

MINUTES
SOUTH CAROLINA CONSERVATION BANK
Friday, November 10, 2017 – 10:00 am
The Grain Bins
4460 Five Chop Road
Cameron, SC 29030

The South Carolina Conservation Bank (SCCB) Board held a workshop at 10:00 am, Friday, November 10, 2017 at The Grain Bins on Chairman Roquemore's property in Cameron, SC. Notice of the date, time and place of the meeting was posted and mailed to the news media in accordance with the Freedom of Information Act. Chairman James Roquemore presided at the meeting and members present included Michael G. McShane, Vice Chairman; Andrea Clark; C. Douglass Harper; Charles G. Lane; W. Thomas Lavender, Jr.; and Ex-Officio member Dr. Walt McPhail, SC Forestry Commission Chairman. Members absent were Elliott Close; D. Clinch Heyward; William L. Snow, Sr. and Ex-officio members Cary L. Chastain, Chairman SCDNR Board and Phil Gaines for Duane Parrish, Director for SCPRT.

I. WELCOME AND CALL TO ORDER

The Chairman called the meeting to order, welcomed everyone and thanked everyone for their work in getting the meeting organized. The Chairman noted that this meeting was called to discuss items including the Inspector General, an update on the SCCB's budget, to gather the Board's thoughts about and appoint a planning committee, as well as discuss any reelection for Chairman and Vice Chairman of the Board.

II. WORKSHOP

A. INSPECTOR GENERAL

Mr. McShane directed the Board's attention to the topic of the Inspector General, Brian Lamkin. Mr. McShane stated that he would have the SCCB's staff and Board's full cooperation and asked the Chairman what Mr. Lamkin would be looking at. The Chairman replied stating that he had talked to Mr. Lamkin and that he would be looking into any recommendations he could make for the Bank. Mr. McShane stated that he was hoping to have an attorney present at this meeting and although Mr. Davant attempted to contact the Attorney General's office, no one was able to attend with it being a state holiday. Mr. McShane recommended that going forward the SCCB Board Meetings should have an attorney present. Chairman Roquemore asked Mr. Davant about using the Attorney General's office for future Board Meetings. Mr. Davant stated that the process is fairly simple but the Attorney General stated that with their current workload, assigning a permanent attorney would be difficult but gave us Parkin Hunter to contact when needed. Mr. Lavendar stated that the SCCB would have to work at the approved Attorney General rate. Mr. Lane suggested using Attorney George Bailey, who formerly worked for the SCCB. Mr. Davant stated that George Bailey is retired. Mr. McShane restated that going forward the Board would try and have someone at the meetings. The Chairman stated that the Board would follow up on this subject at a later date and redirected the meeting to the meeting SCCB staff had with Mr. Lamkin. Mr. Davant stated that Mr. Lamkin stated that the Inspector General's office was not law enforcement and will perform duties within the Governor's letter. Mr. Lamkin stated during this meeting that there will be some redundancy from the Legislative Audit Council report but will also focus on accounting practices. Mr. Davant stated that overall, the meeting went well and that the Inspector General's office will be contacting the Bank requesting addition information in the near future. The Chairman stated that he thought the Inspector General's office would be cordial, fair, and would present the facts well. Mr. Davant stated that Mr. Lamkin also stated that he hoped to have the report finished by the Legislative Session but could extend into January or February. Mr. McShane asked what the expectations of the Board Members were during this investigation. Mr. Davant stated there was a possibility of the Inspector General's office contacting the Board Members.

B. FINANCIAL STATUS

The Chairman called for the Board to move on to the next item for discussion and asked Mr. Davant to explain where the SCCB is budget wise. Mr. Davant stated the SCCB has received \$5 million from the Capital Reserve Fund and is expecting to receive another \$5 million from the General Fund at a later date. Originally the Comptroller General's information showed plenty of money to cover the SCCB but since then a press release reduced the amount of projected income. Mr. Davant stated that there is some confusion as to if the SCCB will receive these funds as we have not received any information from the Budget office. Mr. Davant stated that the numbers have apparently changed but no notice has been received so the funding may or may not come. Mr. McShane recommended that in light of the Inspector General's office, not to issue any grants. Mr. Davant clarified that no other grants could be funded at the moment anyway. Mr. Davant also mentioned that the Governor's vetoes have not currently been dealt with. According to the reports the SCCB has found, the vetoes should help the Bank gain funding but this will not be certain until the Legislature goes over the vetoes. Mr. McPhail recommended the SCCB staff to let all of the qualified entities know that the Bank does not currently have any funding. The Chairman and Mr. McShane agreed.

C. BOARD EXPIRATIONS

The Chairman called for the Board to move to the next item regarding the Board expirations and stated that this could be discussed in executive session and an action be taken at the next Board Meeting. Mr. Davant stated that the Board can continue to serve until they receive a letter from the Legislature with a reappointment or the Board Member resigns. Mr. Lavendar stated that the Board may be interested in reviewing the Board officers and the Board agreed. Mr. McShane stated that actions could take place at the beginning of the calendar year which would be timely.

IV. EXECUTIVE SESSION

Mr. McShane asked what the Chairman's thoughts were on an Interim Director as Mr. Davant would be retiring effective December 31, 2017 and how the Board would move forward to create a committee. The Chairman stated that he would appoint a committee but wanted to discuss the matter in Executive Session. Mr. Harper made a motion to enter into Executive Session. Mr. Lane seconded the motion and the motion unanimously passed.

V. RETURN TO REGULAR SESSION

The Chairman called the meeting back to order and stated that the Board was moving to the next agenda item.

VI. GENERAL DISCUSSION

A. STRATEGIC PLANNING COMMITTEE

The Chairman stated that he has appointed a strategic planning committee for the purposes of developing an interim plan to be presented to the Bank Board at the next Board Meeting. This strategic planning committee consists of Board Members Michael G. McShane, Vice Chairman; Andrea Clark; C. Douglass Harper; Charles G. Lane; W. Thomas Lavender, Jr.. The Chairman appointed Mr. Lane as the Chair of the strategic planning committee.

VII. TIME AND PLACE OF NEXT BOARD MEETING

The Chairman stated that the next Board Meeting would preferably be held before the end of December 2017 to take any necessary action on recommendations by the strategic planning committee. As the strategic planning committee meeting had not been scheduled yet, the Chairman postponed assigning a time and place of the next Board Meeting and all agreed.

VIII. ADJOURN

The Chairman called for a motion to adjourn. Mr. McShane made the motion to adjourn. Ms. Clark seconded and the motion unanimously passed.