

Mr. Josh Simpson

Mayor

Ms. Amy Gore

District 2

Mr. Justin Beardsley

District 3

Town of Reidville

7304 Reidville Rd

PO Box 309

Reidville, SC 29375

August 12, 2025

Mr. Bob Jordan

Mayor ProTem, District 1

Mr. James Richard

District 4

REGULAR SCHEDULED COUNCIL MEETING

Location: Reidville Presbyterian Church

Mayor Josh Simpson called the council meeting to order at 6:30 p.m. The Town Administrator conducted a roll call, confirming the presence of Mayor Simpson, Council Members Justin Beardsley, James Richard, Amy Gore, and Bob Jordan.

James Richard offered the invocation, after which the council collectively led the Pledge of Allegiance.

Mayor Simpson provided a brief overview of the Town of Reidville's internship program and introduced the current intern, Ms. Yasmina Meydanova. He commended Ms. Meydanova for her exceptional initiative, noting her eagerness to learn and commitment to personal and professional growth.

Town Administrator McKaba further highlighted Ms. Meydanova's dedication, stating that beyond her scheduled hours with the Town, she proactively inquired about additional training opportunities she could pursue independently. In response, Administrator McKaba guided Ms. Meydanova through the Local Gov U program and helped her select continuing education courses aligned with her interests.

Ms. Meydanova successfully completed 11 courses during her personal time. Council formally recognized her achievement and presented the following certificates:

- Supervisor Skills #Compl110
- Sexual Harassment Prevention – Local Government
- Risk Management for Local Government
- Time Management Skills #GNMS140
- Successful Customer Interactions #GNMS138
- Meeting Management #GNMS109
- Managing Homeless Populations #GNHW118
- Performance Management #GNMS132
- Managing a Remote Workforce
- Finance 101 for Non-Financial Managers #GNPS122

Council expressed appreciation for Ms. Meydanova's contributions and applauded her initiative and professionalism throughout the internship.

Action: A motion was made by Council Member Justin Beardsley, seconded by Council Member James Richard, to approve the Council minutes from July 8, 2025, as presented. The motion carried unanimously.

Action: A motion was made by Council Member James Richard, seconded by Council Member Justin Beardsley, to accept the July 2025 Financial Report as presented. The motion carried unanimously.

Council Member James Richard updated the council on the local government investment pool.

Council Member Bob Jordan informed the Council that Ellason Tree Service is currently working within the Town of Reidville to clear vegetation from ditch to ditch, extending up to 20 feet, along Reidville Town Road. He stated that

this effort is intended to support storm mitigation initiatives and future paving projects by ensuring the right-of-way is properly maintained.

Council Member Justin Beardsley informed the Council that the Reidville Fire Department now staffs at least one paramedic on a fire truck each day, enhancing emergency response capabilities within the fire district. Council Member Beardsley also recommended that the Town transition its official website and URL to a .gov domain to strengthen credibility and security. Additionally, he proposed migrating the Town's email hosting services to Microsoft 365 to improve reliability, integration, and administrative control.

Council Member Amy Gore suggested that the Town proceed with securing a band for the upcoming Oktoberfest event and have the band sign a waiver releasing the Town from liability. Administrator McKaba informed the Council that while a waiver is acceptable, if the band does not provide a current Certificate of Insurance (COI) and proof of workers' compensation coverage, the Town would be required to extend coverage under its own insurance policy. Following discussion, the Council directed Administrator McKaba to have the Town Attorney draft a letter of liability for the participating performers.

Administrator McKaba informed the Council that the Town will be acquiring an enclosed trailer to improve the efficiency and effectiveness of event logistics. She has obtained pricing from multiple vendors for both 7x14 and 7x16 trailer models. Administrator McKaba also noted that she has contacted the Town's insurance provider to determine whether additional coverage or staff training will be required in connection with the trailer's use.

Council Member Justin Beardsley informed the Council of a website program available to the Town of Reidville that would provide a free municipal website for a three-year term, funded through sponsorships. Sponsors would be featured via a text banner displayed on the site. Council Member Beardsley recommended that the Town participate in the program to reduce website-related expenses while maintaining a professional online presence. Council Member James Richard inquired whether there would be any fees associated with making changes to the website once established. Administrator Christine McKaba added that the program also includes the capability to produce flyers and brochures to support future Council initiatives for community outreach.

Action: A motion was made by Council Member Bob Jordan, seconded by Council Member Amy Gore, to accept Council Member Justin Beardsley's recommendation to proceed with LPI for the Town's website update. The motion carried unanimously.

Action: At 7:01 p.m., a motion was made by Council Member Amy Gore, seconded by Council Member Justin Beardsley, to enter into executive session for the announced and posted reasons. The motion carried unanimously.

Action: At 8:05 p.m., a motion was made by Council Member Justin Beardsley, seconded by Council Member James Richard, to exit executive session and return to open session. The motion carried unanimously.

Mayor Simpson stated for the record that no decisions were made during executive session; only discussions were held.

Action: A motion was made by Council Member Justin Beardsley, seconded by Council Member James Richard, to establish a new position: Part-Time Support Event Coordinator. The role will offer compensation of \$13.00 per hour for up to ten (10) hours per week. In addition, the employee will receive a 10% commission based on sponsorship goals achieved. The motion carried unanimously.

Action: At 8:06 p.m., a motion was made by Council Member Justin Beardsley, seconded by Council Member James Richard, to adjourn the meeting. The motion carried unanimously.

Attest: *Christine McKaba-Town Administrator*

This is a generalization of the meeting and not a verbatim transcript.

Town of Reidville, SC Public Works Report August, 2025

1. Pot hole patched at Gaston Drive by DOT.
2. 2-year lease signed for temporary town hall at 112 Leonard Dr.
3. Land surveys done for 300 College Street, Town Hall and rental property.

Bob Jordan / Public Works Chair

August 2025 Financial Statement

Revenue	\$ 66,277.58
Expenses	\$ 63,868.63

Bank Balances as of Sept 1, 2025

Truist-5561 General Account	\$828,344.15
Trusit-5596 Hospitality	\$27,980.17
First Peidmont-8924	\$241,341.94
Truist-LGIP 2787	\$312.50
Local Government Pool	\$1,377,886.31
Truist-1589 ARP	\$75.80
Account Totals=	\$2,475,940.87



RESOLUTION 2025-R01

Resolution committing the Town of Reidville to providing a local match for a Municipal Association of South Carolina Big Ida Grant and Following its procurement policy when securing services and products with grant funds TO PROVIDING

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF REIDVILLE,

here assembled on this 9th day of September 2025, that the Reidville Town Council hereby commits to provide a local match of at least \$5,000, which equals the minimum 5% local match required by the Municipal Association of South Carolina, to support the Town's application for a Big Idea Grant in the amount of \$100,000. These grants and local matching funds will be used for the Reidville Center for Community Life multipurpose building.

BE IT FURTHER RESOLVED that the Council will follow its procurement policy adopted in accordance with SC Code of Laws Section 11-35-50 when securing all services and products purchased with funds awarded from a Big Idea Grant.

This resolution is made with regard to the submission of an application for Big Idea Grant funds to the Municipal Association of South Carolina on or before the application deadline of September 26, 2025

Approved as to Form:
Municipal Association of South Carolina

Josh Simpson, Mayor

Bob Jordan, Mayor ProTem

James Richard, Council Member

Justin Beardsley, Council Member

Amy Gore, Council Member

Attest: Christine McKaba, Town Administrator



RESOLUTION 2025-R02

A resolution committing the Town of Reidville to providing a local match for a Municipal Association of South Carolina Problem Solver Grant and following its procurement policy when securing services and products with grants funds.

BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF REIDVILLE,

here assembled on this 9th day of September 2025, that the Reidville Town Council hereby commits to provide a local match of at least \$1,250, which equals the minimum 5% local match required by the Municipal Association of South Carolina, to support the Town's application for a Problem Solver Grant in the amount of \$25,000. These grants and local matching funds will be used for Reidville Sidewalk & Connectivity Project.

BE IT FURTHER RESOLVED that the Council will follow its procurement policy adopted in accordance with SC Code of Laws Section 11-35-50 when securing all services and products purchased with funds awarded from a Problem Solver Grant.

This resolution is made in regard to the submission of an application for Problem Solver Grant funds to the Municipal Association of South Carolina on or before the application deadline of September 26, 2025.

Approved as to Form:

Municipal Association of South Carolina

Josh Simpson, Mayor

Bob Jordan, Mayor Pro Tem

James Richard, Council Member

Justin Beardsley, Council Member

Amy Gore, Council Member

Attest: Christine McKaba, Town Administrator



Ordinance 2025-02

AN ORDINANCE AMENDING THE BUSINESS LICENSE ORDINANCE OF THE TOWN OF REIDVILLE TO UPDATE THE CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020.

WHEREAS, the Town of Reidville (the “Municipality”) is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income;

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the “Standardization Act”), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes;

WHEREAS, the Standardization Act requires that by December thirty-first of every odd year, each municipality levying a business license tax must adopt, by ordinance, the latest Standardized Business License Class Schedule as recommended by the Municipal Association of South Carolina (the “Association”) and adopted by the Director of the Revenue and Fiscal Affairs Office;

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2025-02 on April 8, 2025, in order to comply with the requirements of the Standardization Act (the “Current Business License Ordinance”);

WHEREAS, the Town Council of the Municipality (the “Council”) now wishes to amend the Current Business License Ordinance to adopt the latest Standardized Business License Class Schedule, as required by the Standardization Act;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Town of Reidville, as follows:

SECTION 1. Amendments to Appendix B. Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” is hereby amended and restated as set forth on the attached Exhibit A.

SECTION 2. Repealer, Effective Date. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective with respect to the business license year beginning on May 1, 2026.

ENACTED IN REGULAR MEETING, this 14th day of October 2025.

First Reading September 9, 2025

Public Hearing October 14, 2025

Second and Final Reading October 14, 2025

Approved as to Form:

Municipal Association of South Carolina

Josh Simpson, Mayor

Bob Jordan, Mayor ProTem

James Richard, Council Member

Justin Beardsley, Council Member

Amy Gore, Council Member

Attest: Christine McKaba, Town Administrator

Exhibit A: Amendment to Classes 1 – 8 in Appendix B of the
Current Business License Ordinance

APPENDIX B
Classes 1 – 8: Business License Class Schedule by NAICS Codes

NAICS Sector/Subsector	Industry Sector	Class
11	Agriculture, forestry, hunting and fishing	1
21	Mining	3
22	Utilities	1
31 - 33	Manufacturing	3
42	Wholesale trade	1
44 - 45	Retail trade	1
48 - 49	Transportation and warehousing	2
51	Information	4
52	Finance and insurance	7
53	Real estate and rental and leasing	6
54	Professional, scientific, and technical services	4
55	Management of companies	7
56	Administrative and support and waste management and remediation services	3
61	Educational services	3
62	Health care and social assistance	3
71	Arts, entertainment, and recreation	3
721	Accommodation	1
722	Food services and drinking places	2
81	Other services	3
Class 8	Subclasses	
23	Construction	8.1
482	Rail Transportation	8.2
517111	Wired Telecommunications Carriers	8.3
517112	Wireless Telecommunications Carriers (except Satellite)	8.3
517122	Agents for Wireless Telecommunications Services	8.3
5241	Insurance Carriers	8.4
5242	Insurance Brokers for non-admitted Insurance Carriers	8.4
713120	Amusement Parks and Arcades	8.51
713290	Nonpayout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries (pool tables)	8.6

2025 Class Schedule is based on a three-year average (2019 - 2021) of IRS statistical data.



Town of Reidville Wrecker and Towing Service Agreement

RECITALS

WHEREAS, the Town of Reidville, a municipality in Spartanburg County, South Carolina (hereinafter referred to as the "Town") desires for Harris Brothers Auto Sales & Wrecker Service, LLC (hereinafter referred to as "Contractor") to provide towing services within the corporate limits of the Town; and,

WHEREAS, Contractor has requested the Town to provide this Contract authorizing Contractor to perform towing services; and,

WHEREAS, this Agreement does not constitute Contractor's exclusive right to provide wrecker and towing services in the Town of Reidville; and,

NOW, THEREFORE, for and in consideration of the mutual agreements described hereinafter and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Contractor have entered into this Agreement this 9th day of September 2025 and do hereby agree as follows:

ARTICLE 1 - CONTRACT DOCUMENTS:

1.1. The documents listed in Section 1.2 of this Article shall constitute the contract documents. These contract documents shall represent the entire agreement and understanding between the parties. All other statements, discussions, and negotiations, whether oral or written, are hereby merged into these contract documents. Any oral or written understanding not incorporated in these contract documents is not binding on any of the parties. The contract documents are presented in descending order of priority with the first document listed being of the highest priority and governing over subsequently listed documents, in case of conflict or ambiguity.

1.2. The Contract Documents consist of:

1. Town of Reidville Wrecker and Towing Services Agreement dated September 9, 2025;
2. Harris Brothers Auto Sales & Wrecker Service, LLC Pricing form - submitted by the Contractor (attached hereto as Exhibit A and incorporated herein by reference); and
3. Harris Brothers Auto Sales & Wrecker Service, LLC Certificate of Insurance - submitted by the Contractor (attached hereto as Exhibit B and incorporated herein by reference).

Collectively, these materials shall comprise the "CONTRACT DOCUMENTS."

1.3. The Contract Documents constitute the entire agreement between the Town and the Contractor and any amendment to the Contract Documents must be made in a writing signed by the Town and Contractor.

ARTICLE 2 - SCOPE OF SERVICES:

2.1 The Town has entered into an agreement with the Contractor to provide services for Towing and Wrecker Services.

2.2 These services to be provided by Contractor are set forth more fully in the CONTRACT DOCUMENTS.

ARTICLE 3 - CONTRACT PERIOD

3.1. NOTICE TO PROCEED. This Agreement shall begin on the effective date of the Notice to Proceed. In compliance with the contract documents and subject to all conditions, thereof. the undersigned offers and agrees to furnish the services at the prices set forth. The period of the Town's Towing and Impound Services shall be for one (1) year. This agreement may be extended to four additional (1) one-year periods unless either the Town or the Contractor notifies the other in writing not less than (60) days prior to the expiration date.

3.2. FORCE MAJEURE. Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder (except for the payment of money) on account of strikes, industry wide material shortages, riots, insurrection, fires, flood, storm, explosions, earthquakes, pandemic flu. acts of God, war, governmental action, and labor conditions. In the case of an industry wide material shortage the Contractor shall provide to the Town within 24 hours of Contractor's determination that there exists an industry wide material shortage, the following in order for the Town, or its authorized representative, to concur that there is an industry wide shortage of the specific material so identified by Contractor: 1) A written description of the specific material alleged to be in short supply; 2) a written list of all manufacturers, wholesalers, suppliers and/or retailers from which Contractor has attempted to obtain, and/or contracted to obtain, said material; 3) a written description detailing all actions taken by Contractor to obtain said materials; 4) a written statement, signed by an authorized representative of Contractor, that Contractor has used due diligence to secure said materials in the most expeditious manner; and 5) a written time frame in which Contractor anticipates that it will obtain said materials.

ARTICLE 4 - CONTRACT PRICE AND TERMS OF PAYMENT:

Contractor shall be solely responsible for collecting all storage and tow fees it incurs as part of this Agreement. The Town has no obligation to compensate Contractor pursuant to this Agreement or otherwise.

ARTICLE 5 - INDEMNIFICATION.

Contractor agrees to save, defend, indemnify, and keep harmless the Town and all Town officers, agents, and employees from and against any loss, damage, claim, injury, fines. penalties, costs, including court costs, attorney's fees, charges, liability, and exposure, however caused, arising from any negligent acts or omissions by Contractor, its agents, staff, consultants, and contractors employed by it, in the performance or non-performance of the: terms under this Agreement. Contractor shall not be responsible for any loss, damage, or liability to the extent arising from acts of the Town, its agents, staff, and other consultants employed by it. This section shall survive the termination of this Agreement.

ARTICLE 6 - RIGHTS AND RESPONSIBILITIES OF CONTRACTOR:

6.1. Contractor shall be solely responsible for providing towing and wrecker services pursuant to this Agreement and to perform the services in compliance with industry standards and in compliance with the Town's ordinances, including maintaining complete, current and updated records at its place of business regarding all vehicles towed or stored under this Agreement. Contractor shall provide the Town with its towing and impound records upon request. Contractor acknowledges its understanding of the Town's towing ordinance and its responsibility to comply with the same.

6.2. Fees. Contractor shall collect its tow fees in compliance with the terms and provisions of Exhibit "A," which may be amended from time to time.

6.3. Insurance. Contractor agrees to provide and adequately maintain, at a minimum, the amounts of insurance required by the South Carolina Highway Patrol for wrecker services. Contractor agrees to provide the Town with a current certificate of insurance to verify the same and Contractor shall provide the Town with new certificates of insurance prior to the expiration of any prior certification.

6.4. NON-DISCRIMINATION. During the performance of this Agreement, Contractor agrees that:

1. It will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, status as a service-disabled veteran, or any other basis prohibited by state law relating to discrimination in employment except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of Contractor: that it will post in conspicuous places, available to employees and applicants for employment, notices setting forth non-discrimination practices, and that it will state, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that it is an equal opportunity employer. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement; and

6.5. DRUG FREE WORKPLACE. During the performance of this Agreement, the Contractor agrees to comply with Section 44-107-30 of the South Carolina Code of Laws, 1976 as amended.

6.6. ILLEGAL IMMIGRATION REFORM ACT. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in compliance with Section 8-14-10 *et seq.* of the South Carolina Code of Laws, 1976 as amended, or that this law is inapplicable to Contractor and its subcontractors. This is required of all Contractor and subcontractors.

6.7. COMPLIANCE WITH APPLICABLE LAWS. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in compliance with federal, state, and local laws, including the Town's towing ordinance, and regulations applicable to the performance of the services procured.

6.8. SOUTH CAROLINA ETHICS ACT. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in full compliance with the South Carolina State Ethics, Government Accountability and Campaign Reform Act, codified as Sections 8-13-100 through 8-15-1520, of the South Carolina Code of Laws, 1976 as amended.

6.9. SAFETY AND HEALTH. The Contractor providing goods or services to the Town under this Agreement

represents and warrants to the Town that the Contractor's safety, health, and security programs shall be in compliance with all regulatory requirements and shall furnish, upon request, accident, incident, injury, and other records and reports required by Federal or State law or as required by the Town.

6.10. COMPLIANCE WITH CODES AND STANDARDS. Contractor's professional services shall incorporate those Federal, State, and local laws, regulations, codes, and standards that are applicable at the time Contractor rendered its services. The Town shall not be responsible for any claim or liability for injury or loss allegedly arising from Contractor's failure to abide by federal, state, or local laws, regulations, codes, and standards that were not in effect or officially announced at the time Contractor rendered its services.

6.11. AUDIT. The Contractor hereby agrees to retain all books, records, and other documents relative to this engagement for five (5) years after final payment for services. The Town of Reidville Government, its authorized agents, and agents of the State and federal government shall have full access to documents and the right to examine any materials during the period.

6.12. LITIGATION. The Contractor agrees to produce documents, witnesses and/or general assistance to any litigation, arbitration or mediation involving the Town, if the Town requests such documents, witnesses, and/or general assistance.

6.13. CONFIDENTIALITY The Contractor will maintain as confidential any documents or information provided by the Town and will not release, distribute, or publish same to any third party without prior written permission from the Town, unless compelled by law or order of a court or regulatory body of competent jurisdiction. The Contractor shall provide written notice to the Town in sufficient time to allow the Town to intervene, as necessary.

6.14. PUBLIC RESPONSIBILITY. The Town has a duty to conform to applicable codes, standards, regulations, and ordinances with regard to public health and safety. The Contractor will at all times alert the Town to any matter of which the Contractor becomes aware and believes the Town to issue a notice or report to certain public officials, or to otherwise conform with applicable codes, standards, regulations, or ordinances.

6.15. SUBCONTRACTOR INSURANCE. The Contractor shall agree to cause each subcontractor employed by Contractor to purchase and maintain insurance of the type specified herein, unless the Contractor's insurance provides coverage on behalf of the subcontractor. Evidence of subcontractor insurance shall be made available to the Town upon request of the Town.

ARTICLE 7 - RIGHTS AND RESPONSIBILITIES OF TOWN:

7.1. DEFAULT. In case of default by the Contractor for failure to deliver or perform in accordance with the Contract specifications or terms and conditions and Contractor's failure to cure the default within thirty (30) calendar days of Contractor's receipt of notice from the Town of the default, the Town may terminate this Agreement and retains the right to hold the Contractor responsible for any costs incurred by the Town, including reasonable attorney's fees, incurred by the Town due to Contractor's default.

ARTICLE 8 – TERMINATION:

8.1. TERMINATION BY TOWN. The Town may terminate this Agreement and project for any reason upon seven (7) calendar days' notice. Anything contained in the Agreement to the contrary notwithstanding a termination under this section shall not waive any right or claim to damages which Town may have with respect to services performed by the Contractor, and Town may pursue any cause of action which it may have by law or under this Agreement on

account of such services.

ARTICLE 9 - WARRANTIES:

9.1. WORK PERFORMED TO INDUSTRY STANDARDS. The Contractor warrants to Town that the work performed pursuant to the Agreement shall conform to all professional principles generally accepted as standards of the industry in the State.

9.2. MATERIALS AND EQUIPMENT FURNISHED. The Contractor warrants to Town that any new materials and equipment furnished under this Agreement shall be of good quality and in working condition.

9.3. WARRANTY. The Contractor warrants to the Town that all services and labor furnished to progress the work under this Agreement will be performed in accordance with the standard of care and diligence normally practiced by recognized firms of this type in performing services of a similar nature, free from defects which would not normally be found in work of this nature, and that the work will be of good quality, and in strict conformance with this Agreement. All work not conforming to these requirements may be considered defective.

ARTICLE 10- MISCELLANEOUS:

10.1. NOTICES. The following persons shall be contact persons for the parties, and notices given them, by certified mail return receipt requested to the addresses shown, shall constitute valid notice under the requirements of this Agreement. The parties may amend such addresses by written notice to the opposite party at the given address.

1. For Town:

Town of Reidville
Atten: Christine McKaba
Town Administrator
P.O. Box 309
Reidville, SC 29375

2. For Contractor:

Atten: Janice Harris
Harris Brothers Auto Sales & Wrecker
Service, LLC
2085 Duncan Reidville Rd
Duncan, SC 29334
(864) 486-1100

10.3. CHOICE OF LAW/ VENUE. The parties agree that this Agreement is governed by and shall be interpreted in accordance with the laws of the State of South Carolina and that proper venue in the event of litigation concerning

this matter, is in the state or federal courts located in Spartanburg County, South Carolina. The parties agree that any litigation involving this Agreement shall be brought only in such courts. The parties herein each consent to the jurisdiction of such courts and hereby waive any jurisdictional or venue defenses otherwise available.

10.4. SEVERABILITY. In the event that any provision of this Agreement is unenforceable then the parties agree that all other provisions of this Agreement have full force and effect and shall not be affected thereby.

10.5. WAIVER. Any failure of the Town or Contractor to demand adherence to one or more of the terms and provisions set forth in this Agreement, on one or more occasions shall not be construed as a waiver nor deprive the Town or the Contractor of the right to insist upon compliance with the terms of this Agreement. Any waiver of a term of this Agreement, in whole or in part, must be in writing and signed by the party granting the waiver to be effective

10.6. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors, transferees, and assigns. No party may assign this Agreement nor the rights and obligations hereunder to any other third party without the prior express written consent of the other parties.

10.7 HEADINGS. The Contractor and Town agree that the Article and Paragraph headings are for convenience only and are not a part of this Agreement.

10.8 NO JOINT VENTURE. Neither this Agreement nor any agreements, instruments, documents, or transactions completed hereby shall in any respect be interpreted, deemed, or construed as making any party a partner or joint venture with any other party or as creating any similar relationship or entity. No party has the authority to act on behalf of or bind any other party concerning the transactions related to this Agreement.

10.9 FACSIMILE/SCANNED SIGNATURE. The parties agree that the use of a fax or scanned signature and the signatures, initials, and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signature, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

10.10 COUNTERPARTS. This Agreement (and any amendments or modifications) may be executed in multiple counterparts, each of which shall be an original, and all of which shall be the same Agreement.

10.11 RECITALS. The Recitals set forth above are incorporated herein as if set forth fully.

WITNESS the following signatures and seals in agreement with the above terms:

[SIGNATURES ON FOLLOWING PAGE]

For Town:

By: _____ (Signature) _____ (Date)

_____ (Printed Name)

Its: _____

Attest:

_____ (Date)

_____ (Date)

For Contractor:

By: _____ (Signature) _____ (Date)

_____ (Printed Name)

Its: _____

Witness:

_____ (Date)

_____ (Date)

EXHIBIT A

SCOPE OF WORK / SERVICES TO BE PROVIDED

TOWN OF REIDVILLE'S TOWING AND IMPOUND SERVICES.

Requirements

- a. The successful vendor(s) shall provide vehicle towing and other related services within the Town of Reidville's incorporated limits and on Town or Privately own roads or properties on an as-needed basis, upon request of town personnel or property owner, twenty-four hours a day, seven days a week.
- b. The name and address of vendor(s) shall be clearly displayed on both sides of all their tow trucks and other towing equipment.
- c. Vendor(s) storage facility shall have bright lighting with prominent signage identifying the facility and entirely fenced at a minimum of six (6) feet and is locked/secured when unattended.
- d. Tow truck operators to carry business cards that include business name, employees name, address and a twenty-four (24) hour telephone number of the storage facility.
- e. Successful vendor(s) to provide an answering service for vehicle release after normal business hours. The telephone number for vehicle release to be displayed in a prominent position for public viewing at the successful vendor's storage facility.
- f. Successful vendor(s) will not subcontract any towing or storage services.
- g. Successful vendor(s) to provide the following:
 - i. Safekeeping of vehicles and vehicle contents while at the vendor's facility.
 - ii. Maintain records of all towed vehicles and to include but not limited to the following:
 1. License plate number.
 2. Make, model, and color of vehicle.
 3. Significant damage to the vehicle.
 4. Significant visible property within the vehicle.
 5. Time and date of impound.
 6. Driver license of person who picked up the vehicle from the successful vendor's storage facility.
 7. Release fee totals.
 8. Any of this information above to be provided to the Town upon request.
- h. Vendor(s) to provide the following information on the Towing Vendor Information Form.
 - i. Provide a list of all towing trucks in vendor's fleet.
 - ii. Describe payment process for vehicle owners towed.

- iii. Describe the process for individuals to retrieve vehicle towed.
- iv. Describe the process for a vehicle owner to retrieve their personal belongings located in their vehicle after hours.

Response Time

- a. The successful vendor(s) shall respond to calls for service within 30 minutes of notification by personnel.
 - i. Start time is determined when the call is placed to the successful vendor(s).
 - ii. If a vendor would like to be considered but cannot meet the 30-minute response time, please state this on the Pricing Form. Provide an alternate response time that you can meet.
- b. The successful vendor(s) shall provide one phone number for all service requests.
- c. A list of authorized Town personnel will be provided to the successful vendor(s).
- d. No guaranteed minimum or maximum calls for service are either stated or implied by this proposal.

Performance Standards

Tow truck operators to operate towing vehicles in a safe and professional manner.

Prior Experience

- a. Vendor(s) must have been engaged for a minimum of five (5) years in providing similar products and services as described herein.
- b. Detail vendor's experience with similar/like projects.

References

- a. Provide, at minimum, five (5) references identifying businesses with requirements similar to those of Spartanburg County. Provide the name of the business, contact person, email, and the telephone number.
- b. Detail vendor's references with similar/like projects.

Warranties

The Town expects that the vendor(s) will provide the following warranties, at a minimum:

- a. that all the services will be performed in a professional and workmanlike manner and in conformity with industry standards by persons reasonably suited by skill, training, and experience for the type of services they are assigned to perform.

- b. that the successful vendor(s) will comply and will be responsible for ensuring its owner and employees comply, with all applicable federal, state, county, and local laws, rules, ordinances, and regulations in the performance of a resulting contract.
- c. that the successful vendor(s) is responsible for the reimbursement of vehicle damages during the towing and storage process to the owner of the vehicle. Dispute resolution is a matter solely between the vendor(s) and vehicle owner.

Pricing and Payment

- a. The Town will not be responsible for fees associated with towing, storage, or related services for privately-owned vehicles.
- b. Vendor accepted payment methods to include:
 - b.1. Cash
 - b.2. Money Order
 - b.3. Debit/Credit Card
- c. Vendor to provide the following costs in the proposal.

Basic Total tow fee schedule:

- Day Tow: (8:00 a.m.-5:00 p.m.) Sunday-Saturday \$266
- Night Tow: (5:00 p.m.-8 a.m.) Sunday-Saturday \$ 266
- Dailey Storage Fee: \$45/day
- Gate Fee (after hours entry, weekends, holidays) \$75

Amounts charged may not exceed the limitations established within Current South Carolina Wrecker Fee Schedule.

Insurance

Insurance: By submitting a quote, Vendor agrees to maintain and keep in force during the life of the contract with a company or companies authorized to do business in South Carolina, the following insurance policies:

Commercial General Liability:

\$1,000,000 per occurrence - (Coverage shall include bodily injury or accidental death and property damage)
*

Comprehensive Automobile Liability:

\$1,000,000 per occurrence - combined single limit (Coverage shall include bodily injury and property damage and cover all vehicles including owned, non-owned and hired) *

Statutory Worker's Compensation:

Coverage - (Shall apply to all applicable State of SC laws)

Employers Liability:

\$500,000 Each Accident*

\$500,000 Disease, Per Employee*

\$500,000 Disease, Policy Limit*

Professional Liability Insurance:

\$1,000,000 per occurrence (if applicable)

Umbrella Policy:

N/A

** A combination of Umbrella/Excess and primary limit may be used to provide coverage for the amount shown.*

Vendor will provide the Town a minimum of thirty (30) days' advance notice in the event the insurance policies (or insurance policy) are changed or canceled.

Vendor certifies to the Town that all subcontractors approved to perform, work on this project comply with all of the requirements in this Section.

Certificate of Insurance: A copy of current Certificate of Insurance must be included with the Proposal.

Certificates of Insurance for all such policies shall be provided by the Proposer's insurance agent or broker within ten (10) working days from the date of Notice of Award and shall meet the following requirements:

- i. THE TOWN OF REIDVILLE SHALL BE NAMES AS "ADDITIONAL INSURED" for its interest on Commercial General Liability and any Umbrella policies, regarding ongoing operations, products and completed operations, and this shall be noted on the face of the Certificate of Insurance.
- ii. WAIVER OF SUBROGATION. As a part of the Certificate of Insurance requirement the Proposer shall also include acknowledgement and acceptance of the waiver of subrogation provision granted to the Town of Reidville, its departments, agencies, boards, employees, and commissions for losses from work performed by or on behalf of the Proposer. This acknowledgement and acceptance should be included in the same section of the Certificate of Insurance that evidences the 'Additional Insured" provision.



Town of Reidville Wrecker and Towing Service Agreement

RECITALS

WHEREAS, the Town of Reidville, a municipality in Spartanburg County, South Carolina (hereinafter referred to as the "Town") desires for Truck World Repair, LLC (hereinafter referred to as "Contractor") to provide towing services within the corporate limits of the Town; and,

WHEREAS, Contractor has requested the Town to provide this Contract authorizing Contractor to perform towing services; and,

WHEREAS, this Agreement does not constitute Contractor's exclusive right to provide wrecker and towing services in the Town of Reidville; and,

NOW, THEREFORE, for and in consideration of the mutual agreements described hereinafter and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Contractor have entered into this Agreement this 9th day of September 2025 and do hereby agree as follows:

ARTICLE 1 - CONTRACT DOCUMENTS:

1.1. The documents listed in Section 1.2 of this Article shall constitute the contract documents. These contract documents shall represent the entire agreement and understanding between the parties. All other statements, discussions, and negotiations, whether oral or written, are hereby merged into these contract documents. Any oral or written understanding not incorporated in these contract documents is not binding on any of the parties. The contract documents are presented in descending order of priority with the first document listed being of the highest priority and governing over subsequently listed documents, in case of conflict or ambiguity.

1.2. The Contract Documents consist of:

1. Town of Reidville Wrecker and Towing Services Agreement dated September 9, 2025;
2. Truck World Repair, LLC Pricing form - submitted by the Contractor (attached hereto as Exhibit A and incorporated herein by reference); and
3. Truck World Repair, LLC Certificate of Insurance - submitted by the Contractor (attached hereto as Exhibit B and incorporated herein by reference).

Collectively, these materials shall comprise the "CONTRACT DOCUMENTS."

1.3. The Contract Documents constitute the entire agreement between the Town and the Contractor and any amendment to the Contract Documents must be made in a writing signed by the Town and Contractor.

ARTICLE 2 - SCOPE OF SERVICES:

2.1 The Town has entered into an agreement with the Contractor to provide services for Towing and Wrecker Services.

2.2 These services to be provided by Contractor are set forth more fully in the CONTRACT DOCUMENTS.

ARTICLE 3 - CONTRACT PERIOD

3.1. NOTICE TO PROCEED. This Agreement shall begin on the effective date of the Notice to Proceed. In compliance with the contract documents and subject to all conditions, thereof. the undersigned offers and agrees to furnish the services at the prices set forth. The period of the Town's Towing and Impound Services shall be for one (1) year. This agreement may be extended to four additional (1) one-year periods unless either the Town or the Contractor notifies the other in writing not less than (60) days prior to the expiration date.

3.2. FORCE MAJEURE. Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder (except for the payment of money) on account of strikes, industry wide material shortages, riots, insurrection, fires, flood, storm, explosions, earthquakes, pandemic flu. acts of God, war, governmental action, and labor conditions. In the case of an industry wide material shortage the Contractor shall provide to the Town within 24 hours of Contractor's determination that there exists an industry wide material shortage, the following in order for the Town, or its authorized representative, to concur that there is an industry wide shortage of the specific material so identified by Contractor: 1) A written description of the specific material alleged to be in short supply; 2) a written list of all manufacturers, wholesalers, suppliers and/or retailers from which Contractor has attempted to obtain, and/or contracted to obtain, said material; 3) a written description detailing all actions taken by Contractor to obtain said materials; 4) a written statement, signed by an authorized representative of Contractor, that Contractor has used due diligence to secure said materials in the most expeditious manner; and 5) a written time frame in which Contractor anticipates that it will obtain said materials.

ARTICLE 4 - CONTRACT PRICE AND TERMS OF PAYMENT:

Contractor shall be solely responsible for collecting all storage and tow fees it incurs as part of this Agreement. The Town has no obligation to compensate Contractor pursuant to this Agreement or otherwise.

ARTICLE 5 - INDEMNIFICATION.

Contractor agrees to save, defend, indemnify, and keep harmless the Town and all Town officers, agents, and employees from and against any loss, damage, claim, injury, fines. penalties, costs, including court costs, attorney's fees, charges, liability, and exposure, however caused, arising from any negligent acts or omissions by Contractor, its agents, staff, consultants, and contractors employed by it, in the performance or non-performance of the: terms under this Agreement. Contractor shall not be responsible for any loss, damage, or liability to the extent arising from acts of the Town, its agents, staff, and other consultants employed by it. This section shall survive the termination of this Agreement.

ARTICLE 6 - RIGHTS AND RESPONSIBILITIES OF CONTRACTOR:

6.1. Contractor shall be solely responsible for providing towing and wrecker services pursuant to this Agreement and to perform the services in compliance with industry standards and in compliance with the Town's ordinances, including maintaining complete, current and updated records at its place of business regarding all vehicles towed or stored under this Agreement. Contractor shall provide the Town with its towing and impound records upon request. Contractor acknowledges its understanding of the Town's towing ordinance and its responsibility to comply with the same.

6.2. Fees. Contractor shall collect its tow fees in compliance with the terms and provisions of Exhibit "A," which may be amended from time to time.

6.3. Insurance. Contractor agrees to provide and adequately maintain, at a minimum, the amounts of insurance required by the South Carolina Highway Patrol for wrecker services. Contractor agrees to provide the Town with a current certificate of insurance to verify the same and Contractor shall provide the Town with new certificates of insurance prior to the expiration of any prior certification.

6.4. NON-DISCRIMINATION. During the performance of this Agreement, Contractor agrees that:

1. It will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, status as a service-disabled veteran, or any other basis prohibited by state law relating to discrimination in employment except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of Contractor: that it will post in conspicuous places, available to employees and applicants for employment, notices setting forth non-discrimination practices, and that it will state, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that it is an equal opportunity employer. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement; and

6.5. DRUG FREE WORKPLACE. During the performance of this Agreement, the Contractor agrees to comply with Section 44-107-30 of the South Carolina Code of Laws, 1976 as amended.

6.6. ILLEGAL IMMIGRATION REFORM ACT. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in compliance with Section 8-14-10 *et seq.* of the South Carolina Code of Laws, 1976 as amended, or that this law is inapplicable to Contractor and its subcontractors. This is required of all Contractor and subcontractors.

6.7. COMPLIANCE WITH APPLICABLE LAWS. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in compliance with federal, state, and local laws, including the Town's towing ordinance, and regulations applicable to the performance of the services procured.

6.8. SOUTH CAROLINA ETHICS ACT. The Contractor providing goods or services to the Town under this Agreement represents and warrants to the Town that it is in full compliance with the South Carolina State Ethics, Government Accountability and Campaign Reform Act, codified as Sections 8-13-100 through 8-15-1520, of the South Carolina Code of Laws, 1976 as amended.

6.9. SAFETY AND HEALTH. The Contractor providing goods or services to the Town under this Agreement

represents and warrants to the Town that the Contractor's safety, health, and security programs shall be in compliance with all regulatory requirements and shall furnish, upon request, accident, incident, injury, and other records and reports required by Federal or State law or as required by the Town.

6.10. COMPLIANCE WITH CODES AND STANDARDS. Contractor's professional services shall incorporate those Federal, State, and local laws, regulations, codes, and standards that are applicable at the time Contractor rendered its services. The Town shall not be responsible for any claim or liability for injury or loss allegedly arising from Contractor's failure to abide by federal, state, or local laws, regulations, codes, and standards that were not in effect or officially announced at the time Contractor rendered its services.

6.11. AUDIT. The Contractor hereby agrees to retain all books, records, and other documents relative to this engagement for five (5) years after final payment for services. The Town of Reidville Government, its authorized agents, and agents of the State and federal government shall have full access to documents and the right to examine any materials during the period.

6.12. LITIGATION. The Contractor agrees to produce documents, witnesses and/or general assistance to any litigation, arbitration or mediation involving the Town, if the Town requests such documents, witnesses, and/or general assistance.

6.13. CONFIDENTIALITY The Contractor will maintain as confidential any documents or information provided by the Town and will not release, distribute, or publish same to any third party without prior written permission from the Town, unless compelled by law or order of a court or regulatory body of competent jurisdiction. The Contractor shall provide written notice to the Town in sufficient time to allow the Town to intervene, as necessary.

6.14. PUBLIC RESPONSIBILITY. The Town has a duty to conform to applicable codes, standards, regulations, and ordinances with regard to public health and safety. The Contractor will at all times alert the Town to any matter of which the Contractor becomes aware and believes the Town to issue a notice or report to certain public officials, or to otherwise conform with applicable codes, standards, regulations, or ordinances.

6.15. SUBCONTRACTOR INSURANCE. The Contractor shall agree to cause each subcontractor employed by Contractor to purchase and maintain insurance of the type specified herein, unless the Contractor's insurance provides coverage on behalf of the subcontractor. Evidence of subcontractor insurance shall be made available to the Town upon request of the Town.

ARTICLE 7 - RIGHTS AND RESPONSIBILITIES OF TOWN:

7.1. DEFAULT. In case of default by the Contractor for failure to deliver or perform in accordance with the Contract specifications or terms and conditions and Contractor's failure to cure the default within thirty (30) calendar days of Contractor's receipt of notice from the Town of the default, the Town may terminate this Agreement and retains the right to hold the Contractor responsible for any costs incurred by the Town, including reasonable attorney's fees, incurred by the Town due to Contractor's default.

ARTICLE 8 – TERMINATION:

8.1. TERMINATION BY TOWN. The Town may terminate this Agreement and project for any reason upon seven (7) calendar days' notice. Anything contained in the Agreement to the contrary notwithstanding a termination under this section shall not waive any right or claim to damages which Town may have with respect to services performed by the Contractor, and Town may pursue any cause of action which it may have by law or under this Agreement on

account of such services.

ARTICLE 9 - WARRANTIES:

9.1. WORK PERFORMED TO INDUSTRY STANDARDS. The Contractor warrants to Town that the work performed pursuant to the Agreement shall conform to all professional principles generally accepted as standards of the industry in the State.

9.2. MATERIALS AND EQUIPMENT FURNISHED. The Contractor warrants to Town that any new materials and equipment furnished under this Agreement shall be of good quality and in working condition.

9.3. WARRANTY. The Contractor warrants to the Town that all services and labor furnished to progress the work under this Agreement will be performed in accordance with the standard of care and diligence normally practiced by recognized firms of this type in performing services of a similar nature, free from defects which would not normally be found in work of this nature, and that the work will be of good quality, and in strict conformance with this Agreement. All work not conforming to these requirements may be considered defective.

ARTICLE 10- MISCELLANEOUS:

10.1. NOTICES. The following persons shall be contact persons for the parties, and notices given them, by certified mail return receipt requested to the addresses shown, shall constitute valid notice under the requirements of this Agreement. The parties may amend such addresses by written notice to the opposite party at the given address.

1. For Town:

Town of Reidville
Atten: Christine McKaba
Town Administrator
P.O. Box 309
Reidville, SC 29375

2. For Contractor:

Truck World Repair, LLC
Atten: Josh Dill
3060 SC-101
Greer SC 29651
864-327-5940

10.3. CHOICE OF LAW/ VENUE. The parties agree that this Agreement is governed by and shall be interpreted in accordance with the laws of the State of South Carolina and that proper venue in the event of litigation concerning this matter, is in the state or federal courts located in Spartanburg County, South Carolina. The parties agree that any litigation involving this Agreement shall be brought only in such courts. The parties herein each consent to the jurisdiction of such courts and hereby waive any jurisdictional or venue defenses otherwise available.

10.4. SEVERABILITY. In the event that any provision of this Agreement is unenforceable then the parties agree that all other provisions of this Agreement have full force and effect and shall not be affected thereby.

10.5. WAIVER. Any failure of the Town or Contractor to demand adherence to one or more of the terms and provisions set forth in this Agreement, on one or more occasions shall not be construed as a waiver nor deprive the Town or the Contractor of the right to insist upon compliance with the terms of this Agreement. Any waiver of a term of this Agreement, in whole or in part, must be in writing and signed by the party granting the waiver to be effective.

10.6. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors, transferees, and assigns. No party may assign this Agreement nor the rights and obligations hereunder to any other third party without the prior express written consent of the other parties.

10.7 HEADINGS. The Contractor and Town agree that the Article and Paragraph headings are for convenience only and are not a part of this Agreement.

10.8 NO JOINT VENTURE. Neither this Agreement nor any agreements, instruments, documents, or transactions completed hereby shall in any respect be interpreted, deemed, or construed as making any party a partner or joint venture with any other party or as creating any similar relationship or entity. No party has the authority to act on behalf of or bind any other party concerning the transactions related to this Agreement.

10.9 FACSIMILE/SCANNED SIGNATURE. The parties agree that the use of a fax or scanned signature and the signatures, initials, and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signature, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

10.10 COUNTERPARTS. This Agreement (and any amendments or modifications) may be executed in multiple counterparts, each of which shall be an original, and all of which shall be the same Agreement.

10.11 RECITALS. The Recitals set forth above are incorporated herein as if set forth fully.

WITNESS the following signatures and seals in agreement with the above terms:

[SIGNATURES ON FOLLOWING PAGE]

For Town:

By: _____ (Signature) _____ (Date)

_____ (Printed Name)

Its: _____

Attest:

_____ (Date)

_____ (Date)

For Contractor:

By: _____ (Signature) _____ (Date)

_____ (Printed Name)

Its: _____

Witness:

_____ (Date)

_____ (Date)

EXHIBIT A

SCOPE OF WORK / SERVICES TO BE PROVIDED

TOWN OF REIDVILLE'S TOWING AND IMPOUND SERVICES.

Requirements

- a. The successful vendor(s) shall provide vehicle towing and other related services within the Town of Reidville's incorporated limits and on Town or Privately own roads or properties on an as-needed basis, upon request of town personnel or property owner, twenty-four hours a day, seven days a week.
- b. The name and address of vendor(s) shall be clearly displayed on both sides of all their tow trucks and other towing equipment.
- c. Vendor(s) storage facility shall have bright lighting with prominent signage identifying the facility and entirely fenced at a minimum of six (6) feet and is locked/secured when unattended.
- d. Tow truck operators to carry business cards that include business name, employees name, address and a twenty-four (24) hour telephone number of the storage facility.
- e. Successful vendor(s) to provide an answering service for vehicle release after normal business hours. The telephone number for vehicle release to be displayed in a prominent position for public viewing at the successful vendor's storage facility.
- f. Successful vendor(s) will not subcontract any towing or storage services.
- g. Successful vendor(s) to provide the following:
 - i. Safekeeping of vehicles and vehicle contents while at the vendor's facility.
 - ii. Maintain records of all towed vehicles and to include but not limited to the following:
 1. License plate number.
 2. Make, model, and color of vehicle.
 3. Significant damage to the vehicle.
 4. Significant visible property within the vehicle.
 5. Time and date of impound.
 6. Driver license of person who picked up the vehicle from the successful vendor's storage facility.
 7. Release fee totals.
 8. Any of this information above to be provided to the Town upon request.
- h. Vendor(s) to provide the following information on the Towing Vendor Information Form.
 - i. Provide a list of all towing trucks in vendor's fleet.
 - ii. Describe payment process for vehicle owners towed.

- iii. Describe the process for individuals to retrieve vehicle towed.
- iv. Describe the process for a vehicle owner to retrieve their personal belongings located in their vehicle after hours.

Response Time

- a. The successful vendor(s) shall respond to calls for service within 30 minutes of notification by personnel.
 - i. Start time is determined when the call is placed to the successful vendor(s).
 - ii. If a vendor would like to be considered but cannot meet the 30-minute response time, please state this on the Pricing Form. Provide an alternate response time that you can meet.
- b. The successful vendor(s) shall provide one phone number for all service requests.
- c. A list of authorized Town personnel will be provided to the successful vendor(s).
- d. No guaranteed minimum or maximum calls for service are either stated or implied by this proposal.

Performance Standards

Tow truck operators to operate towing vehicles in a safe and professional manner.

Prior Experience

- a. Vendor(s) must have been engaged for a minimum of five (5) years in providing similar products and services as described herein.
- b. Detail vendor's experience with similar/like projects.

References

- a. Provide, at minimum, five (5) references identifying businesses with requirements similar to those of Spartanburg County. Provide the name of the business, contact person, email, and the telephone number.
- b. Detail vendor's references with similar/like projects.

Warranties

The Town expects that the vendor(s) will provide the following warranties, at a minimum:

- a. that all the services will be performed in a professional and workmanlike manner and in conformity with industry standards by persons reasonably suited by skill, training, and experience for the type of services they are assigned to perform.

- b. that the successful vendor(s) will comply and will be responsible for ensuring its owner and employees comply, with all applicable federal, state, county, and local laws, rules, ordinances, and regulations in the performance of a resulting contract.
- c. that the successful vendor(s) is responsible for the reimbursement of vehicle damages during the towing and storage process to the owner of the vehicle. Dispute resolution is a matter solely between the vendor(s) and vehicle owner.

Pricing and Payment

- a. The Town will not be responsible for fees associated with towing, storage, or related services for privately-owned vehicles.
- b. Vendor accepted payment methods to include:
 - b.1. Cash
 - b.2. Money Order
 - b.3. Debit/Credit Card
- c. Vendor to provide the following costs in the proposal.

Basic Total tow fee schedule:

- Day Tow: (8:00 a.m.-5:00 p.m.) Sunday-Saturday \$557/hr
- Night Tow: (5:00 p.m.-8 a.m.) Sunday-Saturday \$ 557/hr
- Dailey Storage Fee: \$72/day (tractor & trailer)
- Gate Fee (after hours entry, weekends, holidays) \$100

Amounts charged may not exceed the limitations established within Current South Carolina Wrecker Fee Schedule.

Insurance

Insurance: By submitting a quote, Vendor agrees to maintain and keep in force during the life of the contract with a company or companies authorized to do business in South Carolina, the following insurance policies:

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\$1,000,000 per occurrence - (Coverage shall include bodily injury or accidental death and property damage)
*

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\$1,000,000 per occurrence - combined single limit (Coverage shall include bodily injury and property damage and cover all vehicles including owned, non-owned and hired) *

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Coverage - (Shall apply to all applicable State of SC laws)

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\$500,000 Each Accident*

\$500,000 Disease, Per Employee*

\$500,000 Disease, Policy Limit*

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\$1,000,000 per occurrence (if applicable)

Umbrella Policy:

N/A

** A combination of Umbrella/Excess and primary limit may be used to provide coverage for the amount shown.*

Vendor will provide the Town a minimum of thirty (30) days' advance notice in the event the insurance policies (or insurance policy) are changed or canceled.

Vendor certifies to the Town that all subcontractors approved to perform, work on this project comply with all of the requirements in this Section.

Certificate of Insurance: A copy of current Certificate of Insurance must be included with the Proposal.

Certificates of Insurance for all such policies shall be provided by the Proposer's insurance agent or broker within ten (10) working days from the date of Notice of Award and shall meet the following requirements:

- i. THE TOWN OF REIDVILLE SHALL BE NAMES AS "ADDITIONAL INSURED" for its interest on Commercial General Liability and any Umbrella policies, regarding ongoing operations, products and completed operations, and this shall be noted on the face of the Certificate of Insurance.
- ii. WAIVER OF SUBROGATION. As a part of the Certificate of Insurance requirement the Proposer shall also include acknowledgement and acceptance of the waiver of subrogation provision granted to the Town of Reidville, its departments, agencies, boards, employees, and commissions for losses from work performed by or on behalf of the Proposer. This acknowledgement and acceptance should be included in the same section of the Certificate of Insurance that evidences the 'Additional Insured" provision.

Town of Reidville
Financial Statements
Year Ended December 31, 2024
(With Independent Auditor's Report Thereon)

Town of Reidville

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CERTIFIED PUBLIC ACCOUNTANTS

Member
South Carolina Association of
Certified Public Accountants

PO Box 3887
Greenville, South Carolina 29608
(864) 630-8254
(864) 640-0203

Member
American Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of Town Council
Reidville, South Carolina

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Reidville, South Carolina, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town of Reidville's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Reidville, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Reidville, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Reidville's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Reidville's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Reidville's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Reidville's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves; and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures-Budget and Actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Highsmith & Highsmith, LLC

Highsmith & Highsmith, LLC
Travelers Rest, South Carolina
August 13, 2025

Town of Reidville
Management's Discussion and Analysis
December 31, 2024

This section of the Town of Reidville, South Carolina (the “Town”) annual financial report presents our discussion and analysis of the Town’s financial performance for the year ended December 31, 2024. Please read it in conjunction with the Town’s financial statements, which follow this section.

Financial Highlights

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$2,419,355 (*net assets*). Of this amount, \$2,104,349 (*unrestricted net assets*) may be used to meet the government’s ongoing obligations to citizens and creditors.
- The government’s total net assets increased by \$148,955.
- As of the close of the current fiscal year, the Town’s governmental fund reported an ending fund balance of \$2,138,878, an increase of \$173,527 from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,116,713, or 211 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town’s basic financial statements. The Town’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town’s finances, in a manner similar to a private-sector business. Financial information is presented in two statements – *statement of net position* and *statement of activities*.

The *statement of net position* presents information on all of the Town’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all of a significant portion of their costs through user fees and charges (*business-*

Town of Reidville
Management's Discussion and Analysis
December 31, 2024

Government-wide financial statements, continued

type activities). The governmental activities of the Town include general government, highways and streets, human services, economic development, culture and recreation activities.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Town of Reidville
Management's Discussion and Analysis
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Statement of Net Position Information

The following information is a condensed version of the Statement of Net Position.

Net Position		Governmental Activities	
		2024	2023
Assets			
Current and other assets		\$ 2,159,737	\$ 1,978,173
Capital assets, net		<u>292,841</u>	<u>305,049</u>
Total assets		2,452,578	2,283,222
Deferred outflows		<u>59,744</u>	-
Total assets and deferred outflows		<u>2,512,322</u>	<u>2,283,222</u>
Liabilities and Net Position			
Current liabilities		20,859	12,822
Non-current liabilities		<u>65,931</u>	-
Total liabilities		86,790	12,822
Deferred inflows		<u>6,177</u>	-
Total liabilities and deferred inflows		<u>92,967</u>	<u>12,822</u>
Net Position			
Net investment in capital assets		292,841	305,049
Restricted		22,165	16,247
Unrestricted		<u>2,104,349</u>	<u>1,949,104</u>
Total net position		<u>2,419,355</u>	<u>2,270,400</u>
Total liabilities, deferred inflows and net position	\$ 2,512,322	\$ 2,283,222	\$ 2,283,222

The Town's Total Net Position increased by \$148,955 during 2024.

Asset changes included an increase in cash balances by \$109,683 as a result of operations.

The largest portion of the Town's net position (12 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net position \$2,104,349 may be used to meet the government's ongoing obligations to citizens and creditors.

Town of Reidville
Management's Discussion and Analysis
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Statement of Activities Information

The following information is a condensed version of the Statement of Activities.

Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Program revenues:		
Charges for services	\$ 432,844	\$ 218,630
General revenues:		
Property taxes	307,724	166,057
Intergovernmental	42,206	39,736
Insurance franchise fees	147,268	132,161
Franchise fees	83,637	60,128
Telecommunications franchises	6,076	7,333
Hospitality tax	5,918	6,577
Brokers Tax	19,313	15,819
Interest	68,698	18,389
Miscellaneous	54,182	4,640
Homestead exemption	3,190	2,526
Rent	<u>7,200</u>	<u>10,800</u>
Total Revenue	<u>1,178,256</u>	<u>682,796</u>
Expenses		
Administrative	<u>1,029,301</u>	<u>373,346</u>
Total Expenses	<u>1,029,301</u>	<u>373,346</u>
Change in Net Position	<u>\$ 148,955</u>	<u>\$ 309,450</u>

For governmental activities, 100% of the Town's expenses related to government and public activities and 0% related to debt service.

Town of Reidville
Management's Discussion and Analysis
December 31, 2024

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds - The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the

Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the general fund was \$2,116,713. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 211% of the total general fund expenditures.

During the current fiscal year, the Town's general fund balance increased \$173,527. The key factor in the increase is that in the fiscal 2024 budget, the Town was over budget in business licenses, franchise fees, and property tax.

General Fund Budgetary Highlights

The Town adopts a balanced budget with budgeted expenditures equaling budgeted revenues on an annual basis.

Capital Asset and Debt Administration

Capital assets - The Town's investment in capital assets for its governmental activities as of December 31, 2024, amounts to \$292,841 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, and streets and sidewalks. Capital assets, net of accumulated depreciation are comprised of the following:

	Governmental Activities
Land	\$ 70,000
Buildings	54,426
Machinery and equipment	8,320
Streets and sidewalks	160,095
	<hr/>
	\$ 292,841

**Town of Reidville
Management's Discussion and Analysis
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Economic Factors and Next Year's Budgets and Rates

Inflationary trends in the region compare favorably to national indices. This factor, among others, was considered in preparing the Town's budget for the 2025 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Reidville, Post Office Box 307, Reidville, South Carolina 29375.

Town of Reidville

Statement of Net Position
December 31, 2024

Assets

Current Assets:

Cash and cash equivalents	\$ 1,915,782
Receivables (net of allowance for uncollectibles)	243,955
Prepaid expenses	-
Noncurrent Assets:	
Capital assets (net of accumulated depreciation)	
Land	70,000
Buildings	54,426
Machinery and equipment	8,320
Streets and sidewalks	<u>160,095</u>
Total assets	2,452,578
Deferred outflows for pensions	59,744
Total assets and deferred outflows for pensions	<u>\$ 2,512,322</u>

Liabilities and Net Assets

Current Liabilities:

Accounts payable and accrued liabilities	20,859
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Noncurrent Liabilities:

Due within one year	-
Due in more than one year	-
Net pension liability	65,931
Total liabilities	<u>86,790</u>

Deferred inflows for pensions	6,177
Total liabilities and deferred inflows for pensions	<u>92,967</u>

Net Position:

Invested in capital assets, net of related debt	292,841
Restricted for:	
Hospitality tax	22,165
Unrestricted	<u>2,104,349</u>
Total net position	2,419,355
Total liabilities and net position	<u>\$ 2,512,322</u>

Town of Reidville

Statement of Activities
Year Ended December 31, 2024

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Charges for Services		Operating Grants and Contributions	
	Expenses	Total	Governmental Activities	
Primary government				
Governmental activities				
Administrative	\$ 1,029,301	\$ 432,844	\$ -	\$ (596,457)
Total government activities	\$ 1,029,301	\$ 432,844	\$ -	\$ (596,457)
General revenues				
Property taxes				307,724
Intergovernmental revenues				42,206
Insurance franchise fees				147,268
Franchise fees				83,637
Telecommunication franchises				6,076
Brokers tax				19,313
Interest				68,698
Hospitality tax				5,918
Rent				7,200
Homestead exemption				3,190
Miscellaneous				54,182
Total general revenues				745,412
Change in net position				148,955
Net position, beginning				2,270,400
Net position, ending				\$ 2,419,355

See accompanying notes to financial statements.

Town of Reidville

Balance Sheet
Governmental Funds
December 31, 2024

General

Assets

Cash and cash equivalents	\$ 1,915,782
Receivables (net of allowance for uncollectibles)	243,955
Total assets	<u>\$ 2,159,737</u>

Liabilities and Fund Balances

Liabilities:

Accounts payable and accrued liabilities	\$ 20,859
Total liabilities	<u>20,859</u>

Fund Balances:

Restricted for hospitality tax	22,165
Unassigned	2,116,713
Total fund balances	<u>2,138,878</u>

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	292,841
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund	-
Net pension liability	(65,931)
Deferred outflows for pensions	59,744
Deferred inflows for pensions	(6,177)
Net position of governmental activities	<u>\$ 2,419,355</u>

Town of Reidville

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended December 31, 2024

	<u>General</u>
Revenues	
Property taxes	\$ 307,724
Business licenses	432,844
Franchise fees	83,637
Insurance franchise fees	147,268
Intergovernmental revenues	42,206
Telecommunication franchises	6,076
Brokers fees	19,313
Interest	68,698
Hospitality tax	5,918
Rent	7,200
Homestead exemption	3,190
Miscellaneous	54,182
Total revenues	1,178,256
Expenditures	
Current:	
Administrative	1,004,729
Debt service:	
Principal	-
Interest	-
Capital outlay	-
Total expenditures	1,004,729
Excess of revenues over expenditures	173,527
 Net change in fund balance	173,527
 Fund balance, beginning of year	1,965,351
Fund balance, end of year	\$ 2,138,878

Town of Reidville

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
Year Ended December 31, 2024**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances-total governmental funds	\$ 173,527
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(12,208)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) and pension expense is an increase to net assets	<u>(12,364)</u>
Change in net position of governmental activities	\$ <u>148,955</u>

Town of Reidville

Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund
Budget and Actual
Year Ended December 31, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 130,702	\$ 130,702	\$ 307,724	\$ 177,022
Business licenses	148,240	148,240	432,844	284,604
Franchise fees	44,550	44,550	83,637	39,087
Insurance franchise fees	132,000	132,000	147,268	15,268
Intergovernmental revenues	27,984	27,984	42,206	14,222
Hospitality tax	-	-	5,918	5,918
Telecommunication franchises	8,255	8,255	6,076	(2,179)
Brokers tax	16,000	16,000	19,313	3,313
Interest	-	-	68,698	68,698
Homestead exemption	2,600	2,600	3,190	590
Rent	14,400	14,400	7,200	(7,200)
Special events	8,200	8,200	-	(8,200)
Miscellaneous	1,490	1,490	54,182	52,692
Total revenues	534,421	534,421	1,178,256	643,835
Expenditures				
Current:				
Administrative	726,378	726,378	1,004,729	(278,351)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	726,378	726,378	1,004,729	(278,351)
Excess of revenues over expenditures	(191,957)	(191,957)	173,527	365,484
Net change in fund balances	(191,957)	(191,957)	173,527	365,484
Fund balance, beginning of year	1,965,351	1,965,351	1,965,351	-
Fund Balance, end of year	\$ 1,773,394	\$ 1,773,394	\$ 2,138,878	\$ 365,484

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 1 – Description of Entity

The Town of Reidville, South Carolina was incorporated as a town in 1887. The Town operates under a strong Council form of government and provides general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include (1) the primary government; (2) organizations for which the primary government is financially accountable; and (3) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the application of these criteria, there were no organizations which met the criteria described above.

Note 2 – Summary of Significant Accounting Policies

The Town applies all Governmental Accounting Standards Board (GASB) pronouncements as well as Financial Accounting Standards Board (FASB) statements and interpretations, and the Accounting Principles Board (APB) of the Committee on Accounting Procedure issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Town government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. At December 31, 2023, the Town had no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual government funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies, continued

Measurement focus, basis of accounting, and financial statement presentation, continued

and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes collected within this sixty-day period is an example of such revenue. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Expenditures generally are recorded when a liability is incurred, except for debt service expenditures, as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government, or specifically identified.

The government reports the following major governmental fund:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government.

Property Taxes

Property taxes are levied on September 30th of each year and are payable without penalty through the following January 15th. Motor vehicle taxes are due in one installment at various times throughout the

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies, continued

Property Taxes, continued

year. Taxes become delinquent thirty days after the due date. Unpaid property taxes attach as an enforceable lien on the property as of March 17th.

The County Government collects all property taxes for the Town. The taxes are collected by the Treasurer and remitted to the Town on a monthly basis.

Cash and Cash Equivalents

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are stated at fair market value, using quoted market prices.

Receivables and Payables

Receivables are shown net of an allowance for uncollectibles. Accounts receivable consist principally of amounts due to the Town from other collection authorities for taxes, fees, licenses or permits.

Capital Assets

Capital assets, which include land, buildings, improvements, machinery and equipment are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

	<u>Assets</u>	<u>Years</u>
Buildings	40	
Improvements	20	
Machinery and equipment	5 to 10	

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies, continued

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Long-term obligations

In the government-wide financial statements, long-term future debt and other long-term obligations are reported as liabilities, bond premiums and discounts, as well as issuance costs will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable will be reported net of the applicable bond premium or discount. Current bond issues have not been restated for premiums or discounts due to immateriality.

In the fund financial statements, government fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts or other commitments for expenditures are recorded to reserve a portion of an applicable appropriation, is utilized in governmental funds, primarily the General Fund. Encumbrances outstanding at year-end are reported as reservations of fund balance as they do not constitute expenditures or liabilities under accounting principles generally accepted.

Fund Equity

In the government-wide financial statements, net assets are classified in the following categories:

Invested in Capital Assets, Net of Related Debt – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Assets – The category presents external restrictions imposed by creditor, grantors,

Town of Reidville

Notes to the Financial Statements
Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies, continued

Fund Equity, continued

contributors or laws or regulation of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets – This category represents the net assets of the Town, which are not restricted for any project or other purpose.

In the fund financial statements, the Town implemented GASB No. 54 Fund Balance Reporting and Governmental Fund Type Definitions for the year ended December 31, 2017. GASB No. 54 established that fund balance for governmental funds should be reported in the classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purpose for which the amounts in these funds can be spent. These classifications may consist of the following:

Non-spendable – generally, amounts that are not expected to be converted to cash, such as inventories or prepaid amounts. This classification also includes some long-term amounts such as property acquired for resale or the long-term portion of loans receivable. However, if the eventual proceeds or collections from these would be restricted, committed, or assigned, these amounts would be included in that other classification.

Legally or Contractually Required to be Maintained Intact – amounts that are required to be maintained intact, such as the principal of a permanent fund.

Restricted – amounts that can be used only for specific purpose because of (a) constitutional provisions of enabling legislation or (b) externally imposed constraints. (External constraints might be imposed by creditors, grantors, contributors, or even the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes because of a formal action by the government's highest level of decision-making authority. This classification might also include contractual obligation if existing resources have been committed for use in satisfying those contractual requirements. The formal action to establish constraints should be taken before year-end, even if the amount might not be determined until the subsequent period.

Assigned – amounts intended to be used for specific purposes but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a finance committee), or by an official to whom that authority has been given. This is the residual fund balance classification for all governmental funds except the general fund. Assigned fund balances should not be reported in the general fund if doing so causes the government to report a negative unassigned general fund balance.

Unassigned - this is the residual classification for the general fund (i.e., everything that is not in another

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 2 – Summary of Significant Accounting Policies, continued

Fund Equity, continued

classification or in another fund). The general fund is the only governmental fund that can report a positive unassigned fund balance. Other governmental funds might have a negative unassigned fund balance as a result of overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Note 3 – Reconciliation of Government-Wide and Fund Financial Statements

The basic financial statements of the Town includes a reconciliation between fund balances - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. The basic financial statements also includes a reconciliation between the statement of revenues, expenditures and changes in fund balances of governmental funds and the changes in net position of governmental activities as reported in the government-wide statement of activities. The reconciliation of beginning net position is as follows:

Fund balance of general fund as of January 1, 2024	\$ 1,965,351
Add: governmental capital assets, including general fixed assets as of January 1, 2024	305,049
Net position as of January 1, 2024	<u><u>\$ 2,270,400</u></u>

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 4 – Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at fiscal yearend.

Note 5 – Deposits

Custodial credit risk – deposits. Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Town will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of December 31, 2024, the Town had no amounts exposed to custodial credit risk.

The Town has not formally adopted a policy governing deposits and investments.

Note 6 - Receivables

Receivables at December 31, 2024, including the applicable allowance for uncollectibles, are as follows:

Property taxes	\$ 228,433
Franchise fees	4,801
Intergovernmental	<u>10,721</u>
	<u>243,955</u>
Allowance for uncollectibles	-
	<u>243,955</u>

Note 7 – Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 70,000	\$ -	\$ -	\$ 70,000
Total capital assets not being depreciated	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>70,000</u>

Town of Reidville

Notes to the Financial Statements
Year Ended December 31, 2024

Note 7 – Capital Assets, continued

Capital assets, being depreciated:

Buildings	125,864	-	-	125,864
Machinery and equipment	27,444	-	-	27,444
Streets and sidewalks	251,139	-	-	251,139
Total capital assets being depreciated	404,447	-	-	404,447

Less accumulated depreciation for:

Buildings	(67,583)	(3,855)	-	(71,438)
Machinery and equipment	(17,050)	(2,074)	-	(19,124)
Streets and sidewalks	(84,765)	(6,279)	-	(91,044)
Total accumulated depreciation	(169,398)	(12,208)	-	(181,606)
 Total capital assets being depreciated, net	 235,049	 (12,208)	 -	 222,841
Governmental activities capital assets, net	\$ 305,049	\$ (12,208)	\$ -	\$ 292,841

Depreciation expense for the year ended December 31, 2024 was \$12,208.

Note 8 – Long-Term Debt

The Town had no long-term debt as of December 31, 2024.

Note 9 – Pension Plan

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The CAFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the comprehensive annual financial report of the state.

Plan Description

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012.

The State Optional Retirement Program (State ORP) is a defined contribution plan that is offered as an alternative to SCRS to newly hired state, public higher education institution and public school district employees, as well as individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. State ORP participants direct the investment of their funds into an account administered by one of four third party service providers. PEBA assumes no liability for State ORP benefits. Rather, the benefits are the liability of the four third party service providers. For this reason, State ORP assets are not part of the retirement systems' trust funds for financial statement purposes.

In addition to the plan described above, PEBA also administers three single employer defined benefit pension plans, which are not covered in this report. They are the Retirement System for Members of the General Assembly of the State of South Carolina (GARS), the Retirement System for Judges and Solicitors of the State of South Carolina (JSRS), and the South Carolina National Guard Supplemental Retirement Plan (SCNG).

Town of Reidville

Notes to the Financial Statements **Year Ended December 31, 2024**

Note 9 – Pension Plan, continued

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below:

- SCRS – Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals first elected to the South Carolina General Assembly at or after the general election in November 2012. A member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.
- State ORP - As an alternative to membership in SCRS, newly hired state, public higher education institution and public school district employees, as well as individuals first elected to the S.C. General Assembly at or after the general election in November 2012 have the option to participate in the State ORP. Contributions to the State ORP are at the same rates as SCRS. A direct remittance is required from the employer to the member's account with the ORP service provider for the employee contribution and a portion of the employer contribution (5 percent). A direct remittance is also required to SCRS for the remaining portion of the employer contribution and an incidental death benefit contribution, if applicable, which is retained by SCRS.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of the benefit terms for each system is presented below.

- SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirements that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Benefits continued

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, the SCRS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Effective July 1, 2017, employee rates were increased and capped at 9 percent for SCRS. The legislation also increased employer contribution rates beginning July 1, 2017, for the SCRS until reaching 18.56 percent for the SCRS. The legislation included a further provision that if the scheduled contributions are not sufficient to meet the funding periods set in the state statute, the PEBA board would increase the employer contribution rates as necessary to meet the funding periods set for the applicable year.

Pension reform legislation modified statute such that the employer contribution rates for the SCRS to be further increased, not to exceed one-half of one percent in any one year if necessary, in order to improve the funding of the plan. The statute set rates intended to reduce the unfunded liability of the SCRS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for the SCRS may not be decreased until the plan is at least 85 percent funded.

Town of Reidville

Notes to the Financial Statements
Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Contributions, continued

Required employee contribution rates are as follows:

	<u>Fiscal Year 2025</u>	<u>Fiscal Year 2024</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
State ORP		
Employee	9.00%	9.00%

Required employer contributions are as follows

	<u>Fiscal Year 2025</u>	<u>Fiscal Year 2024</u>
SCRS		
Employer Class Two	18.56%	18.56%
Employer Class Three	18.56%	18.56%
Employer Incidental Death Bene:	0.15%	0.15%
State ORP		
Employer Contribution (2)	18.56%	18.56%
Employer Incidental Death Bene:	0.15%	0.15%

Net Pension Liability

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2024, for the SCRS is presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	
				Plan Fiduciary Net Position	Total Pension Liability
SCRS	\$ 61,369,806,968	\$ 37,919,492,371	\$ 23,450,314,597		61.8%

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Net Pension Liability, continued

The TPL is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Actuarial Assumptions

Actuarial valuations of the ongoing plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The GASB Statement No. 67 valuation report prepared as of June 30, 2024 is based on the experience study report for the period ending June 30, 2019. A more recent experience report on the Systems was issued for the period ending June 30, 2023 and will be used for future valuations.

The June 30, 2024, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel, Roeder, Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2023. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2024, using generally accepted actuarial principles. There was no legislation enacted during the 2024 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the total pension liability as of June 30, 2024:

	SCRS
Actuarial cost method	Entry age normal
Investment rate of return (1)	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)
Benefit adjustments	Lesser of 1% or \$500 annually

(1) Includes inflation at 2.25%

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Actuarial Assumptions, continued

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Assumptions used in the determination of the June 30, 2024, TPL are as follows:

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2024 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Long-Term Expected Rate of Return, continued

Allocation/Exposure	Policy Target	Arithmetic Rate of Return	Long-term Expected	
			Real Portfolio	Real Rate of Return
Public Equity	46.0%	6.23%	2.86%	
Bonds	26.0%	2.60%	0.68%	
Private Equity (1)	9.0%	9.60%	0.86%	
Private Debt (1)	7.0%	6.90%	0.48%	
Real Assets	12.0%			
Real Estate (1)	9.0%	4.30%	0.39%	
Infrastructure (1)	3.0%	7.30%	0.22%	
Total Expected Real Return (2)	<u>100.0%</u>		5.49%	
Inflation for Actuarial Purposes			2.25%	
			<u>7.74%</u>	

(1) RSIC staff and consultant will notify the Commission if the collective exposure to Private Equity, Private Debt and Private Real Estate Assets exceeds 30 percent of the total plan assets.

(2) Portable Alpha Strategies, which are not included in the Policy Target, will be capped at 12% of total assets; hedge funds (including all hedge funds used in portable aplha implementation) are capped at 20% of total assets.

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in the SCRS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

The following table presents the collective NPL of the participating employers calculated using the discount rate of 7 percent, as well as what the employers' NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6 percent) or 1.00 percent higher (8 percent) than the current rate.

Town of Reidville

Notes to the Financial Statements
Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Sensitivity Analysis, continued

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	1.00% Decrease (6%)	Current Discount Rate (7%)	1.00% Increase (8%)
SCRS	\$ 85,439	\$ 65,931	\$ 47,966

Net Pension Liability

At December 31, 2024, the Town reported a net pension liability of \$65,931 for its proportionate share of the SCRS net pension liability. The net pension liability was measured as of July 1, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportionate shares of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2024, the Town's proportionate shares of the SCRS plan was .000281 percent.

Pension Expense

For the year ended December 31, 2024, the Town recognized pension expense for the SCRS plan of \$12,364.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources

For the SCRS plan, there was total deferred outflows of resources of \$59,744 consisting of differences between expected and actual experience of \$5,722, the net difference between projected and actual earnings on pension plan investments of \$1,162, changes in proportion and differences between employer contributions and proportionate share of contributions of \$47,770, and Town contributions subsequent to the measurement date of \$5,090. There were deferred inflows of resources of \$6,177 for the SCRS plan consisting of differences between expected and actual experience.

Town of Reidville

Notes to the Financial Statements Year Ended December 31, 2024

Note 9 – Pension Plan, continued

Deferred Outflows, continued

The \$59,744 reported as deferred outflows of resources resulting from the Town's contributions subsequent to the measurement date for the SCRS plan, during the year ended December 31, 2024 will be recognized as a reduction of the net pension liabilities in the year ending December 31, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS plan:

For the SCRS plan, \$17,353 will be recognized for the fiscal year 2025, and \$20,618 for the fiscal year 2026. For fiscal year 2027 \$11,174 will be recognized and (\$667) will be recognized in 2028.

Covered Payroll and Contributions

The payroll for Town employees covered by the SCRS totaled \$55,011 and \$37,347 for the year ended December 31, 2024.

The Town's contributions to the SCRS is summarized as follows:

Year Ended	Employer		Employee	
	Percent	SCRS	Percent	SCRS
December 31, 2024	100%	\$ 10,440	100%	\$ 5,104

Note 10 – Risk Management

The Town is exposed to various risks of loss relating to liability, theft or impairment of assets, errors or omissions, injuries to employees and natural disasters. Commercial liability and property insurance coverage is purchased to protect against losses from these risks. The Town does not maintain a self-insurance fund.

During 2024, the Town did not experience any significant uninsured claims. Accordingly, there was no liability or expense recorded for actual claims, and management does not believe any provision for unasserted claims is necessary.

Town of Reidville

Notes to the Financial Statements
Year Ended December 31, 2024

Note 11 – Subsequent Events

Subsequent events were evaluated through August 13, 2025, which is the date the financial statements were available to be issued.

Town of Reidville

Schedule of Expenditures - General Fund
Budget and Actual
Year Ended December 31, 2024

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Salaries, payroll taxes and benefits	\$ 122,548	\$ 139,393	\$ (16,845)
Workers' compensation	1,000	1,434	(434)
Contract labor-safety officers	125,000	-	125,000
Council's pay	6,000	2,900	3,100
Dues and subscriptions	10,100	8,957	1,143
Legal and accounting	28,800	16,096	12,704
Other professional fees	2,400	5,396	(2,996)
Mayor's salary	1,500	875	625
Special events	7,500	21,201	(13,701)
Miscellaneous	3,620	5,613	(1,993)
Office supplies	8,500	4,740	3,760
Election expenses	2,000	2,650	(650)
Printing and reproduction	275	2,896	(2,621)
Postage	450	617	(167)
Utilities	8,255	8,624	(369)
Website	180	-	180
Software fees	7,050	12,814	(5,764)
Tort insurance	4,500	4,671	(171)
Building maintenance	168,500	127,439	41,061
Road maintenance	125,000	539,388	(414,388)
Street lights	9,000	8,614	386
Training and conferences	9,500	12,632	(3,132)
Contracted services	74,700	77,779	(3,079)
Capital outlay	-	-	-
Total general fund expenditures	\$ 726,378	\$ 1,004,729	\$ (278,351)

**To the Honorable Mayor
And Members of Town Council**

**Town of Reidville
December 31, 2024**

Town of Reidville

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Auditor Communications

The Honorable Mayor and Members of Town Council
Town of Reidville
Reidville, South Carolina

We have audited the financial statements of the Town of Reidville for the year ended December 31, 2024, and have issued our report thereon dated August 13, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and government auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our previously issued engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Reidville are described in Note 2 to the financial statements.

We noted no transactions entered into by the Town during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

The most significant estimate at December 31, 2024 is the recording of depreciation expense. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The Honorable Mayor and Members of Town Council
Town of Reidville
August 13, 2025

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

There were none.

Significant Audit Adjustments

The following significant adjustments detected as a result of audit procedures were corrected by management:

Adjust cash and cash equivalents	\$ 1,337,190
Adjust accounts receivable	243,955
Adjust fixed assets	(1,933)
Adjust accounts payable and payroll liabilities	(20,859)
Adjust net assets	<u>(1,078,359)</u>
Increase in net assets	\$ <u>479,994</u>

The above adjustments for the Town were adjustments made to accruals and income recognition. Accordingly, management recorded the above adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 13, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves

The Honorable Mayor and Members of Town Council
Town of Reidville
August 13, 2025

application of an accounting principle to the Town's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Town Council, management, and others within the Town and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Highsmith & Highsmith, LLC
Greenville, South Carolina

August 13, 2025

Town of Reidville
Summary of Professional Services

- Annual audit of financial statements
- Annual report to management on observations and recommendations for improvements



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August 13, 2025

The Honorable Mayor and Members of the Town Council
Town of Reidville
Reidville, South Carolina

Thank you for the cooperation given during our engagement with the Town of Reidville.

For the year ended December 31, 2024, we present the following observations and recommendations relating to the accounting operations of the Town of Reidville.

Review of Financial Statements

Our report for the 2024 audit expresses an **unqualified opinion** on the fair presentation of the financial statements, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

Organizational Structure

In planning and performing our audit of the financial statements of the Town of Reidville in accordance with auditing standards generally accepted in the United States of America, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. However, as discussed below, we noted certain deficiencies in internal control that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

The Honorable Mayor and Members of the Town Council
Town of Reidville
August 13, 2025

We consider the following deficiencies to be significant deficiencies in internal control.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Town of Reidville's internal control to be significant deficiencies:

A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. The size of the Town's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Town Council remain involved in the financial affairs of the Town to provide oversight and independent review functions.

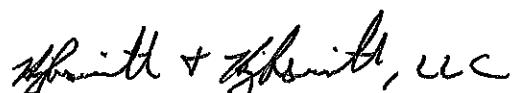
Absolute segregation of duties is rarely accomplished within small-to-medium-sized organizations simply because the justification for the additional cost necessary for proper segregation of duties is not cost beneficial. In the absence of absolute segregation of duties, management does, however, implement additional procedures which reduce the likelihood of a material misstatement. We understand that in most cases, the added cost of providing absolute segregation of duties will outweigh the projected benefits of the added internal controls and therefore, may be considered unjustified. However, we are obligated by auditing standards to bring this to your attention. The Town is obligated to consider the validity of these comments in light of the circumstances surrounding this condition and respond as you consider necessary.

Our comments are based upon conditions noted during our audit and are not intended to be all-inclusive. They are submitted to you as constructive suggestions to assist you in strengthening controls and procedures and are not intended to reflect on the honesty or integrity of any employee.

This report is intended solely for the information and use of the Town Council, management, and others within the Town and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to present these comments and recommendations for your consideration, and are prepared to discuss them further at your convenience and provide any implementation assistance for changes or improvements you may require.

Respectfully submitted,



Highsmith & Highsmith, LLC
Greenville, South Carolina

Independent Auditors Report (pgs. 1-2)

We audited the Town of Reidville for the year ended 12/31/24

Management is responsible for the financial statements. Our responsibility is to express an opinion on the financials based on our audit.

During the audit we do not go through 100% of the transaction. We pull samples and trace them all through the accounting process to invoices, bank statements and other back up documentation.

Reidville did receive an unqualified or clean opinion on the financial statements for the 2024 year.

Management's Discussion and Analysis (pgs. 3-8)

This section has a lot of good financial information in a summary format.

Please read through this section when you have time.

Statement of Net Position (pg. 9)

Cash and cash equivalents was \$1,915,782 at 12/31/24. This made up 78% of the Town's total asset at the end of 2024.

Accounts Receivable were \$243,955 and represented amounts due for property taxes, intergovernmental revenues and franchise fees. These receivables were collected during January and February of 2025.

Total assets at the end of 2024 were \$2,452,578 after adding in the land, buildings and other capital assets

The Town also started participating in the SC Retirement System, so there are a few numbers

on here that you have not seen before. Deferred Outflows, Net Pension Liability and Deferred inflows.

We are required to report these numbers on the financials that come off the PEBA website. Note 9 in the footnotes (page 22) goes into pension plan in detail for 9 pages.

On the liability side, the Town had \$20,859 in accounts payable

The Town had no long-term debt at 12/31/24.

The net pension liability of \$65,931 is the town's portion of the state's underfunded pension plan.

Basically, it is what the Town would have to pay if the SC Retirement System closed its doors at 12/31/24.

We do not think it is going to happen, but we are required to report this liability for the Town.

Net position totaled \$2,419,355 with \$22,165 of that being restricted and \$2,104,349 in unrestricted net position

Statement of Activities (pg. 10)

Between the charges for services and general revenues, the Town had total revenues of \$1,178,256 for the year which was around an increase of 72% over the total for 2023.

The largest increases for the year were to Charges for services (business licenses), property tax and franchise fees. The interest is also higher due to SC Local Govt. Investment Pool accounts.

The expenses for the Town for 2024 totaled \$1,029,301 which was an increase of 275% from 2023.

The largest increases were to salaries, Contract safety officers and road maintenance. The road maintenance really accounted for the majority of the expenses for the Town this year.

The change in net position for the year (net income) was a positive \$148,955

The town had a good year from an accounting and income standpoint. Nothing unusual came up during the audit. Records were kept organized in a way that we could perform our audit. the audit.

