

Distinguished Members of the Board of County Commissioners  
Honorable Kenneth P. Burke, Clerk of the Circuit Court and Comptroller  
Honorable Mike Twitty, Property Appraiser  
Honorable Bob Gualtieri, Sheriff  
Honorable Julie Marcus, Supervisor of Elections  
Honorable Charles Thomas, Tax Collector  
Pinellas County, Florida

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

#### **AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA**

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with Pinellas County, Florida (County) for further information on the responsibilities of management and of Crowe LLP.

#### **AUDITOR'S RESPONSIBILITY UNDER GOVERNMENT AUDITING STANDARDS**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of the County's 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 or disclosures. 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### **PLANNED SCOPE AND TIMING OF THE AUDIT**

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters regarding the planned scope and timing of the audit were discussed with you on November 22, 2021.

- How we proposed to address the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.

- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
- Where the entity has an internal audit function, the extent to which the auditor will use the work of internal audit, and how the external and internal auditors can best work together.
- Your views and knowledge of matters you consider warrant our attention during the audit, as well as your views on:
  - The allocation of responsibilities between you and management.
  - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
  - Significant communications with regulators.
  - Other matters you believe are relevant to the audit of the financial statements.
- Matters relative to the use of other auditors/other accountants during the audit:
  - An overview of the type of work to be performed by other auditors/other accountants.
  - The basis for the decision to make reference to the audit of the other auditor in our report on the entity's financial statements.
  - An overview of the nature of our planned involvement in the work to be performed by the other auditor/other accountant.

## **SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES**

Significant Accounting Policies: Those Charged with Governance should be informed of the initial selection of and changes in significant accounting policies or their application. Also, Those Charged with Governance should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform Those Charged with Governance about such matters. To assist Those Charged with Governance in its oversight role, we also provide the following.

<b>Accounting Standard</b>	<b>Impact of Adoption</b>
<b>GASB Statement No. 84 – Fiduciary Activity 90 – Majority Equity Interests 93 – Replacement of Interbank Offered Rates 97 – CCUC and Section 457 Plans</b>	GASB 84 – The County adopted Statement as described in Note 21 to the Annual Comprehensive Financial Report.  GASB 90, 93 and 97 - Adoption of these Statements did not have a material impact on the County's financial position or results of operations.
<b>Significant Unusual Transactions.</b>	No such matters noted
<b>Significant Accounting Policies in Controversial or Emerging Areas.</b>	No such matters noted

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term.

The following describes the significant accounting estimates reflected in the County's year-end financial statements, the process used by management in formulating these particularly sensitive accounting estimates and the primary basis for our conclusions regarding the reasonableness of those estimates.

<b>Significant Accounting Estimate</b>	<b>Process Used by Management</b>	<b>Basis for Our Conclusions</b>
Allowance for Doubtful Accounts and Bad Debt Expense	The allowance for doubtful accounts was determined by management by a process involving consideration of past experiences, current aging information, information from credit reports, contacts with the customers, and other available data including environmental factors such as industry, geographical, economic and political factors.	We tested this accounting estimate by reviewing, on a test basis, the information listed and by testing information in certain customers' credit files.
Fair Values of Investment Securities and Other Financial Instruments	The disclosure of fair values of securities and other financial instruments requires management to use certain assumptions and estimates pertaining to the fair values of its financial assets and financial liabilities.	We tested the propriety of information underlying management's estimates.
Useful Lives of Fixed Assets	Management has determined the economic useful lives of fixed assets based on past history of similar types of assets, future plans as to their use, and other factors that impact their economic value to the County.	We tested the propriety of information underlying management's estimates.
Loss Contingencies	The County consults with legal counsel to evaluate outstanding litigation, claims and assessments. Factors that affect management's evaluation of litigation contingencies requiring disclosure include the nature of the contingencies and whether the outcome could have an effect on the consolidated financial statements.	Based on information obtained from the County's legal counsel regarding this matter and discussions with management, we concur with management's determination that the loss contingency does not meet conditions for accrual of being both probable and estimable, and, thus, no accrual is recorded and no specific disclosures are required.
Pension and Postretirement Obligations	Amounts reported for pension and postretirement obligations require management to use estimates that may be subject to significant change in the near term. These estimates are based on projection of the weighted average discount rate, rate of increase in future compensation levels, and weighted average expected long-term rate of return on pension assets.	We reviewed the reasonableness of these estimates and assumptions.

## **AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES**

We are to discuss with you our comments about the following matters related to the County's accounting policies and financial statement disclosures.

- The accounting policies to the particular circumstances of the County, considering the need to balance the cost of providing information with the likely benefit to users of the County's financial statements are appropriate.
- Overall, the disclosures in the financial statements are neutral, consistent, and clear.
- The effect of the timing of transactions in relation to the period in which they are recorded is appropriate.
- There were no significant risks and exposures, and uncertainties that are disclosed in the financial statements.
- There were no unusual transactions including nonrecurring amounts recognized during the audit period that materially impacted the financial statements.
- There were no particularly sensitive financial statement disclosures.
- There were no factors affecting asset and liability carrying values, including the County's basis for determining useful lives assigned to tangible and intangible assets.
- There were no selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

## **CORRECTED AND UNCORRECTED MISSTATEMENTS**

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures.

There were no such misstatements.

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements.

Known misstatements: See attachment A

Likely misstatements: None noted.

**OTHER COMMUNICATIONS**

<b>Communication Item</b>	<b>Results</b>
<p><b>Other Information In Documents Containing Audited Financial Statements</b></p> <p>Information may be prepared by management that accompanies the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether such information, or the manner of its presentation, is materially inconsistent with information in the financial statements. If we consider the information materially inconsistent based on this reading, we are to seek a resolution of the matter.</p>	<p>We read the following items and noted no material inconsistencies or misstatement of facts in such information based on our reading thereof.</p> <ul style="list-style-type: none"> <li>• Introductory Section</li> <li>• Management’s Discussion and Analysis</li> <li>• Required Supplementary Information</li> <li>• Statistical Section</li> </ul>
<p><b>Significant Difficulties Encountered During the Audit</b></p> <p>We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.</p>	<p>There were no significant difficulties encountered in dealing with management related to the performance of the audit.</p>
<p><b>Disagreements With Management</b></p> <p>We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the County’s financial statements or the auditor’s report.</p>	<p>During our audit, there were no such disagreements with management.</p>
<p><b>Consultations With Other Accountants</b></p> <p>If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.</p>	<p>We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.</p>
<p><b>Representations The Auditor Is Requesting From Management</b></p> <p>We are to provide you with a copy of management’s requested written representations to us.</p>	<p>We direct your attention to a copy of the letter of management’s representation to us provided separately.</p>
<p><b>Significant Issues Discussed, or Subject to Correspondence, With Management</b></p> <p>We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.</p>	<p>There were no such significant issues discussed, or subject to correspondence, with management.</p>
<p><b>Significant Related Party Findings and Issues</b></p> <p>We are to communicate to you significant findings and issues arising during the audit in connection with the County’s related parties.</p>	<p>There were no such findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>

Communication Item	Results
<p><b>Other Findings or Issues We Find Relevant or Significant</b></p> <p>We are to communicate to you other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>	<p>There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>

We are pleased to serve your County as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of Distinguished Members of the Board of County Commissioners, Honorable Kenneth P. Burke, Clerk of the Circuit Court, Honorable Mike Twitty, Property Appraiser, Honorable Bob Gualtieri, Sheriff, Honorable Julie Marcus, Supervisor of Elections, Honorable Charles Thomas, Tax Collector, Pinellas County, Florida and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.



Crowe LLP

Tampa, Florida  
March 25, 2022

# Attachment A

Pinellas County, Florida  
Waived Journal Entries  
September 30, 2021

Acct #	Account Name	Debit	Credit
<b>Government Wide - Governmental Activities</b>			
<b>To record prior period adjustment related to CRF revenues</b>			
	Intergovernmental Revenue		6,436,460
	Unrestricted Net Position	6,436,460	
<b>General Fund</b>			
<b>To record prior period adjustment related to CRF revenues</b>			
	Intergovernmental Revenue		4,176,413
	Unrestricted Net Position	4,176,413	
<b>Emergency Management Systems Fund</b>			
<b>To record prior period adjustment related to CRF revenues</b>			
	Intergovernmental Revenue		2,260,047
	Unrestricted Net Position	2,260,047	