TOWN OF EHRHARDT MUNICIPAL COURT
EHRHARDT, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2025

SOUTH CAROLINA OFFICE OF THE STATE AUDITOR
1401 Main Street, Suite 1200 • Columbia, SC 29201

June 10, 2026

The Honorable Joseph T. Coleman, Chief Judge
Ms. Teresa A. Smith, Town Clerk/Treasurer
Town of Ehrhardt Municipal Court
Ehrhardt, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Ehrhardt Municipal Court as of and for the period July 1, 2024, through June 30, 2025, was issued by The Hobbs Group, P.A, Certified Public Accountants 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,

Sue F. Moss

Sue F. Moss, CPA
Interim State Auditor

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 10, 2026

Ms. Sue Moss, CPA
Interim State Auditor
State of South Carolina
Columbia, South Carolina

The Honorable Joseph T. Coleman, Chief Judge
Ms. Teresa A. Smith, Town Clerk/Treasurer
Town of Ehrhardt
Ehrhardt, South Carolina

We have performed the procedures enumerated below on the systems, processes, and behaviors related to financial activity of the Town of Ehrhardt Municipal Court (the "*Town*") for the period July 1, 2024 through June 30, 2025, 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 July 1, 2024 through June 30, 2025, and reported on findings, if applicable, based on the procedures performed. 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.

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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 one individual $25.54 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;"

Drug Possession, First Offense

The Town fined an individual $48.19 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."

Driving Under Suspension, First Offense

The Town fined an individual $32.53 for driving under suspension, license not suspended with a DUI, first offense. Section 56-01-0460(A)(1)(a) of the 1976 South Carolina Code of Laws, as amended, states, "A person who drives a motor vehicle on a public highway of this State when the person's license to drive is canceled, suspended, or revoked must, upon conviction, be punished as follows:

(a) for a first offense, fined three hundred dollars or imprisoned for up to thirty days, or both;"

Driving Without a License, First Offense

The Town fined one individual $36.14 for driving without a license, first offense. Section 56-1-440 of the 1976 South Carolina Code of Laws, as amended, states, "A person who drives a motor vehicle on a public highway of this State without a driver's license in violation of Section 56-1-20 is guilty of a misdemeanor and upon conviction of a first offense, must be fined not less than fifty dollars nor more than one hundred dollars."

Management Response: Management reviewed the matter and notes that the judge exercised discretion to adjust the minimum fine in accordance with applicable South Carolina law. Based on the judge's interpretation, a sentence includes the full punishment imposed by the court, including jail time and/or fine amounts. Unless the applicable statute or ordinance specifically states that no portion of the sentence may be suspended, the court has discretion to suspend all or part of the sentence, including the fine.

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 July 1, 2024 through June 30, 2025 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

Nine 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 Clerk will ensure the payment due to the State Treasurer is made by the fifteenth of each month.

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 selected all (1) 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 July 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 July 1, 2024 through June 30, 2025, to the Town's general ledger.
   - We inspected the Town's Uniform Schedule, as reported in the annual financial statement audit, to confirm that it contained all the elements required by the South Carolina Code of Laws Section 14-1-208.

Finding -- Uniform Schedule

The Town was unable to provide an audit report for the year ended June 30, 2025. The most recent financial statement audit was for the year ended June 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 Town is working on getting audits completed.

5. **Status of Prior Findings**
    - We inquired with management of the Town about the status of findings reported in the Accountants' Comments section if any prior engagement has occurred.

Status of Findings from the Fiscal Year Ended June 30, 2021:

The only prior year finding resolved was transfer of victims advocate fund. All other findings related to adherence to fine guidelines and timely remittance of STRRF forms remain unresolved.

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 a 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 July 1, 2024 through June 30, 2025. 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 other 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 Ehrhardt 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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