

TOWN OF FORT MILL MUNICIPAL COURT
FORT MILL, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended September 30, 2021



June 6, 2023

The Honorable Kyle M. Hobbs, Chief Judge
Ms. Mitzy Blackmon, Clerk of Court
Town of Fort Mill
Fort Mill, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Fort Mill Municipal Court System as of and for the period October 1, 2020 through September 30, 2021, was issued by The Hobbs Group P.A., under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

George L. Kennedy, III, CPA
State Auditor

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INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 6, 2023

Mr. George L. Kennedy, III, CPA
State Auditor
State of South Carolina
Columbia, South Carolina

The Honorable Kyle M. Hobbs, Chief Judge
Ms. Mitzy Blackmon, Clerk of Court
Town of Fort Mill
Fort Mill, South Carolina

We have performed the procedures described below on the systems, processes, and behaviors related to financial activity of the Town of Fort Mill Municipal Court (the “*Town*”) for the period October 1, 2020 to September 30, 2021, in the areas addressed. The Town is responsible for the systems, processes and behaviors related to financial activity.

The South Carolina Office of the State Auditor has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the systems, processes and behaviors related to financial activity for the period October 1, 2020 to September 30, 2021. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

1. **Clerk of Court**

- We obtained the court dockets or equivalents from the Clerk of Court. We haphazardly selected 25 cases from the court dockets and recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee, assessment and surcharge were properly allocated in accordance with applicable State law and the South Carolina Court Administration fee memoranda.
- We haphazardly selected 25 court receipt transactions to confirm that the fine, fee, assessment and surcharge adhered to State law and the South Carolina Court Administration fee memoranda and that the receipts were allocated in accordance with applicable State law.

Findings -- Adherence to Fine Guidelines

During our inspection of the Town court collections and remittances, we observed the following instances in which the Town did not fine the defendant in accordance with State law:

Speeding

The Town fined two individuals \$7.23 and \$25.79 for speeding less than 10 miles per hour over the speed limit. Section 56-5-1520(G)(1) of the 1976 South Carolina Code of Laws, as amended, states, "A person violating the speed limits established by this section is guilty of a misdemeanor and, upon conviction for a first offense, must be fined or imprisoned as follows:

- (1) in excess of the above posted limit but not in excess of ten miles an hour by a fine of not less than fifteen dollars nor more than twenty-five dollars;"

Purchase, attempt to purchase or attempt to possess or possession of tobacco by a minor

The Town fined one individual \$24.10, for purchase, attempt to purchase or attempt to possess or possession of tobacco by a minor. Section 16-17-500(F)(1) of the 1976 South Carolina Code of Laws, as amended, states, "A minor who knowingly violates this statute is subject to a civil fine of \$25. The civil fine is subject to all applicable court costs, assessments, and surcharges.

Drug Possession, First Offense

The Town fined one individual \$96.38 for possession of 28 grams or less of marijuana for their first offense. Section 44-53-0370(D)(4) of the 1976 South Carolina Code of Laws, as amended, states "A person who violates this subsection with respect to twenty-eight grams or one ounce or less of marijuana or ten grams or less of hashish is guilty of a misdemeanor and, upon conviction, must be imprisoned not more than thirty days or fined not less than one hundred dollars nor more than two hundred dollars."

Harassment, Second Degree

The Town fined one individual \$216.87 for harassment, second degree. Section 16-3-1710 of the 1976 South Carolina Code of laws, as amended, states "A person who engages in harassment in the second degree is guilty of a misdemeanor and, upon conviction, must be fined not more than two hundred dollars, or imprisoned not more than 30 days, or both.

Management Response: The software used by Fort Mill Municipal Court is owned by SC Court Administration. Adjustments to fines are at the discretion of the sitting Municipal Judge within the parameters set by the SC Court Administration.

2. Town Treasurer

- We inspected all monthly court remittance forms or equivalents to confirm that the forms were completed in accordance with instructions and submitted timely in accordance with State law.
- We agreed the amounts reported on the monthly remittance forms or equivalents to the Town's support.
- We inspected the Town's support to confirm that the Town properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms ("STRRF") for the period October 1, 2020 through September 30 2021 and agreed the amounts reported on the STRRF to the court remittance forms or equivalents.

Finding -- Timely Remittance of State Treasurer’s Revenue Remittance Forms

Three of the twelve STRRF, along with the amounts due to the State, were submitted late to the South Carolina State Treasurer’s Office. Section 14-1-208(A) of the 1976 South Carolina Code of Laws, as amended, states “...this assessment must be paid to the municipal clerk of court and deposited with the municipal treasurer for remittance to the State Treasurer.” Section 14-1-208(B) of the 1976 South Carolina Code of Laws, as amended, requires the Town to remit both the form and the balance of the assessment revenue to the State Treasurer on a monthly basis by the fifteenth day of each month and make reports on a form and in a manner prescribed by the State Treasurer.

Management Response: The Town understands the importance of timely reporting. Staffing limitations and its affects contributed to the untimely payments. This has been addressed.

3. Victim Assistance

- We made inquiries and confirmed that any funds retained by the Town for victim assistance were deposited into a separate account.
- We haphazardly selected five expenditures to confirm that the Town expended victim assistance funds in accordance with State law and the South Carolina Court Administration fee memoranda.
- We inspected the Town’s victim assistance account to confirm the Victim Assistance fund balance was retained as of October 1 from the previous fiscal year in accordance with State law.

We found no exceptions as a result of the procedures performed.

4. Uniform Schedule of Court Fines, Assessments and Surcharges

- We agreed amounts reported by the Town on its Uniform Schedule of Court Fines, Assessments and Surcharges (“Uniform Schedule”), as reported in the annual financial statement audit, for the period October 1, 2020 through September 30, 2021, to the Town’s general ledger.
- We inspected the Town’s Uniform Schedule of Court Fines, Assessments and Surcharges, as reported in the annual financial statement audit, for the period October 1, 2020 through September 30, 2021, to confirm that it contained all the elements required by the South Carolina Code of Laws Section 14-1-208.

Finding -- Uniform Schedule

The Municipality was unable to provide us with an audit report for the year ended September 30, 2021. The most recent financial statement audit was for the year ended September 30, 2020, and as such certain procedures could not be performed. Section 14-1-208 of the South Carolina Code of Laws requires the Town to produce an annual audit report and to submit such report to the State Treasurer within thirteen months of its year-end.

Management Response: The audits for fiscal years 2021 and 2022 are underway. Delays were experienced due to staffing limitations and its affects. Town management and the audit firm are working collectively to resolve this as quickly as possible.

We were engaged by the South Carolina Office of the State Auditor to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the systems, processes, and behaviors related to financial activity of the Town for the period October 1, 2020 through September 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Governor, Chairmen of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of the Town of Fort Mill Municipal Council, the Clerk of Court, Town Clerk/Treasurer, State Treasurer, South Carolina Department of Crime Victim Compensation, and the Chief Justice and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

The Hobbs Group, P.A.
Columbia, South Carolina

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