kern-Fuller reveals substantial questions about the reasonableness of the award sought.

In this litigation, Preston initially included an alternative counterclaim, alleging that if the Severance Agreement were found to be invalid, then Anderson County should be liable for "anticipatory breach" of his Employment Contract. The inclusion of that counterclaim led to a tremendous amount of additional work in this case, as it opened the door to discovery concerning pretty much the entirety of Preston's service as County Administrator. After substantially increasing the legal fees and costs associated with this case, Preston later dropped this counterclaim entirely, but only after years of litigation focused primarily on those issues – and not on the claim brought by the County concerning Preston's Severance Agreement. Nowhere in

[2] As discussed below, much of the effort in the case was occasioned by the decision of Preston and his lawyers to assert his anticipatory breach and other counterclaims in this action.

[3] (Defendant's Trial Exhibit 40)

the affidavit of Mr. Davis or Ms. Kern-Fuller does there appear any effort to discount the total hours spent on this case by the substantial amount of time that was expended on the dropped counterclaim.

In similar fashion, Preston added a number of new counterclaims to the case in June 2012, all of which stemmed from activity that occurred after his employment with the County had ended – such as his arrest for driving under the influence – and none of which had anything to do with the County's claim. The litigation of these counterclaims also accounted for substantial time and effort, including the drafting of those claims, substantial written discovery, and depositions. Those counterclaims were resolved prior to trial. Here again, no effort was made by Preston's attorneys to differentiate between time devoted to the County's claim and time devoted to Preston's own counterclaims.

There are at least two elements of the fee request submitted by Ms. Kern-Fuller that are facially unreasonable. First, there are dozens and dozens of entries in Ms. Kern-Fuller's "bills"[4] (Exhibits A and B to the Affidavit of Ms. Kern-Fuller) in which her law firm is attempting to charge for text messages and phone calls to or from her client and co-counsel at increments of 0.1 hour per entry. During the period between May 15, 2012 and October 3, 2012, Ms. Kern-Fuller records approximately 400 text message entries and 1,625 telephone calls to or from her client/co-counsel, almost all of which are recorded as a tenth of an hour. On the bill, this reflects approximately 220 total hours of time charged at $220 per hour, or a total of $48,400 in charges. Not one entry in this period is for less than a tenth of an hour – six minutes. Common experience confirms that it does not take anything close to six minutes – or even 30 seconds – to send or receive a text message. This appears to be a gross inflation of time on this case, and the Court should take that into account in determining the reasonableness of any fee award.

Second, there are many entries where Ms. Kern-Fuller attended depositions along with Mr. Davis, and where Mr. Davis conducted the deposition (or defense). Whether it was reasonably necessary for two attorneys to handle many of the routine depositions in this case – and whether that is something the County should have to pay for out of public funds – is something else the Court should consider in determining the appropriateness of any fee award here. This is particularly true given that Mr. Preston's fee arrangement with Nelson Mullins obligated that firm to provide a full defense on a flat fee basis; adding a second lawyer at an additional hourly rate is excessive in that circumstance. It is incumbent upon Preston to demonstrate that he is requesting reasonable attorneys' fees; the failure to provide adequate explanation as to the reasonableness of the fees charged is further reason to reject the fee request.

[4] The documents referred to by Ms Kern-Fuller in her Affidavit as her law firm's "bills" do not appear to be actual invoices delivered to Preston, but instead internal accounting documents that record time entries. Preston has presented no evidence that these documents are actual bills that were sent to him for payment.

Thank you for your attention to these points. Please let us know if we can supply anything further.

Respectfully yours,



J. Theodore Gentry
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cc: Lane W. Davis, Esq., by e-mail & first-class mail
Candy M. Kern-Fuller, Esq., by e-mail & first-class mail
Justin Werner, Esq., by e-mail & first-class mail
David Avant, Esq., by e-mail & first-class mail

Lane Davis

From: Lane Davis
Sent: Friday, February 22, 2013 6:37 PM
To: 'rcouchj@sccourts org'; 'Couch, Roger L Law Clerk (Jean Marie Jennings)'
Cc: 'Candy Kern-Fuller'; 'Justin Werner'; 'davant@retirement.sc.gov'; Troy A. Tessier, AWP - Tally Parham, Teri Varnadore; 'Ted Gentry'
Subject: RE: Anderson v Preston - Letter re Fee Request

Dear Judge Couch:

I have reviewed Mr. Gentry's letter from this afternoon.

In an effort to keep the case from continuing forever, I will offer only brief replies (by bullet point) and primarily only to the County's new arguments. Should the Court desire additional responses, I am glad to provide further analysis:

- After the County's eight page response, one fact (a fact it hopes to gloss) remains both stubborn and inescapable—regardless of what the County now wants to complain about in relation to Defendant's attorney's fees and litigation costs—it still spent over twice as much as Preston. It is surprising the County would prove so brazen under such circumstances but such is, and has been, the case.

- The County tries to blend the analysis for statutory and contractual bases supporting fees together. This is in error. As to statutory fees, nothing about the County's actions were substantially justified. Preston has previously supplied such analysis in Closing and supported such grounds in the fee affidavit. No justification existed supporting this case:

    - The County supported its case with *no* South Carolina authority and a theory contravening positive authority-- *Baird*.
    - The County breached a clear covenant not to sue.
    - The County Council acted in numerous below board ways in relation to the lawsuit.
    - Tellingly, the County outspent what it could recoup in this lawsuit and persisted even when the prospect of any recovery grew dim.
    - Surviving a motion to dismiss or summary judgment motion does not render the County's actions as substantially justified. Ample precedent refutes this suggestion by Plaintiff.
    - As the facts lay bare, this lawsuit was ***never*** about a severance agreement and it most certainly was not about the public good.

- The County's suggestion that *much of this case* was attributable to Preston's counterclaims is one of the most *laughable* assertions advanced by the County to date.

    - To be clear, the vast majority of time in this lawsuit was spent combatting the County's hyper-aggressive litigation tactics in which (by way of an example amongst many) it sought to subpoena such things as the investigative file from the divorce of Joey and Barbara Preston. Should the County dispute the same, Preston would be glad to chronicle such instances from the lawsuit's inception (i.e., Plaintiff's mailing subpoenas to the Anderson Independent Mail) through trial (i.e., putting at issue allegations of adultery in a contract case (Preston's middle school aged child notwithstanding));
    - No time (or virtually no time other than drafting the claim) was spent pursuing the anticipatory breach counterclaim. The County's suggestion to the contrary is truly inexplicable and without credibility;
    - The other counterclaims were <u>not even asserted</u> until June of 2012. They were settled within only a few months.
    - Contrary to what the County has stated, <u>no</u> depositions were taken in furtherance of those counterclaims, unless the Court counts Steve Ebbeler's deposition, whose deposition (noticed by the

County) contained testimony about evidence altered by the County and giving rise to one of the counterclaims.
  - Nor was much written discovery taken, since the vast majority of each claim's elements was not even disputed.
  - The total amount of time spent pursuing counterclaims was very minimal (below 3% of the total).
  - Yet, it is irrelevant either way. If the Court applies a strict retainer agreement approach, the time and fees spent far exceed a pure retainer agreement analysis. Thus, even reducing this amount does not impact the retainer agreement amounts.
  - Conversely, while removing such amounts on an actual value approach might reduce the total by $20 or so, the final number would still well exceed $900k.

- Footnote 1's veiled threat of an "appeal" is likewise comical. What the Anderson County Council might do or not do is *exactly* what the Court should not consider. The County's only track-record in this matter is one of bad decision-making.

- Much of the County's letter is simply an attempt to re-argue its case over. The hope appears to be if the County just argues the same thing one more time a different result will obtain. (There may, in fact, be a clinical definition for this.) However, if by some reason the Court desires further analysis from Preston, please let us know. Otherwise, Preston will skip the recycled arguments.

- The County points out the proposition that Preston was adverse to the County "is inconsistent with the idea" that this lawsuit was "primarily a challenge to his conduct as an employee." The County simply misstates the Court's contemplated ruling, as it was communicated. The draft order is self-evident in this regard and altogether correct. By contrast, it is the County's position that is impossible to reconcile (another reason it lacks justification).

- The County simply ignores the precedent cited by Preston confirming attorney's fees awards when covenants not to sue are breached. As to its "American Rule" argument, the County also simply ignores the recent decision in *Benedict College v. National Credit Systems, Inc. v. Ford*, 400 S.C. 538, 735 S.E.2d 518 (Ct. App. 2012), which allowed attorney's fees so long as they flowed as damages (as they do here) from the alleged wrong—a breach of the covenant not to sue. By the County's broad-stroke analysis, no fees should have been recoverable in *Benedict*. Yet, they were. The issue simply presents more of the County picking and choosing a patchwork of authority from around the country.

  - Moreover, the County presents its citation of cases, as if they represent the majority rules for the propositions they cited. Yet, they do not.
  - A ruling that Preston should be able to recoup fees is correct.
  - Adopting the County's analysis would render covenants not to sue meaningless in this state, which is not the law.
  - In addition, the County previously argued this exact legal point at an early stage of the litigation and the judge, at that time, correctly rejected its argument as well.

- The County's arguments about defending the action versus defending a declaratory action are bizarre. Such arguments might prove relevant had the County actually filed such an action. Since it did not, however, the analysis has no bearing on this case. The argument is the equivalent of saying if the County filed a different lawsuit the analysis might change. This might be true. While interesting, it is irrelevant.

- Under the fee statute, if the retainer agreement were strictly in place (which it was not), Preston would only be entitled to recoup amounts owed under the agreements. Under the contractual analysis, however, the court could enhance or subtract a fee award based upon lode star considerations.

- Buried deep in its letter, the County raises several points, which I'm unsure whether even it believes:

- First, at several depositions, the County had more than one attorney present. At every hearing, the County had two (sometimes three) attorneys present. At trial, the County had three attorneys at counsel table at all times. Apparently, by the County's logic, the fees from all such instances will be reimbursed to the public coffers as unnecessary.

- Just like Plaintiff's counsel, the Upstate Law Group has minimal billing increments. To borrow a Gentryism, "common experience" confirms retainer agreements contain minimum billing increments. This is simply another attempt to create a fictive dust-up. If the County truly wishes to dispute this fact, it should affirmatively represent to the Court that its counsel does not use minimum billing increments.

- If the defense fees are so out-of-line, the County would seemingly have a serious problem reconciling its own fees and costs, which tower above those of Preston. Yet, unlike the County, Preston casts no aspersions but just points out the proportionality of the respective legal spends in response to the County's suggestions the fees petitioned for were somehow unreasonable, which they were not.

Preston believes there are no arguments raised by the County that warrant a response lengthier than the above. However, if the Court deems any of the issues warrant further submittals, please let us know.

Best regards,

Lane W. Davis
Nelson Mullins Riley & Scarborough, LLP

From: Ted Gentry [mailto:tgentry@wyche.com]
Sent: Friday, February 22, 2013 2:44 PM
To: 'rcouchj@sccourts.org'; 'Couch, Roger L. Law Clerk (Jean Marie Jennings)'
Cc: Lane Davis; 'Candy Kern-Fuller'; 'Justin Werner'; 'davant@retirement.sc.gov'; Troy A. Tessier; AWP - Tally Parham; Teri Varnadore
Subject: Anderson v. Preston - Letter re Fee Request

Dear Judge Couch:

Attached is a letter containing Anderson County's comments on Mr. Preston's request for a fee award. I have copied all counsel of record.

I hope everyone has a pleasant weekend.

Ted Gentry | Wyche
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Couch, Roger L. Law Clerk (Jean Marie Jennings)



Subject: FW. Cunningham Decision

From: Troy A. Tessier [mailto:ttessier@wyche.com]
Sent: Friday, March 08, 2013 6:24 AM
To: Lane Davis; Couch, Roger L.; Couch, Roger L. Law Clerk (Jean Marie Jennings)
Cc: Ted Gentry; 'Candy Kern-Fuller'; 'davant@retirement.sc.gov'; 'Justin Werner'; Tally Parham
Subject: RE: Cunningham Decision

Dear Judge Couch:

We apologize for the delay in responding to the invitation for any further comments on the substituted opinion that was recently filed in the *Cunningham* case. Mr. Gentry has been out of the office most of this week, and I was in depositions for the past two days.

We do not read the substituted *Cunningham* opinion as making any significant substantive change to any portion that is relevant to the issues we have addressed earlier. It still confirms that the employment contract Mr. Preston claimed had been "anticipatorily" breached and which served as the basis for the challenged severance agreement was legally invalid. This confirms, in part, how arbitrary and capricious the action of the lame duck Council was in paying Mr. Preston over a million dollars in public money based on a contract that would not withstand legal scrutiny.

In point #5 below, Mr. Davis contends that Mr. Preston might still have tort claims even if his employment contract was legally invalid. However, the evidence at trial made clear that Mr. Preston never articulated any specific tort claim that he had, and without the severance terms of his invalid employment agreement, Mr. Preston could not (and did not) demonstrate any damages of any substance.

We continue to believe that our previously submitted arguments about the impact of that decision adequately make our points, and are content to rely on them.

Thank you for your consideration.

Respectfully,

Troy A. Tessier | Wyche
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