AUDITED FINANCIAL STATEMENTS

SALUDA COUNTY, SOUTH CAROLINA

Saluda, South Carolina

June 30, 2025

CONTENTS

RISH AND ENZASTIGA
CERTIFIED PUBLIC ACCOUNTANTS
215 WEST MAIN STREET
LEXINGTON, SOUTH CAROLINA 29072
803-359-9921

INDEPENDENT AUDITOR'S REPORT

The County Council
Saluda, South Carolina

Opinions

We have audited the accompanying primary government financial statements of the governmental activities and each major fund of the Saluda County, South Carolina, as of and for the year ended June 30, 2025 and the related notes to the 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 Saluda County, South Carolina, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof 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 Saluda County, 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.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. However, the primary government financial statements, because they do not include the financial data of component units of Saluda County, South Carolina, do not purport to, and do not, present fairly the financial position of Saluda County, South Carolina, as of June 30, 2025, and the results of operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 County'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 County'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 County'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.

Other Matters

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historic context. Our opinion on the basic financial statements is not affected by this missing information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison (pg. 35), Schedule of the County's Net OPEB Obligation (pg.36) and the Schedule of the County's Proportionate Share of the Net Pension Liability (pg. 37-38) be presented to supplement the basic financial statements. Such information, 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 the financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplemental 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 of the limited procedures do not provide us with sufficient evidence to express and opinion or provide any assurance.

Supplementary Information

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards (p. 66) as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* along with accompanying supplemental information (p. 40 – 62) is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have issued a report dated September 10, 2025 on our consideration of the County's internal control structure and on its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with the report in considering the results of our audit.

Rish and Enzastiga CPA's

September 10, 2025
Lexington, South Carolina

PRIMARY GOVERNMENT FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

GOVERNMENT WIDE ACTIVITIES

SALUDA COUNTY, SOUTH CAROLINA

June 30, 2025

	PRIMARY GOVERNMENT	
	Governmental Activities	Total
ASSETS AND OTHER DEBITS		
Current Assets		
Cash - Notes B	$ 23,862,782	$ 23,862,782
Investments - Note B	4,833,060	4,833,060
Receivables		
Property taxes - delinquent - Note C	446,190	446,190
Other	814,614	814,614
Inventory - fuel	27,469	27,469
Total Current Assets	29,984,115	29,984,115
Capital Assets - Note D		
Land	1,080,847	1,080,847
Construction in progress	12,088,581	12,088,581
Buildings	9,580,334	9,580,334
Land improvements	341,538	341,538
Equipment	8,026,823	8,026,823
Accumulated depreciation	(14,423,765)	(14,423,765)
Deferred Outflows - Pensions	3,245,440	3,245,440
Deferred Outflows - OPEB	330,591	330,591
TOTAL ASSETS AND OTHER DEBITS	$ 50,254,504	$ 50,254,504
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
LIABILITIES		
Current Liabilities		
Accrued expenses	$ 839,647	$ 839,647
GO bonds, current portion	1,609,000	1,609,000
Lease purchase obligations, current portion	144,435	144,435
Total Current Liabilities	2,593,082	2,593,082
Compensated absences - Note F	391,745	391,745
GO bonds less current	7,890,000	7,890,000
Lease purchase obiligations less current	423,483	423,483
Net OPEB Obligation - Note G	2,331,267	2,331,267
Net Pension Liability	11,305,358	11,305,358
TOTAL LIABILITIES	24,934,935	24,934,935
Deferred Inflows - Pensions	1,800,710	1,800,710
Deferred Inflows - OPEB	3,158,709	3,158,709
NET POSITION		
Net Investment in Capital Assets	6,627,440	6,627,440
Restricted for:		
special projects	9,578,235	9,578,235
debt service	(20,237)	(20,237)
capital projects	18,082,667	18,082,667
Unrestricted	(13,907,955)	(13,907,955)
TOTAL NET POSITION	20,360,150	20,360,150
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$ 50,254,504	$ 50,254,504

The accompanying notes are an integral part of this statement.

STATEMENT OF ACTIVITIES

GOVERNMENT WIDE ACTIVITIES

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

		Program Revenues			Net Revenue \ (Expense) & Changes in Net Position	
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Total
Governmental Activities						
Current						
Legislative and administration	$ 553,787	$ -	$ -	$ -	$ (553,787)	$ (553,787)
Judicial and law enforcement	6,774,279	-	55,134	-	(6,719,145)	(6,719,145)
Finance agencies	683,734	-	-	-	(683,734)	(683,734)
Administrative and human service	4,710,965	1,404,352	-	-	(3,306,613)	(3,306,613)
Public safety	1,309,308	921,220	-	-	(388,088)	(388,088)
Public works	3,935,065	-	3,623,954	-	(311,111)	(311,111)
Planning and development	2,489,234	-	-	-	(2,489,234)	(2,489,234)
Culture and recreation	598,459	-	-	-	(598,459)	(598,459)
Other	1,209,549	-	866,086	-	(343,463)	(343,463)
Debt service						
Interest & other bond costs	576,922	-	-	-	(576,922)	(576,922)
Total Governmental Activities	22,841,302	2,325,572	4,545,174	-	(15,970,556)	(15,970,556)
TOTAL	$ 22,841,302	$ 2,325,572	$ 4,545,174	$ -	(15,970,556)	(15,970,556)

	Governmental Activities	Total
General Revenues		
Property Taxes Levied For:		
General Purposes	9,090,528	9,090,528
Debt Service	451,596	451,596
Special Projects	1,274,130	1,274,130
Local option sales tax	5,128,859	5,128,859
Capital project sales tax	2,234,266	2,234,266
Intergovernmental sources	3,826,218	3,826,218
Fines and assessments	329,402	329,402
Other	1,753,897	1,753,897
Total General Revenues	24,088,896	24,088,896
Change in Net Position	8,118,340	8,118,340
Net Position, Beginning of Year	12,241,810	12,241,810
NET POSITION, END OF YEAR	$ 20,360,150	$ 20,360,150

The accompanying notes are an integral part of this statement.

COMBINED BALANCE SHEET

ALL GOVERNMENTAL FUNDS

SALUDA COUNTY, SOUTH CAROLINA

June 30, 2025

	Governmental Fund Types					
	General	C-Funds	Debt Service	Capital Projects	Non-Major Special Revenue	Totals (Memorandum Only)
ASSETS						
Cash and equivalents- Note B	$ 5,374,979	$ 5,087,014	$ -	$ 12,661,919	$ 738,870	$ 23,862,782
Investments - Note B	-	-	-	4,833,060	-	4,833,060
Receivables						
Property taxes - delinquent - Note C	73,951	-	-	-	-	73,951
Other	226,926	-	-	587,688	-	814,614
Inventory - fuel	27,469	-	-	-	-	27,469
TOTAL ASSETS	$ 5,703,325	$ 5,087,014	$ -	$ 18,082,667	$ 738,870	$ 29,611,876
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accrued expenses	$ 704,561	$ -	$ 20,237	$ -	$ -	$ 724,798
TOTAL LIABILITIES	704,561	-	20,237	-	-	724,798
FUND EQUITY						
Fund balance						
Nonspendable - inventory - jet fuel	27,469	-	-	-	-	27,469
Committed for capital projects	-	-	-	18,082,667	-	18,082,667
Assigned for debt service	-	-	(20,237)	-	-	(20,237)
Assigned for special purposes	3,752,351	5,087,014	-	-	738,870	9,578,235
Unassigned	1,218,944	-	-	-	-	1,218,944
TOTAL FUND EQUITY	4,998,764	5,087,014	(20,237)	18,082,667	738,870	28,887,078
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY	$ 5,703,325	$ 5,087,014	$ -	$ 18,082,667	$ 738,870	$ 29,611,876

Reconciliation of governmental fund balances to statement of net position:

Total Fund Balances - Governmental Funds	$ 28,887,078
Capital assets, net of accumulated depreciation	16,694,358
Compensated absences	(391,745)
Accrued interest	(114,849)
GO bonds outstanding	(9,499,000)
Lease purchase obligations	(567,918)
Net OPEB Obligation	(5,159,385)
Net Pension Obligation, Deferred Inflows & Outflows	(9,860,628)
Recognition of deferred taxes	372,239
Total Net Position - Governmental Activities	$ 20,360,150

The accompanying notes are an integral part of this statement.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

SALUDA COUNTY, SOUTH CAROLINA

YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds		$ (6,122,731)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over the estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.		
Capital outlays	11,914,132	
Depreciation expense	(481,961)	11,432,171
Repayment/(Issuance) of bond/ lease principal is an expenditure/(source) in the govermental funds but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities	1,547,000	1,547,000
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, interest expense is recognized as it accrues, regardless of the due date.		
Interest on bonds decreased by:		(114,849)
In the statement of activities, compensated absences are measured by the amounts expended during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.		5,189
In the statement of activities, OPEB benefits are measured by the accrued OPEB cost recorded during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.		225,772
In the statement of activities, pension plan liabilities are measured by the accrued liability recorded during the year. In governmental funds, expenditures for this item are measured by the amount of financial resources used.		874,442
Some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred tax revenues. In the statement of activities, property taxes are recorded as revenue in the year levied.		271,346
Change in net position - governmental activities		$ 8,118,340

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	General	C-Funds	Debt Service	Capital Projects	Non-major Special Revenue	Totals (Memorandum Only)
REVENUES						
Taxes	$ 12,779,174	$ -	$ -	$ -	$ -	$ 12,779,174
Taxes - reserved for special purposes	1,168,867	-	451,596	3,508,396	-	5,128,859
Licenses and permits	562,054	-	-	-	-	562,054
Fines and fees	529,999	-	-	-	158,569	688,568
Intergovernmental	3,826,218	3,623,954	-	-	921,220	8,371,392
Other	1,956,127	6,647	3,257	313,964	3,812	2,283,807
TOTAL REVENUES	20,822,439	3,630,601	454,853	3,822,360	1,083,601	29,813,854
EXPENDITURES						
Current						
Legislative and administration	545,907	-	-	-	-	545,907
Judicial and law enforcement	6,596,831	-	-	-	22,026	6,618,857
Finance agencies	667,338	-	-	-	-	667,338
Administrative and human service	4,628,049	-	-	-	-	4,628,049
Public safety	1,705,058	-	-	-	110,774	1,815,832
Public works	1,948,437	1,991,017	-	-	-	3,939,454
Planning and development	2,439,267	-	-	-	-	2,439,267
Culture and recreation	584,452	-	-	-	-	584,452
Other	837,322	-	-	-	820,647	1,657,969
Capital outlays	-	-	-	11,030,387	-	11,030,387
Debt service						
Principal retirement - Note F	-	-	1,547,000	-	-	1,547,000
Interest	-	-	462,073	-	-	462,073
TOTAL EXPENDITURES	19,952,661	1,991,017	2,009,073	11,030,387	953,447	35,936,585
Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing	869,778	1,639,584	(1,554,220)	(7,208,027)	130,154	(6,122,731)
OTHER FINANCING - SOURCES/(USES)						
GO Bond proceeds	-	-	-	-	-	-
Transfer In/(Out)	(165,920)	-	1,499,677	(1,132,197)	(201,560)	-
Excess/(Deficiency) of Revenue Over/ (Under) Expenditures	703,858	1,639,584	(54,543)	(8,340,224)	(71,406)	(6,122,731)
Fund Balance, July 1, 2024	4,294,906	3,447,430	34,306	26,422,891	810,276	35,009,809
FUND BALANCE, JUNE 30, 2025	$ 4,998,764	$ 5,087,014	$ (20,237)	$ 18,082,667	$ 738,870	$ 28,887,078

The accompanying notes are an integral part of this statement.

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

SALUDA COUNTY, SOUTH CAROLINA

June 30, 2025

	Saluda School District		Other	
	Operating	Debt Service	Entities	Total
ASSETS				
Cash and cash equivalents - Note B	$ 2,385,394	$ 1,545,335	$ 1,202,062	$ 5,132,791
TOTAL ASSETS	$ 2,385,394	$ 1,545,335	$ 1,202,062	$ 5,132,791
NET POSITION	$ 2,385,394	$ 1,545,335	$ 1,202,062	$ 5,132,791
TOTAL NET POSITION	$ 2,385,394	$ 1,545,335	$ 1,202,062	$ 5,132,791

The accompanying notes are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

SALUDA COUNTY, SOUTH CAROLINA

For the year ended June 30, 2025

Additions	
Received for other entities	$ 78,662,287
Deductions	
Distributed to other entities	76,148,164
Change in Net Position	2,514,123
Net Position, beginning of year	2,618,668
NET POSITION, END OF YEAR	$ 5,132,791

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

Saluda County, South Carolina (the County) complies with Generally Accepted Accounting Principles (GAAP). The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. Proprietary funds apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before January 1, 1996, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION

The foundation of a primary government is a separately elected governing body - one that is elected by the citizens in a general, popular election. As the nucleus of the financial reporting entity, the general-purpose local government generally is the focal point of the users of the financial statements. Thus, it is important to define the primary government and determine what it comprises. A primary government is any state or general purpose local government that has a separately elected governing body, is legally separate, and is fiscally independent of other local governments.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. These component units combined with the primary government form the Reporting Entity.

These financial statements include only the data of the general-purpose local government and do not include data of component units necessary for reporting in conformity with generally accepted accounting principles. Known component units that are not included in these financial statements are the Saluda County Nursing Center and Saluda County Alcohol and Drug Abuse Center. Contact these entities directly for financial information.

Government-wide Activities

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenue when the County has assessed and levied the appropriate amounts due. Government-wide financial statements are prepared using a different measurement focus than governmental fund financial statements. A reconciliation of the two financial statements has been shown to identify the relationship between the government-wide statements and the governmental fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL REPORTING ENTITY - BASIS OF PRESENTATION (CONTINUED)

Revenue

Program revenues are funds that directly affect the specific expense categories on the statement of activities. Program revenues are categorized into charges for services, operating grants and capital grants. Charges for services are revenues users pay for services in the County. Operating grants are grants that are used to operate specific programs within the County. Capital grants are funds used to purchase equipment and other capital assets

Governmental Fund Types

The County uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available”. Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter (generally 60 days) to pay current liabilities. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as an expenditures in the year due.

General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. All property taxes, intergovernmental revenue, and charges for services are recorded in this fund except amounts which are specifically collected to service debt or for which the County collects funds in a fiduciary capacity. Operational expenditures for services provided by the County are also paid through the General Fund.

Special Revenue Funds – Special Revenue Funds are used to account for specific proceeds received on grants or projects approved by management or other authorizing agencies. They are not budgeted in General Fund operations. The C-funds (**major fund**) is used to account for State Revenue to repair roads within the County. The other Special Revenue funds are combined as non-major funds.

Debt Service Fund – major fund – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund – major fund - The Capital Projects Fund is used to account for financial resources specifically allocated for the County’s future building and construction projects.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Fund Types

Fiduciary funds account for assets held by the County in a trustee or agency capacity. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Pension trust funds are accounted for in essentially the same manner as proprietary funds. Agency funds are custodial in nature and do not involve measurement of results or operations.

TOTAL COLUMNS (MEMORANDUM ONLY)

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to aid in the financial analysis. Interfund eliminations have not been made in the aggregation of this data; and it is, therefore, not comparable to a consolidation.

BUDGET

County Council approves an ordinance which establishes the operating and capital budgets for the operation of the County's government. The budget for the County's operating funds are as shown in the supplemental information following the notes to the financial statements. The budget amounts are shown under the column labeled "Budget" in the Detailed Statement of Revenue, Expenditures and Changes in Fund Balance-General Fund; Budget and Actual. All annual appropriations lapse at the end of the County's fiscal year. Project length financial plans are adopted for all capital projects funds. County Council does not establish operating and capital budgets for any of the County's Special Revenue Funds.

Budgetary Control

The general fund's budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personnel costs (salaries, pensions, insurance); printing and office supplies; memberships and dues; travel; automobile operating expenses; maintenance service contracts; bonds; employee training; capital outlay; and other. This constitutes the legal level of control.

Encumbrances

Encumbrance accounting is used for the General Fund, Special Revenue Funds, and Capital Project Funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances are reported as a reservation of fund balance on the balance sheet. Encumbrances do not lapse at the close of the fiscal year but are carried forward as reserved fund balance until liquidated.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The County uses estimates and assumptions in preparing its financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenditures. Actual results could vary from the estimates that were used.

ASSETS AND LIABILITIES

Cash and Investments

The County maintains and controls cash and investment pools in which the primary government and component units share. Each fund or component unit's portion of a pool is displayed on their respective balance sheet as "cash and investments". Non-pooled cash and investments are also reported on the respective balance sheets as "cash and investments".

Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

For financial statement purposes, the County considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash.

Inventory

The County has fuel facilities at the County Airport. Inventory consists of jet fuel. The County values its inventory at cost.

Capital Assets

All Capital Assets are capitalized at historical cost and updated for additions and deletions during the fiscal year less accumulated depreciation. The County maintains a capitalization threshold of $5,000 for capital assets – governmental activities. Donated capital assets are recorded at fair value when received. Repairs and maintenance are charged directly to operations as incurred. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets ranging from five to fifty years.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS AND LIABILITIES (CONTINUED)

Compensated Absences

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the County. The estimated current portion of the liability for the vested vacation benefits attributable to the County's governmental funds is recorded as an expenditure and liability in the respective funds. No liability is recorded for nonvested sick leave benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that it is estimated will be taken as "terminal leave" prior to retirement.

TRANSFERS AND EQUITY

Fund Equity

Restricted, Committed and Assigned fund balances represent tentative plans for future use of financial resources. Restricted fund balance is when constraints are externally imposed by creditors, grantors, laws or enabling legislation and placed on resources. Committed fund balance is an amount that can only be used for specific purposes imposed by formal action of the government's highest level of decision-making authority (County Council). Assigned fund balance is an amount constrained by the government's intent to be used for a specific purpose. The County Administrator has the authority to assign fund balance amounts based on the future anticipated uses of resources.

When both restricted, committed, assigned and unassigned resources are available for use, it is the government's policy to use restricted, committed or assigned resources first, then unassigned resources as needed.

Interfund Transactions

Quasi-external transactions are accounted for as revenue, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from the fund, but that are applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Interfund transactions are eliminated in the governmental activities column of the Statement of Net Position and Statement of Activities.

NOTE B - CASH AND INVESTMENTS

Deposits and Investments

The County considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents. The State of South Carolina authorizes the County to invest in the following:

1) Obligations of the United States and agencies thereof.
2) General obligations of the State of South Carolina.
3) Accounts or certificates of deposit of banks or savings and loan associations to the extent that the same are insured by an agency of the federal government.
4) Certificates of deposit or accounts that are collaterally secured by securities of the type described in 1) and 2) above with the collateral security not less than the amount of the account or certificate including interest.
5) Repurchase agreements when collateralized by securities as stipulated above.
6) Guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long term unsecured debt rating bears the highest ratings of at least two nationally recognized rating services.

It is the County's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The County's cash and investments are categorized to give an indication of the level of risk assumed by the County on June 30, 2025. The carrying value of deposits at June 30, 2025 was $28,995,573. The County held $4,833,060 in US Treasury notes and Federal Obligation notes that had a maturity greater than 90 days. The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.
Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
Category 3 - Uncollateralized.

Cash and investments categorized by level or risk, are:

	Market Value/ Category 1	2	3	Carrying Amount
Checking and time deposits	$28,995,573	$ --	$ --	$ 28,995,573
US Treasury and Fed Notes	4,833,060	--	--	4,833,060
Total	$33,828,633	$ --	$ --	$ 33,828,633

Governmental activities	$ 28,695,842
Fiduciary funds	5,132,791
Total	$ 33,828,633

NOTE C - PROPERTY TAXES

Taxes receivable are $446,190 on the Statement of Net Position. Of this amount, $73,951 represent current delinquent taxes collected on behalf of the County for sixty days following the end of the fiscal year, which is recorded in the General Fund as taxes receivable. The County does not have an allowance for doubtful accounts at June 30, 2025. All amounts due are currently estimated to be collectible.

Taxes are levied on real and personal properties owned on the preceding December 31 of each fiscal year ended June 30. Liens are attached to the property at the time taxes are levied, which usually occurs in October of each year. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3 % of tax
February 2 through March 16	-	10% of tax
March 17 through March 31	-	15% of tax plus collection cost

Current year real and personal property taxes become delinquent on April 1. The levy date for motor vehicle is the first day of the month in which the motor vehicle license expires. These taxes are due the last day of the same month.

NOTE D - CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Land **	$ 1,080,847	$ --	$ --	$ 1,080,847
Construction in progress	819,108	11,269,473	--	12,088,581
Buildings	9,580,334	--	--	9,580,334
Land improvements	341,538	--	--	341,538
Vehicles & equipment	6,814,246	644,659	--	7,458,905
Leased equipment	--	567,918	--	567,918
Accumulated depreciation	(13,941,804)	(481,961)	--	(14,423,765)
Totals	$ 4,694,269	$ 12,000,089	$ --	$ 16,694,358

** Land is a non-depreciable asset.

NOTE D - CAPITAL ASSETS (CONTINUED)

The County recorded depreciation expense of $481,961 shown in current expenses on the statement of activities – governmental activities. Depreciation expense was allocated as follows:

Legislative and administration	$ 13,069
Judicial and law enforcement	155,422
Finance agencies	16,396
Administrative and human service	82,916
Public safety	53,826
Public works	79,919
Planning and development	49,967
Culture and recreation	14,007
Other	16,438
Total	$ 481,961

As a Phase 3 Governmental Entity defined under GASB 34, the County has elected not to retroactively capitalize the costs of paving the County's roads and classified roads as infrastructure. The estimated amount needed to keep the roads in a reasonable condition is between $500,000 - $1,000,000 annually. The County receives a portion of road maintenance funds from the State of South Carolina through the C-Funds reimbursements. The County budgets expenditures for repairs and maintenance in the County's general fund and through annual appropriations from the Special Revenue – C-Funds Account.

NOTE E - COMMITMENTS AND CONTINGENT LIABILITIES

Revenue Bonds

The County has issued Nursing Facilities Revenue Bonds. These bonds are payable solely from the revenue of the Saluda Nursing Center. These bonds payable and the related buildings constructed with the proceeds of these bonds are reported on the financial statements of the Saluda Nursing Center. This information is not included in the financial statements of Saluda County.

Grants Liability

Amounts received or receivable from grantor agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Subsequent Events

Management has evaluated the effects of subsequent events through the date of the auditor's report.

NOTE F - LONG-TERM DEBT

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligations bonds are direct obligations and pledge the full faith and credit of the County. General obligation bonds currently outstanding are as follows:

	Balance July 1, 2024	Additions	Payments	Balance June 30, 2025
$5,386,000 General Obligation Bonds Bonds due in annual installments of $1,260,000 - $1,436,000 through November 2027, Interest rate 4.45%	$ 5,386,000	$ --	$1,260,000	$ 4,126,000
$5,660,000 General Obligation Bonds Bonds due in annual installments of $287,000 - $490,000 through November 2039, Interest rate 4.45%	$ 5,660,000	$ --	$ 287,000	$ 5,373,000

Annual debt service requirements to maturity for all long-term general obligation debt are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	$ 1,609,000	$ 400,139	$ 2,009,139
2027	1,679,000	329,769	2,008,769
2028	1,753,000	256,335	2,009,335
2029	330,000	179,657	509,657
2030	343,000	166,358	509,358
2031 -2035	1,936,000	687,760	2,623,760
2036 – 2039	1,849,000	189,974	2,038,974
Total	$ 9,499,000	$ 2,209,992	$11,633,992

NOTE F - LONG-TERM DEBT (Continued)

Lease Purchase Agreements

Lease Purchase – Cat Financial - was used to buy a Motor Grader for $173,672. The annual interest rate is 7%. Monthly payments of $4,548 of principal and interest are due monthly thru 2028. Remaining Balance: $173,672. Current principal amount due is $43,633.

Lease Purchase – Cat Financial - was used to buy a Small Wheel Loader for $147,299. The annual interest rate is 7%. Monthly payments of $4,666 of principal and interest are due monthly thru 2028. Remaining Balance: $147,299. Current principal amount due is $45,371.

Lease Purchase – Cat Financial - was used to buy Backhoe Loader. The annual interest rate is 7%. Monthly payments of $1,840 of principal and interest are due monthly thru 2028. Remaining Balance: $77,926. Current principal amount due is $17,492.

Lease Purchase – Cat Financial - was used to buy a Motor Grader for $169,021. The annual interest rate is 7%. Monthly payments of $4,465 of principal and interest are due monthly thru 2028. Remaining Balance: $169,021. Current principal amount due is $37,939.

Lease purchase payments are budgeted and paid through the Equipment Reserves

Outstanding lease purchase agreements are due as follows at June 30, 2025:

Year Ending June 30,	Principal	Interest	Total
2026	$ 144,435	$ 38,877	$ 183,312
2027	158,983	24,329	183,312
2028	168,675	14,637	183,312
2029	95,825	3,175	99,000
Totals	$ 567,918	$ 81,018	$ 648,936

NOTE F - LONG-TERM DEBT (Continued)

Compensated Absences

A summary of changes in compensated absences for the year ended June 30, 2025 is as follows:

Balance July 1, 2024	Changes	Balance June 30, 2025
$ 396,934	$ (5,189)	$ 391,745

Due to the nature of the obligation for accrued vacation, annual requirements to amortize such obligations are not determinable and have not been presented.

NOTE G - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The County offers medical, prescription drug, dental, long-term disability, and life insurance benefits to its employees. All benefits are available to County retirees except disability and life insurance. The same rate structure (considering total premiums) is charged for active employees as for retirees, with slight variations for Medicare-eligible retirees. The medical/prescription drug plans consist of four options for active employees and non-Medicare eligible retirees (Savings Plan, Standard, Blue Choice HMO, and CIGNA HMO). Medicare-eligible retirees may elect a Medicare Supplement option, but not the Savings Plan option.

The premiums for retired members are shared equally between the member and the County if the following conditions are met:

1. Any County Employee who retires from a participating county and was hired prior to July 1, 1984, must have 5 years County service and any County Employee hired after July 1, 1984, must have10 years County service to be eligible, effective with their date of retirement, provided that they are eligible for retirement at the time they leave active County employment.

2. An employee who was hired after July 1, 1984, who retires with 5 but less than 10 years of participating County Service and who is eligible for retirement at the time they leave service must pay the total premium for insurance benefits.

3. An employee who terminates with at least 20 years of participating County service prior to eligibility for retirement under a state system shall become eligible for the insurance plan effective with the date of retirement under the State Retirement System, provided that the last 5 years were with the covered entity. County retiree's must have the last 5 years of the 20 years with the County.

B. Funding Policy

As required, an actuary will determine the County's OPEB obligation at least once every three fiscal years. This is calculated in accordance with certain parameters.

Pre-funding of OPEB benefits is not required. Therefore, the County's funding policy is to continue to pay healthcare premiums for retirees as they fall due. The County has elected not to establish an irrevocable trust at this time.

The County Council reserves the authority to review and amend this funding policy from time to time, in order to ensure that the funding policy continues to best suit the circumstances of the County.

NOTE G – OTHER POST-EMPLOYMENT BENEFITS (OPEB) - Continued

C. Annual OPEB Cost and Net OPEB Obligation/(Asset)

The following table shows the components of the County's Annual OPEB Cost for the fiscal year ended June 30, 2025, the amount actually contributed to the plan, and changes in the County's Net OPEB Obligation/(Asset):

Item	**FYE 6/30/2025**
Service cost	$ 235,027
Changes in assumptions	6,001
Benefit payments	(43,870)
Change in Net OPEB Obligation	$ 197,158
Net OPEB Obligation – Beginning of Year	2,134,109
Net OPEB Obligation – End of Year	$ 2,331,267

The County's Annual OPEB Cost, the percentage of Annual OPEB Cost contributed to the plan, and the Net OPEB Obligation/(Asset) for the fiscal year ended June 30, 2025 are as follows:

Fiscal Year Ended	**Annual OPEB Cost**	**Actual Contribution**	**Percentage of Annual OPEB Cost Contributed**	**Net OPEB Obligation/ (Asset)**
6/30/21	$317,951	$65,685	20.7%	$4,345,044
6/30/22	$307,935	$78,621	25.5%	$3,775,891
6/30/23	$127,462	$68,913	54.07%	$3,186,341
6/30/24	$146,896	$68,913	46.91%	$2,134,109
6/30/25	$235,027	$43,870	18.67%	$2,331,267

NOTE G – OTHER POST-EMPLOYMENT BENEFITS (OPEB) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 3.86%. The following table presents the sensitivity of the net liability to changes in the discount rate.

	2.97%	3.97%	4.97%
Retiree health insurance	$ 2,708,070	$ 2,331,267	$ 2,026,442

For the year ended June 30, 2025, the County recognized pension expense (credit) of ($79,557) for OPEB – retiree health insurance. At June 30, 2025 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB liabilities from the following sources:

	Deferred Outflows	Deferred Inflows
Liab/Inv Experience change - OPEB	286,698	
Liab/Inv Experience change - OPEB		3,158,709
Payments made in 2025	43,893	

Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,

2025	(553,818)
2026	(510,195)
2027	(471,289)
2028	(415,783)
2029	(448,208)
Thereafter	(472,718)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the Annual Required Contributions of the County are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is presented as required supplementary information following the notes to the financial statements.

NOTE H - RISK MANAGEMENT

The County is exposed to various risks of loss and maintains State or commercial insurance coverage for each of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. Settled claims have not exceeded this coverage in the past three years. The County pays insurance premiums to certain State Agencies and commercial insurers to cover risks that may occur in normal operations. The insurers promise to pay to or on behalf of the insured for covered economic losses sustained during the policy period in accordance with insurance policy and benefit program limits. For property losses, the County's deductible is $250. For tort liability, the deductible is $250.

Employees elect health coverage through either a health maintenance organization or through the State's self-insured plan. All of the other coverages listed above through the applicable State self-insured plan except dependent and optional life premiums are remitted to commercial carriers.

The County and other entities pay premiums to the Association of Counties, which issues policies, accumulates assets to cover the risks of loss, and pay claims incurred for covered losses related to the following assets, activities, and/or events:

1. Theft of, damage to, or destruction of assets;
2. Real property, its contents, and other equipment;
3. Motor vehicles;
4. Torts; and
5. Natural disasters.

The Association is a self-insurer and purchases reinsurance to obtain certain services and specialized coverage and to limit losses in the areas of property, boiler and machinery, automobile liability, and medical professional liability insurance. The Association purchases insurance for aircraft and ocean marine coverage. The Association's rates are determined actuarially.

State agencies and other municipal entities are the primary participants in the State's Health and Disability Insurance Fund and in the Association of Counties Insurance Pool.

The County obtains coverage through a commercial insurer for employee fidelity bond insurance for all employees for losses arising from theft or misappropriations, up to a maximum of $100,000. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks.

The County has not reported an estimated claims loss expenditure, and related liability at June 30, 2025, based on the requirements of GASB Statement No. 10, which states that a liability for claims must be reported if information prior to the issuance of the financial statements indicates that it is probable that an asset has been impaired or a liability has been incurred on or before June 30, 2025, and the loss is reasonably estimable. As of the financial statement date, there was no evidence of asset impairment or other information to indicate that a claims loss expenditure and liability should be recorded.

NOTE I - PENSION PLAN

Plan Description

The County of Saluda, South Carolina contributes to the South Carolina Retirement Systems and the Police Officers Retirement System, both of which are cost-sharing multiple-employer defined benefit pension plans administered by the PEBA: a Division of the State Budget and Control Board. Both the South Carolina Retirement System (SCRS) and Police Officers Retirement System (PORS) offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plans' provisions are established under Title 9 of the SC Code of Laws. A Comprehensive Annual Financial Report containing financial statements and required supplementary information for the South Carolina Retirement System and Police Officers' Retirement System is issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, S.C. 29211-1960.

Funding Policy

Both employees and employers are required to contribute to the Plans under authority of Title 9 of the SC Code of Laws. Employee required contributions to the Plans are as follows: SCRS – 9.0% of salary; PORS Class II – 9.75% of salary; PORS Class I - $21 per month. In addition to the above rates, participating employers of the South Carolina Retirement System contribute .15% of payroll to provide a group life insurance benefit for their participants. Participating employers under the Police Officers Retirement System also contribute .2% of payroll to provide a group life insurance benefit and .2% of payroll to provide an accidental death benefit for their participants. All employers contribute at the actuarially required contribution rates.

Following is data for the current and prior two years on total payroll, covered payroll, and employer pension contributions:

SCRS	2025	2024	2023
Total payroll	$5,143,278	$4,527,745	$4,469,182
Covered payroll	5,143,278	4,527,745	4,469,182
County's contribution	946,878	833,558	778,085
Employee's contribution	462,895	407,497	402,226
County's Contribution %	18.41%	18.41%	17.41%
Employee's contribution %	9.00%	9.00%	9.00%

PORS	2025	2024	2023
Total payroll	$2,678,294	$2,353,169	$2,187,985
Covered payroll	2,678,294	2,353,169	2,187,985
County's contribution	558,157	490,400	434,096
Employee's contribution	261,134	229,434	213,329
County's Contribution %	20.84%	20.84%	19.84%
Employee's contribution %	9.75%	9.75%	9.75%

NOTE I - PENSION PLAN – continued

Pension Assets, Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2025 the County (#74102) reported the following for its proportionate share of the net pension asset (liability) for each of the Retirement Systems. The net pension asset (liability) was measured as of June 30, 2024 for SCRS and PORS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The County's proportion of the net pension asset/(liability) was based on a projection of the County's long term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by PEBA in reports provided to the County and other participating agencies.

	SCRS	PORS
Net pension asset/(liability) – 6/30/2024	$(7,726,607)	$(3,578,751)
County's portion of the Plan's Total net pension (liability)	0.032949 %	0.119300 %

For the year ended June 30, 2025, the County recognized pension expense (credit) of $228,276 for SCRS and $338,086 for PORS. At June 30, 2025 the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Liab/Inv Experience change - SCRS	1,048,262	
Liab/Inv Experience change - SCRS		1,131,969
Payments made in 2025 – SCRS	946,878	
Liab/Inv Experience change – PORS	692,143	
Liab/Inv Experience change - PORS		668,741
Payments made in 2025 – PORS	558,157	

County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year June 30, 2025. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	SCRS	PORS
2026	$ 199,175	$ 179,860
2027	(104,844)	(4,635)
2028	(78,719)	(53,050)

NOTE I - PENSION PLAN – continued

Actuarial Assumptions

Actuarial cost method	Entry Age
Investment rate of return	7.25%
Proj salary increases	levels off at 3.5%
Includes inflation at	2.75%
Benefit adjustments	lesser of 1% or $500

The post-retiree mortality assumption is dependent upon the member's job category and gender. This assumption includes base rates which are automatically adjusted for future improvement in mortality using the published Scale AA projected from the year 2025. The long term expected rate of return on pension plan investments for actuarial purposes is based on the 30 year capital market outlook at the end of the third quarter 2022. For actuarial purposes, the 7.25% assumed annual investment rate of return used in the calculation of total pension liability includes a 4.75% real rate of return and 2.75% inflation component

Asset Class Target Asset	Expected Allocation	Long Term Expected Rate of Return	Rate of Return
Short Term	5.0%		
Cash	2.0%	0.3	0.01
Short Duration	3.0%	0.6	0.02
Domestic Fixed Income	13.0%		
Core Fixed Income	7.0%	1.1	0.08
High Yield	2.0%	3.5	0.07
Bank Loans	4.0%	2.8	0.11
Global Fixed Income	9.0%		
Global Fixed Income	3.0%	0.8	0.02
Emerging Markets Debt	6.0%	4.1	0.25
Global Public Equity	31.0%	7.8	2.42
Global Tact Asset Allocation	10.0%	5.1	0.51
Alternatives	32.0%		
Hedge Funds (Low Beta)	8.0%	4	0.32
Private Debt	7.0%	10.2	0.71
Private Equity	9.0%	10.2	0.92
Real Estate (Broad Mkt)	5.0%	5.9	0.29
Commodities	3.0%	5.1	0.15
Total Expected Real Return	100.0%		5.80 %
Inflation for Actuarial Purposes			2.25 %
Total Expected Nominal Return			8.05%

NOTE I - PENSION PLAN – continued

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The following table presents the sensitivity of the net pension liability to changes in the discount rate.

	6.00%	7.00%	8.00%
SCRS	$ 10,012,810	$ 7,726,607	$ 5,621,196
PORS	$ 5,184,925	$ 3,578,751	$ 2,263,211

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information for SCRS and PORS. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, SC 29211-1960.

Pension Plan Fiduciary Net Position

	SCRS	PORS
Actuarial valuation date	June 30, 2024	June 30, 2024
Total pension asset/(liability)	$ (61,369,806,968)	$ (10,177,904,231)
Plan fiduciary net position	$ 37,919,492,371	$ 7,178,118,865
Employers Net Pension Liability	$ 23,450,314,597	$ 2,999,785,366
Ratio of plan net position to total pension (liability)	61.8 %	70.5 %

NOTE J - LITIGATION

The County is involved in various claims and litigation arising from the normal course of business. Management and their legal counsel believe that the ultimate disposition of these cases will not have a materially adverse effect on the financial position of the County.

NOTE K - JOINT VENTURE

The County is a participant with McCormick County and Edgefield County (both in South Carolina) in a joint venture to provide solid waste disposal to the area comprising McCormick County, Saluda County and Edgefield County. Tri-County Joint Services Authority (the Authority) was created for this purpose. On dissolution of the Authority, its net position will be shared among the members in accordance with the contract by which such assets were created. The Authority is governed by a six-member commission composed of two commissioners appointed by each County. Each County is obligated to remit an amount annually to supplement the Authority's operating revenues. The amount to be remitted is based on the annual budget approved by the Authority. Saluda County remitted $602,420 to the Authority during the current fiscal year.

The County's solid waste is being disposed of at a commercially owned and operated landfill through agreement with the Authority as discussed above. The County is a participant with eight other counties in Three Rivers Solid Waste Authority to build a Subtitle D landfill for disposal of solid waste. Three Rivers Solid Waste Authority was created for that purpose. On dissolution of the Authority, its net position will be shared among the members in accordance with the contract by which such assets and liabilities were created. The Authority is governed by a board. Each member County is obligated to commit to an estimate of the amount of solid waste it will send to the landfill each year. The amount to be remitted to the Authority is based on the amount of solid waste sent to the landfill each year and the annual budget of the Authority.

This information is reported in the General Fund. Complete financial statements of the Authority can be obtained from the administrative office for the Authority in Edgefield, South Carolina.

NOTE L - TRANSFERS

Individual fund transfers for the year ended June 30, 2025 were:

Transfer From	Transfer To	Amount
General Fund	Capital Projects	$ 165,920
Special Revenue	Capital Projects	201,560
Capital Projects	Debt Service	1,499,677

The transfer from the capital projects fund to general fund was to move designated surplus funds to the general fund for various appropriations. The County Council can use these funds by voting to release the funds for the purposes voted on.

NOTE M – NET POSITION/FUND EQUITY

The County has an unrestricted net deficit in the governmental activities of $13,907,955. This deficit was caused by the Pension Liability of $11,305,358 and the OPEB Obligation $2,331,267. The County has reserves for use of $18 million in the capital projects fund that can be used through a vote from County Council.

Amounts committed in the Capital Projects Fund are $4,012,245 for future capital needs, $2,058,984 for jail renovation and the balance for vehicle, heavy equipment and building repairs/replacement.

NOTE N– BUDGET VARIANCES

The County had unfavorable variances in *Admin and Human Services*, *Public Safety* & *Planning and Development* due to the ARP funds being used for projects. The corresponding revenue source ARP Grant Funds did not have a revenue budget item. *Other* had a budget variance for appropriations paid to Piedmont Tech. The revenue source for this budget item was not budgeted.

NOTE M – TAX ABATEMENTS

The County can enter into agreements with businesses to possibly reduce their property tax bill for economic incentive. However the agreements did not result in a change to the property tax bill for FY 2025.

REQUIRED SUPPLMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

GENERAL FUND

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Taxes	$ 12,221,833	$ 12,221,833	$ 12,779,174	$ 557,341
Taxes - reserved for special purposes	-	-	1,168,867	1,168,867
Licenses and permits	435,200	435,200	562,054	126,854
Fines and fees	531,451	531,451	529,999	(1,452)
Intergovernmental	2,913,032	2,913,032	3,826,218	913,186
Other	1,541,484	1,541,484	1,956,127	414,643
TOTAL REVENUES	17,643,000	17,643,000	20,822,439	3,179,439
EXPENDITURES				
Current				
Legislative and administration	549,916	549,916	545,907	4,009
Judicial and law enforcement	7,041,666	7,041,666	6,596,831	444,835
Finance agencies	699,559	699,559	667,338	32,221
Administrative and human service	3,330,117	3,330,117	4,628,049	(1,297,932)
Public safety	651,422	651,422	1,705,058	(1,053,636)
Public works	2,034,786	2,034,786	1,948,437	86,349
Planning and development	1,972,611	1,972,611	2,439,267	(466,656)
Culture and recreation	549,589	549,589	584,452	(34,863)
Other	430,954	430,954	837,322	(406,368)
TOTAL EXPENDITURES	17,260,620	17,260,620	19,952,661	(2,692,041)
Excess/(Deficiency) of Revenue Over/(Under) Expenditures before Other Financing Sources	382,380	382,380	869,778	487,398
OTHER FINANCING SOURCES/(USES)				
Sale of fixed assets	-	-	-	-
Transfer In/(Out)	(382,380)	(382,380)	(165,920)	216,460
Excess/(Deficiency) of Revenue Over/ (Under) Expenditures	$ -	$ -	703,858	$ 703,858
Fund Balance, July 1, 2024			4,294,906	
FUND BALANCE, JUNE 30, 2025			$ 4,998,764	

The accompanying notes are an integral part of this statement.

SCHEDULE OF THE COUNTY'S
NET OPEB OBLIGATION
SALUDA COUNTY
FOR THE YEARS ENDED JUNE 30, 2016 - 2025

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution *	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/ (Asset)	
6/30/2016	279,685	36,122	12.90%	1,509,044	
6/30/2017	279,685	41,543	14.90%	1,747,186	
6/30/2018	311,057	54,344	17.47%	4,063,719	***
6/30/2019	311,057	44,718	14.38%	4,330,058	***
6/30/2020	311,057	62,287	20.02%	4,578,828	***
6/30/2021	317,951	65,685	20.66%	4,345,044	***
6/30/2022	307,935	78,621	25.53%	3,775,891	***
6/30/2023	127,462	68,913	54.07%	3,186,341	***
6/30/2024	146,896	56,244	38.29%	2,134,109	***
6/30/2025	235,027	43,870	18.67%	2,331,267	***

* - The County currently contributes the actual amount and the funding policy is pay as due.

*** - The County implemented GASB 75 and the calculations vary from previous years

SCHEDULE OF THE COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
SALUDA COUNTY
FOR THE YEARS ENDED JUNE 30, 2016 - 2025

SCRS	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
County's proportion of the net pension liability	0.026058%	0.033935%	0.037942%	0.036369%	0.036221%	0.034020%	0.032500%	0.033509%	0.035348%	0.032949%
County's proportionate share of the net pension liability	4,942,025	7,248,466	8,541,354	8,149,062	8,270,666	8,694,849	7,040,543	8,123,382	8,546,298	7,726,607
County's covered payroll during the measurement period	3,286,135	3,828,326	3,768,805	3,825,370	3,795,033	3,677,549	3,990,175	4,469,182	4,527,745	5,143,278
County's share of the net pension liability as a percentage of its covered payroll	150.39%	189.34%	226.63%	213.03%	217.93%	236.43%	176.45%	181.76%	188.75%	150.23%
Plan fiduciary net position as a percentage of total pension liability	57.0%	52.9%	53.3%	54.1%	54.4%	50.7%	60.7%	57.1%	58.6%	61.8%

PORS	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
County's proportion of the net pension liability	0.129380%	0.134990%	0.134990%	0.130800%	0.137700%	0.131700%	0.130300%	0.126939%	0.124878%	0.119300%
County's proportionate share of the net pension liability	2,819,920	3,423,962	3,680,627	3,706,274	3,946,575	4,367,754	3,352,526	3,806,886	3,801,417	3,578,751
County's covered payroll during the measurement period	1,720,931	1,809,266	1,810,469	1,996,800	1,989,660	1,959,319	2,008,937	2,187,985	2,353,169	2,678,294
County's share of the net pension liability as a percentage of its covered payroll	220.62%	189.25%	203.30%	185.61%	198.35%	222.92%	166.88%	173.99%	161.54%	133.62%
Plan fiduciary net position as a percentage of total pension liability	64.6%	60.4%	60.9%	61.7%	62.7%	58.8%	70.4%	66.4%	67.8%	70.5%

SCHEDULE OF THE COUNTY'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
SALUDA COUNTY
FOR THE YEARS ENDED JUNE 30, 2016 - 2025

SCRS	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Contractually Required Contribution	358,517	436,812	505,397	551,236	584,815	566,710	654,788	778,085	833,558	946,878
Contributions in Relation to the Contractually Required Contribution	358,517	436,812	505,397	551,236	584,815	566,710	654,788	778,085	833,558	946,878
Contribution Deficiency/(Excess)	-	-	-	-	-	-	-	-	-	-
County's covered payroll during the measurement period	3,286,135	3,828,326	3,768,805	3,825,370	3,795,033	3,677,549	3,990,175	4,469,182	4,527,745	5,143,278
Contribution percentage	10.75%	11.41%	13.41%	14.41%	15.41%	15.41%	16.41%	17.41%	18.41%	18.41%

PORS	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Contractually Required Contribution	229,572	250,402	286,778	336,261	354,955	349,543	378,484	434,096	490,400	558,157
Contributions in Relation to the Contractually Required Contribution	229,572	250,402	286,778	336,261	354,955	349,543	378,484	434,096	490,400	558,157
Contribution Deficiency/(Excess)	-	-	-	-	-	-	-	-	-	-
County's covered payroll during the measurement period	1,720,931	1,809,266	1,810,469	1,996,800	1,989,660	1,959,319	2,008,937	2,187,985	2,353,169	2,678,294
Contribution percentage	13.34%	13.84%	15.84%	15.54%	17.84%	17.84%	18.84%	19.84%	20.84%	20.84%

SUPPLEMENTAL INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenue			
Local Sources			
Taxes			
Property taxes, current	$ 8,057,576	$ 7,758,327	$ (299,249)
Vehicle taxes, current	1,547,621	1,549,310	1,689
Local Option Sales Tax Credit Rollback	1,266,000	1,314,303	48,303
Local Option Sales Tax	509,125	632,193	123,068
Delinquent taxes	418,811	389,564	(29,247)
FILOT	422,700	443,343	20,643
Other reserved taxes - current and delinquent	-	1,861,001	1,861,001
Total Taxes	12,221,833	13,948,041	1,726,208
Licenses and permits			
Building	422,700	545,529	122,829
Mobile home decals	12,500	16,525	4,025
Total Licenses and Pemits	435,200	562,054	126,854
Fines and fees			
Circuit Court	20,200	20,763	563
Clerk of Court	130,100	145,222	15,122
Delinquent	1,800	1,954	154
Family Court	33,516	33,517	1
Magistrate	181,150	149,390	(31,760)
Probate	55,500	66,776	11,276
Sheriff	1,400	2,464	1,064
Library	2,200	2,694	494
Tower application fee	21,120	23,822	2,702
Decal	18,900	19,343	443
Franchise fees	12,000	10,102	(1,898)
Other	5,065	5,452	387
Victims' advocate	48,500	48,500	-
Total Fines and Fees	531,451	529,999	(1,452)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Other			
Interest	15,500	23,182	7,682
Miscellaneous	17,500	61,211	43,711
Recreation fees	28,000	16,278	(11,722)
EMS services	1,300,000	1,404,352	104,352
Aviation fuel	-	170,264	170,264
Other	76,787	178,466	101,679
Rent	103,697	102,374	(1,323)
Total Other	1,541,484	1,956,127	414,643
Total Local Sources	14,729,968	16,996,221	2,266,253
Intergovernmental Sources			
Accomodations Tax	174,400	286,966	112,566
Emergency Preparedness	18,949	18,949	-
Local Government Fund	1,065,000	1,093,976	28,976
Merchants' Inventory	15,885	15,885	-
National Forest Fund	16,500	9,119	(7,381)
Salary supplements	231,552	130,000	(101,552)
Manufacturer's Reimbursement	635,355	315,392	(319,963)
Motor Carrier	277,898	357,459	79,561
Library State Aid	150,000	150,000	-
Registration and Elections	10,500	41,122	30,622
School resource officer	311,677	314,750	3,073
Public Safety	-	1,087,161	1,087,161
Veterans' Affairs	5,316	5,439	123
Total Intergovernmental	2,913,032	3,826,218	913,186
TOTAL REVENUE	17,643,000	20,822,439	3,179,439

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Expenditures			
LEGISLATIVE AND ADMINISTRATION			
Annual Audit			
Special contracts	16,200	19,782	(3,582)
County Council			
Salaries and wages	320,320	319,265	1,055
Pensions	82,383	80,477	1,906
Insurance	86,729	85,387	1,342
Printing and office supplies	1,000	1,418	(418)
Memberships & dues	8,304	9,138	(834)
Travel	14,000	11,519	2,481
Telephone	1,860	1,480	380
Maintenance service contracts	2,520	2,432	88
Training	2,000	1,265	735
Other	14,600	13,744	856
TOTAL LEGISLATIVE AND ADMINISTRATION	549,916	545,907	4,009
JUDICIAL AND LAW ENFORCEMENT			
Clerk of Court			
Salaries and wages	150,965	144,640	6,325
Pensions	36,579	36,700	(121)
Insurance	34,130	24,592	9,538
Printing and office supplies	1,000	859	141
Memberships & dues	200	200	-
Travel	2,300	566	1,734
Maintenance service contracts	1,600	1,692	(92)
Court costs	7,082	3,625	3,457
Employee Training	100	-	100
Special contracts	45,454	43,140	2,314
Total Clerk of Court	279,410	256,014	23,396
Coroner			
Salaries and wages	106,456	106,456	-
Pensions	28,206	28,206	-
Insurance	14,971	9,903	5,068
Printing and office supplies	550	419	131
Memberships and dues	300	200	100
Travel	2,500	1,425	1,075
Auto operating expense	6,226	10,187	(3,961)
Utilities	4,860	5,411	(551)
Telephone	4,655	3,698	957
Uniforms	1,175	2,086	(911)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Coroner - continued			
Maintenance service contract	2,177	2,051	126
Training	850	130	720
Professional services	57,325	72,522	(15,197)
Special department supplies	600	2,919	(2,319)
Other	2,200	4,625	(2,425)
Total Coroner	233,051	250,238	(17,187)
Eleventh Judicial Circuit Solicitor			
Appropriation payment	241,953	241,953	-
Family Court			
Salaries and wages	63,823	62,876	947
Pensions	16,728	16,077	651
Insurance	22,221	20,548	1,673
Printing and office supplies	100	45	55
Total Family Court	102,872	99,546	3,326
Magistrate			
Salaries and wages	272,026	271,371	655
Pensions	76,029	75,045	984
Insurance	53,030	49,467	3,563
Printing and office supplies	2,000	1,927	73
Membership and dues	250	100	150
Travel	5,000	3,529	1,471
Telephone	1,040	953	87
Maintenance service contract	675	1,058	(383)
Court costs	5,500	3,890	1,610
Employee training	1,350	1,574	(224)
Translation services	5,000	3,584	1,416
Special Contracts	18,000	18,000	-
Total Magistrate	439,900	430,498	9,402
Law Enforcement Center			
Salaries and wages	1,032,039	768,361	263,678
Overtime	15,000	59,544	(44,544)
Pensions	304,976	240,340	64,636
Insurance	242,167	146,679	95,488
Holiday	17,640	17,960	(320)
Printing and office supplies	1,100	457	643
Memberships and dues	595	450	145
Travel	6,900	7,668	(768)
Auto operating expense	4,935	7,470	(2,535)

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Law Enforcement Center - continued			
Utilities	54,000	57,745	(3,745)
Telephone and pagers	5,320	2,583	2,737
Maintenance service contracts	42,000	52,098	(10,098)
Building repairs & grounds	24,000	13,541	10,459
Uniforms and clothing	7,000	5,072	1,928
Cell block supplies	4,800	3,673	1,127
Cleaning and sanitation	8,000	6,207	1,793
Meals for prisoners	61,500	70,867	(9,367)
Employee training	3,000	1,805	1,195
Professional services	144,952	156,051	(11,099)
Translation services	200	-	200
Special dept supplies	7,000	6,342	658
Total Law Enforcement Center	1,987,124	1,624,913	362,211
Probate Judge			
Salaries and wages	154,686	151,927	2,759
Pensions	40,543	38,977	1,566
Insurance	34,080	28,420	5,660
Printing and office supplies	2,010	3,678	(1,668)
Membership and dues	200	580	(380)
Travel	3,100	1,724	1,376
Maintenance service contracts	3,240	3,865	(625)
Professional services	4,600	4,600	-
Total Probate Judge	242,459	233,771	8,688
Sheriff			
Salaries and wages	1,079,417	1,047,976	31,441
Overtime	48,950	83,718	(34,768)
Pensions	330,017	330,439	(422)
Insurance	210,397	209,457	940
Holiday	17,075	20,247	(3,172)
Printing and office supplies	2,200	3,194	(994)
Membership and dues	3,350	2,600	750
Travel	3,500	2,497	1,003
Auto operating expense	121,000	156,350	(35,350)
Vehicle Insurance	17,240	17,240	-
Utilities	21,000	22,650	(1,650)
Telephone	22,000	10,435	11,565
Maintenance service contracts	36,056	17,381	18,675
Uniforms and clothing	10,000	9,966	34
Cleaning	1,248	1,152	96
Employee training	5,500	643	4,857
Professional services	7,175	3,684	3,491

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Sheriff - continued			
School resource officer	392,030	396,598	(4,568)
Special dept supplies	10,000	9,488	512
Other operating expenses	-	1,881	(1,881)
Total Sheriff	2,338,155	2,347,596	(9,441)
Victim Services			
Salaries and wages	34,726	34,726	-
Pensions	9,101	9,101	-
Insurance	7,250	7,250	-
Printing and office supplies	250	250	-
Travel	1,500	1,500	-
Telephone and pagers	540	540	-
Employee Training	1,600	1,600	-
Special Contracts	600	600	-
Total Victims Services	55,567	55,567	-
Dispatch			
Salaries and wages	404,140	383,746	20,394
Overtime	57,047	55,198	1,849
Pensions	123,661	116,628	7,033
Insurance	108,441	92,046	16,395
Holiday	10,426	12,698	(2,272)
Printing and office supplies	750	660	90
Travel	1,000	660	340
Maintenance service contracts	8,850	2,580	6,270
Uniforms	1,000	944	56
Employee training	1,400	720	680
Special contracts	9,494	9,928	(434)
Total Dispatch	726,209	675,808	50,401
Emergency 911			
Salaries and wages	228,393	227,123	1,270
Pensions	63,065	61,456	1,609
Insurance	53,030	49,467	3,563
Printing and office supplies	350	382	(32)
Membership and dues	75	-	75
Travel	765	841	(76)
Auto operating expense	1,340	994	346
Maintenance service contract	19,650	17,524	2,126
Employee training	1,815	-	1,815
Special Dept Supplies	1,900	40	1,860
Total Emergency 911	370,383	357,827	12,556

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Tri-County Defender Corporation			
Appropriation payments	21,500	20,500	1,000
Total Tri-County Defender Corporation	21,500	20,500	1,000
Juvenille Justice			
Other	500	-	500
Tri-County Youth Services			
Other	2,583	2,600	(17)
Rent	-	-	-
Utilities	-	-	-
Total Tri-County Youth Services	2,583	2,600	
TOTAL JUDICIAL AND LAW ENFORCEMENT	7,041,666	6,596,831	444,835
FINANCE AGENCIES			
Auditor			
Salaries and wages	125,806	112,316	13,490
Pensions	32,974	29,389	3,585
Insurance	12,118	13,201	(1,083)
Printing and office supplies	800	196	604
Membership & dues	100	-	100
Travel	1,700	1,660	40
Maintenance service contracts	425	478	(53)
Employee training	650	830	(180)
Total Auditor	174,573	158,070	16,503
Tax Assessor			
Salaries and wages	158,340	157,915	425
Pensions	41,500	40,266	1,234
Insurance	63,777	57,568	6,209
Printing and office supplies	200	85	115
Membership & dues	200	160	40
Travel	2,500	2,892	(392)
Auto operating expense	1,000	298	702
Telephone and pagers	460	532	(72)
Maintenance service contract	1,245	597	648
Employee training	800	800	-
Total Tax Assessor	270,022	261,113	8,909

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Treasurer			
Salaries and wages	127,478	126,615	863
Pensions	33,411	32,949	462
Insurance	14,500	13,413	1,087
Printing and office supplies	150	182	(32)
Membership & dues	75	75	-
Travel	1,400	63	1,337
Telephone	360	276	84
Maintenance service contract	300	143	157
Employee Training	600	-	600
Total Treasurer	178,274	173,716	4,558
Delinquent Tax Collector			
Salaries and wages	47,870	47,201	669
Pensions	12,546	12,131	415
Insurance	11,909	11,179	730
Printing and office supplies	300	219	81
Memberships and dues	105	105	-
Travel	1,600	953	647
Employee Training	610	425	185
Other	1,100	484	616
Maintenance service contract	650	1,742	(1,092)
Total Delinquent Tax Collector	76,690	74,439	2,251
TOTAL FINANCE AGENCIES	699,559	667,338	32,221
ADMINISTRATIVE AND HUMAN SERVICES			
County Attorney			
Legal fees	46,000	82,550	(36,550)
Professional Services	3,000	-	3,000
Other operating expenses	7,000	7,217	(217)
Total County Attorney	56,000	89,767	(33,767)
Department of Social Services			
Salaries	3,930	-	3,930
Pensions	1,029	-	1,029
Utilities	13,900	12,754	1,146
Telephone	5,400	5,577	(177)
Maint Services	1,620	1,620	-
Special contracts	-	-	-
Other operating expenses	1,330	1,723	(393)
Total Department of Social Services	27,209	21,674	5,535

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Elections and Board of Registration			
Salaries and wages	88,420	88,156	264
Pensions	20,815	18,011	2,804
Insurance	19,159	11,585	7,574
Printing and office supplies	1,000	1,489	(489)
Membership and dues	50	156	(106)
Travel	4,000	2,833	1,167
Telephone	495	490	5
Maintenance service contracts	29,783	22,900	6,883
Training	500	846	(346)
Other	3,000	4,239	(1,239)
Total Elections and Board of Registrations	167,222	150,705	16,517
Council on Aging			
Maint Service Contracts	500	1,207	(707)
Appropriation payments	6,500	6,500	-
Veterans Affairs Office			
Salaries and wages	40,273	40,125	148
Pensions	10,556	10,517	39
Printing and office supplies	100	88	12
Memberships and dues	45	90	(45)
Travel	2,000	2,940	(940)
Telephone	492	531	(39)
Maint Service Contracts	100	475	(375)
Total Veterans Affairs Office	53,566	54,766	(1,200)
Saluda Behavioral	2,000	2,000	-
Indigent Care Medical			
Other operating expenses	19,148	19,148	-
Total Indigent Care Medical	19,148	19,148	-
Burton Center			
Appropriation payments	7,000	7,000	-
Saluda County Health Center			
Appropriation payments	13,095	13,095	-
Blood Borne Diseases			
Other operating expenses	3,000	2,365	635

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Saluda EMS Services			
Salaries and wages	1,398,203	1,448,668	(50,465)
Overtime	368,447	503,357	(134,910)
Pensions	467,043	514,847	(47,804)
Insurance	342,659	282,523	60,136
Holiday	15,280	24,828	(9,548)
Printing and office supplies	800	348	452
Membership dues	800	732	68
Travel	6,500	3,515	2,985
Auto operation	110,000	157,583	(47,583)
Vehicle Insurance	19,000	15,596	3,404
Utilities	15,200	7,618	7,582
Telephone	10,200	12,918	(2,718)
Maintenance service contracts	27,240	33,162	(5,922)
Uniforms	7,000	7,976	(976)
Cleaning and sanitation supplies	8,200	12,867	(4,667)
Medical and lab supplies	61,000	51,693	9,307
Employee training	11,500	8,108	3,392
Professional services	14,500	11,557	2,943
Special contracts	58,000	67,163	(9,163)
Note / Lease Payments	33,305	41,142	(7,837)
ARP Salaries/Wages	-	40,000	(40,000)
ARP Equipment	-	1,013,621	(1,013,621)
Total Saluda EMS Services	2,974,877	4,259,822	(1,284,945)
TOTAL ADMINISTRATIVE AND HUMAN SERVICES	3,330,117	4,628,049	(1,297,932)
PUBLIC SAFETY			
Building Codes			
Special Contracts	-	559,412	(559,412)
Professional services	-	57,719	(57,719)
Total Building Codes	-	617,131	(617,131)
Fire Departments			
Membership and dues	6,700	6,700	-
Travel	6,000	6,000	-
Auto operating expense	32,000	32,000	-
Vehicle insurance	47,000	47,000	-
Utilities	24,500	24,500	-
Telephone and pagers	8,000	8,000	-
Radio Supplies	8,500	8,500	-
Heating fuel	7,000	7,000	-

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Fire Departments - continued			
Maintenance service contracts	3,600	3,600	-
Machinery and equipment repairs	85,000	85,000	-
Insurance	30,000	30,000	-
Employee training	5,000	5,000	-
Special dept supplies	123,665	123,665	-
Special Contracts	7,383	7,383	-
Other operating	2,850	2,850	-
Uniforms	-	11,590	(11,590)
Automotive Equipment	-	181,370	(181,370)
Professional services	27,600	208,970	(181,370)
Total Fire Departments	424,798	799,128	(374,330)
Animal Control	226,624	288,799	(62,175)
TOTAL PUBLIC SAFETY	651,422	1,705,058	(1,053,636)
PUBLIC WORKS			
Maintenance of Roads and Bridges			
Salaries and wages	558,142	523,442	34,700
Overtime	500	237	263
Pensions	146,289	135,467	10,822
Insurance	107,105	88,635	18,470
Printing and office supplies	500	679	(179)
Membership and dues	300	248	52
Travel	1,200	275	925
Auto operating expense	64,000	70,217	(6,217)
Telephone	3,500	1,875	1,625
Heating Fuel	2,000	2,152	(152)
Pipe	13,000	11,925	1,075
Maintenance service contracts	3,800	3,854	(54)
Repairs	35,000	42,211	(7,211)
Cutting edges	9,000	10,162	(1,162)
Small hand tools	1,500	1,257	243
Soil and gravel	175,000	161,205	13,795
Cement & asphalt	3,500	3,326	174
Bridge Materials	4,000	622	3,378
Uniforms and clothing	9,000	10,217	(1,217)
Employee Training	600	-	600
Special contracts	15,000	14,694	306
Other Operating Expenses	4,000	5,442	(1,442)
Total Maintenance of Roads and Bridges	1,156,936	1,088,142	68,794

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Solid Waste			
Salaries and wages	202,756	186,195	16,561
Pensions	26,768	22,955	3,813
Printing and office supplies	100	122	(22)
Auto operating expense	710	1,389	(679)
Utilities	18,500	20,385	(1,885)
Telephone and pagers	2,530	2,401	129
Maint Service Contracts	8,750	9,495	(745)
Repairs	1,200	1,168	32
Cleaning	350	-	350
Special Dept Supplies	552	551	1
Insurance	466	466	-
Special contracts	602,420	602,420	-
Other	12,748	12,748	-
Total Solid Waste	877,850	860,295	17,555
TOTAL PUBLIC WORKS	2,034,786	1,948,437	86,349
PLANNING AND DEVELOPMENT			
Public Buildings			
Salaries/Wages	86,000	29,643	56,357
Pensions	22,000	7,756	14,244
Printing and office supplies	22,000	24,741	(2,741)
Postage	46,200	53,621	(7,421)
Utilities	85,800	85,671	129
Telephone	80,200	94,129	(13,929)
Maintenance service contracts	74,037	67,260	6,777
Cleaning	18,000	19,512	(1,512)
Bonds	7,400	6,906	494
Insurance	451,798	221,072	230,726
Professional services	8,000	15,139	(7,139)
Special contracts	123,620	131,553	(7,933)
Matching funds	3,700	2,174	1,526
Other Operating Expenses	225,000	134,356	90,644
Automotive Equipment	308,125	345,599	(37,474)
Total Public Buildings	1,561,880	1,239,132	322,748
Risk Management			
Salaries	57,755	57,543	212
Pension	15,137	14,904	233
Insurance	7,250	6,706	544
Printing and office supplies	100	274	(174)
Travel	200	555	(355)
Auto operation	1,000	794	206

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Risk Management - continued			
Employee Training	250	248	2
Telephone and pagers	540	490	50
Special dept supplies	200	-	200
Total Risk Management	82,432	81,514	918
IT Dept			
Salaries	52,841	52,646	195
Pension	13,849	13,668	181
Insurance	7,250	6,706	544
Printing and office supplies	100	118	(18)
Membership & Dues	100	-	100
Travel	250	334	(84)
Auto operation	800	821	(21)
Telephone and pagers	1,080	914	166
Maintenance service contracts	45,211	44,780	431
Small Hand Tools	200	-	200
Professional Services	17,500	16,921	579
Technology Resources	50,000	51,419	(1,419)
Employee Training	350	-	350
Total IT Dept	189,531	188,327	1,204
Saluda County Airport			
Travel	2,000	1,908	92
Printing & Office Supplies	159	26	133
Telephone	1,170	1,166	4
Utilities	3,000	3,526	(526)
Building/Equipment repairs	12,000	10,653	1,347
Special Dept Supplies	2,500	3,388	(888)
Heating Fuel	1,900	1,568	332
Memberships and dues	250	250	-
Maint Service Contracts	7,980	7,980	-
Aviation Fuel	-	160,632	(160,632)
Total Saluda County Airport	30,959	191,097	(160,138)
Soil and Water Conservation			
Appropriation payments	30,000	30,000	-
Upper Savannah Council of Governments			
Appropriation payments	13,257	13,257	-
Economic Development	56,552	687,940	(631,388)

	Final Budget	Actual	Variance Favorable (Unfavorable)
Clemson University Cooperative Extension			
Appropriation payments	8,000	8,000	-
TOTAL PLANNING AND DEVELOPMENT	1,972,611	2,439,267	(466,656)
CULTURE AND RECREATION			
Recreation			
Salaries and wages	68,372	64,055	4,317
Pensions	17,920	16,005	1,915
Insurance	11,909	11,179	730
Printing	100	306	(206)
Memberships	800	1,123	(323)
Travel	3,600	1,554	2,046
Auto operation	3,800	2,684	1,116
Utilities	14,900	16,013	(1,113)
Telephone and pagers	650	490	160
Maintenance service contracts	5,400	7,761	(2,361)
Repairs	14,000	23,893	(9,893)
Sports equipment and uniforms	48,000	78,713	(30,713)
Insurance - liability	3,200	3,545	(345)
Special contracts	7,500	100	7,400
Notes/Lease	1,050	1,050	-
Other operating	36,000	43,593	(7,593)
Total Recreation	237,201	272,064	(34,863)
Saluda Library			
Salaries and wages	100,755	100,755	-
Pensions	26,407	26,407	-
Insurance	19,159	19,159	-
Printing and office supplies	300	300	-
Membership and dues	450	450	-
Travel	1,200	1,200	-
Utilities	8,500	8,500	-
Maintenance service contract	1,900	1,900	-
Other operating expenses	3,717	3,717	-
Total Saluda Library	162,388	162,388	-

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND - BUDGET AND ACTUAL

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Final Budget	Actual	Variance Favorable (Unfavorable)
Library - State Aid			
Salaries and wages	52,243	52,243	-
Pensions	13,692	13,692	-
Other operating expenses	84,065	84,065	-
Total Library - State Aid	150,000	150,000	-
TOTAL CULTURE AND RECREATION	549,589	584,452	(34,863)
OTHER			
Piedmont Technical College			
Appropriation payments	-	286,037	(286,037)
Accrued Annual Leave	40,000	43,988	(3,988)
Unemployment Compensation	9,500	-	9,500
Insurance - County Retirees	60,300	43,988	16,312
Maintenance	316,576	297,639	18,937
Emergency Preparedness	-	162,041	(162,041)
Data Processing	4,578	3,629	949
TOTAL OTHER	430,954	837,322	(406,368)
TOTAL EXPENDITURES	17,260,620	19,952,661	(2,692,041)
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES	382,380	869,778	487,398
OTHER FINANCING SOURCES/(USES)			
Transfer in (out)	(382,380)	(165,920)	216,460
TOTAL OTHER FINANCING SOURCES/(USES)	(382,380)	(165,920)	216,460
EXCESS OF REVENUE OVER EXPENDITURES AND OTHER FINANCING SOURCES/(USES)	$ -	703,858	$ 703,858
Fund Balance, July 1, 2024		4,294,906	
FUND BALANCE, JUNE 30, 2025		$ 4,998,764	

COMBINING BALANCE SHEETS

SPECIAL REVENUE FUNDS

SALUDA COUNTY, SOUTH CAROLINA

June 30, 2025

	Major Fund	Non-Major Funds						
	C-Funds	Sheriff's Accounts	State Grants	Waste Management	E-911 Charges	Road Fees	Clerk of Court - DSS Victims Svcs	Total
ASSETS								
Cash	$ 5,087,014	$ 95,369	$ 218,488	$ 11,541	$ 117,239	$ 25	$ 296,208	$ 5,825,884
Due from other sources	-	-	-	-	-	-	-	-
TOTAL ASSETS	$ 5,087,014	$ 95,369	$ 218,488	$ 11,541	$ 117,239	$ 25	$ 296,208	$ 5,825,884
LIABILITIES								
Due to other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL LIABILITIES	-	-	-	-	-	-	-	-
FUND BALANCE								
Reserved for special revenue	5,087,014	95,369	218,488	11,541	117,239	25	296,208	5,825,884
TOTAL FUND BALANCE	5,087,014	95,369	218,488	11,541	117,239	25	296,208	5,825,884
TOTAL LIABILITIES AND FUND BALANCE	$ 5,087,014	$ 95,369	$ 218,488	$ 11,541	$ 117,239	$ 25	$ 296,208	$ 5,825,884

COMBINING STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Major Fund	Non-Major Funds						
	C-Funds	Sheriff's Accounts	State Grants	Waste Management	E-911 Charges	Road Fees	Clerk of Court - DSS Victims Svcs	Total
Revenue								
Intergovernmental								
State grants	$ 3,623,954	$ -	$ 866,086	$ -	$ -	$ -	$ -	$ 4,490,040
Federal grants	-	1,881	-	-	-	-	53,253	55,134
Other								
Assessments	-	-	-	-	128,953	25	29,591	158,569
Interest	6,647	260	-	109	1,057	-	2,386	10,459
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenue	3,630,601	2,141	866,086	109	130,010	25	85,230	4,714,202
Expenditures								
Operating	1,991,017	518	807,462	13,185	110,774	-	21,508	2,944,464
Miscellaneous	-	-	-	-	-	-	-	-
Total Expenditures	1,991,017	518	807,462	13,185	110,774	-	21,508	2,944,464
Excess of Revenue Over Expenditures Before Other financing sources	1,639,584	1,623	58,624	(13,076)	19,236	25	63,722	1,769,738
Other financing sources								
Transfer in/(out)	-	-	(120,274)	-	-	(227)	(81,059)	(201,560)
Excess/(Deficiency) of Revenue over Expenditures	1,639,584	1,623	(61,650)	(13,076)	19,236	(202)	(17,337)	1,568,178
Fund balance, July 1, 2024	3,447,430	93,746	280,138	24,617	98,003	227	313,545	4,257,706
FUND BALANCE, JUNE 30, 2025	$ 5,087,014	$ 95,369	$ 218,488	$ 11,541	$ 117,239	$ 25	$ 296,208	$ 5,825,884

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

DEBT SERVICE FUND

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

REVENUES	
Real property taxes	$ 394,414
Vehicle taxes	55,496
Merchant's inventory taxes	1,686
Miscellaneous	3,257
TOTAL REVENUES	454,853
EXPENDITURES	
2024 GO Bond principal	287,000
2023 GO Bond principal	1,260,000
2024 GO Bond interest	222,396
2023 GO Bond interest	239,677
TOTAL EXPENDITURES	2,009,073
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)	(1,554,220)
Transfer in	1,499,677
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENDITURES	(54,543)
Fund balance, July 1, 2024	34,306
FUND BALANCE, JUNE 30, 2025	$ (20,237)

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE

CAPITAL PROJECTS FUND

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

	Actual
REVENUES	
Property taxes	$ 1,274,130
Capital project sales tax	2,234,266
Interest	285,317
Other	28,647
TOTAL REVENUES	3,822,360
EXPENDITURES	
Capital outlays	12,117,548
TOTAL EXPENDITURES	12,117,548
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)	(8,295,188)
Net transfer	(45,036)
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES AND OTHER FINANCING SOURCES/(USES)	(8,340,224)
Fund balance, July 1, 2024	26,422,891
FUND BALANCE, JUNE 30, 2025	$ 18,082,667

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

E-911 FUND

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

REVENUES	
Assessments	$ 128,953
Miscellaneous	1,057
TOTAL REVENUES	130,010
EXPENDITURES	
Special contracts	110,774
TOTAL EXPENDITURES	110,774
EXCESS OF REVENUE OVER/(UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES/(USES)	19,236
Transfer in	-
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENDITURES	19,236
Fund balance, July 1, 2024	98,003
FUND BALANCE, JUNE 30, 2025	$ 117,239

SALUDA COUNTY LIBRARY

SCHEDULE OF REVENUES AND EXPENDITURES

FISCAL YEAR ENDED JUNE 30, 2025

Source of Funds	Beginning Balance	Revenues	Expenditures	Ending Balance
Local Sources	$ -	$ 162,388	$ 162,388	$ -
County tax appropriation	-	162,388	162,388	-
Total Local Sources	-	162,388	162,388	-
State Sources				
State Aid	-	150,000	150,000	-
Total State Sources	-	150,000	150,000	-
TOTAL ALL SOURCES	$ -	$ 312,388	$ 312,388	$ -

SALUDA COUNTY
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2025

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	$ 71,145.00	$ 204,190.00	$ -	$ 275,335.00
Court fines and assessments remitted to State Treasurer	$ (71,145.00)	$ (204,190.00)	$ -	$ (275,335.00)
Total Court Fines and Assessments retained	**$ -**	**$ -**	**$ -**	**$ -**
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	$ 7,255.00	$ 5,644.00		$ 12,899.00
Assessments retained	$ 456.00	$ 16,552.00		$ 17,008.00
Total Surcharges and Assessments retained for victim services	**$ 7,711.00**	**$ 22,196.00**	**$ -**	$ 29,907.00

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	**$ -**		
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			$ -
Victim Service Assessments Retained by City/County Treasurer		$ 17,008.00	$ 17,008.00
Victim Service Surcharges Retained by City/County Treasurer	$ -	$ 12,899.00	$ 12,899.00
Interest Earned			$ -
Grant Funds Received			
Grant from:			$ -
General Funds Transferred to Victim Service Fund		$ 25,660.00	$ 25,660.00
Contribution Received from Victim Service Contracts:			
(1) Town of			$ -
(2) Town of			$ -
(3) City of			$ -
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	**$ -**	**$ 55,567.00**	**$ 55,567.00**

SALUDA COUNTY
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended June 30, 2025

Expenditures for Victim Service Program:	**Municipal**	**County**	**Total**
Salaries and Benefits		$ 51,077.00	$ 51,077.00
Operating Expenditures		$ 4,490.00	$ 4,490.00
Victim Service Contract(s):			
(1) Entity's Name			$ -
(2) Entity's Name			$ -
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			$ -
(2) Rape Crisis Center:			$ -
(3) Other local direct crime victims service agency:			$ -
Transferred to General Fund			$ -
Total Expenditures from Victim Service Fund/Program (B)	**$ -**	**$ 55,567.00**	**$ 55,567.00**
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	**$ -**		**$ -**
Less: Prior Year Fund Deficit Repayment			**$ -**
Carryforward Funds – End of Year	**$ -**	**$ -**	**$ -**

FEDERAL REPORTING AND SINGLE AUDIT SECTION

RISH AND ENZASTIGA
CERTIFIED PUBLIC ACCOUNTANTS
215 WEST MAIN STREET
LEXINGTON, SOUTH CAROLINA 29072
803-359-9921

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

To County Council
Saluda County
Saluda, South Carolina

Report on Compliance for Each Major Federal Program

We have audited Saluda County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Saluda County complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Saluda County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rish and Enzastiga CPA's

Lexington, South Carolina
September 10, 2025

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

SALUDA COUNTY, SOUTH CAROLINA

Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Subrecipient Amounts
Thru SC Department of Social Services				
Child Support Enforcement IV-D	93.563	G1501SC1401	$ 55,134	$ -
Thur SC Department of Social Services			55,134	-
Coronavirus State and Local Fiscal Recovery Funds	21.027		1,087,161	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 1,142,295	$ -

SALUDA COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Saluda County, South Carolina and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 – MAJOR PROGRAMS

The following programs meet the criteria for major programs under Uniform Guidance:

Name	CFDA No.	Amount
ARP Funds	21.027	$ 1,087,161

NOTE 3- INDIRECT COST

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

SALUDA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued – unmodified

Internal control over financial reporting:

• Material weaknesses identified?	None reported
• Significant deficiency identified that are not considered to be material weaknesses	None reported

Noncompliance material to financial statements noted?	None reported

Federal Awards

Internal control over major programs:

• Material weaknesses identified?	None reported
• Significant deficiency identified that are not considered to be material weaknesses?	None reported

Type of auditor's report issued on compliance for major programs – unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	None reported

Identification of major programs:

Name of Federal Program or Cluster	CFDA #
ARP Funds	21.027

Dollar threshold used to distinguish between type A and type B programs?	$ 750,000
Auditee qualified as low-risk auditee?	Yes

SALUDA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2025

Section II – Financial Statement Findings

No items noted.

Section III – Federal Award Findings and Questioned Costs

No items noted.

Section IV – Schedule of Corrective Action

Not needed.

Section V – Prior Audit Findings

No items noted

RISH AND ENZASTIGA
CERTIFIED PUBLIC ACCOUNTANTS
215 WEST MAIN STREET
LEXINGTON, SOUTH CAROLINA 29072
803-359-9921

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Council
Saluda County, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Saluda County, South Carolina (Primary government only), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Saluda County's (Primary government only) basic financial statements and have issued our report thereon dated September 10, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness the County's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. 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. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rish and Enzastiga CPA's

September 10, 2025
Lexington, South Carolina