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Audit Results

Pinellas County Fiscal Year 2022

Agenda

- Audit Results
- Comparative Data

The accompanying information should be read in conjunction with the audited financial statements and is intended solely for the information and use of the Board of County Commissioners, management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Audit Results

- Independent Auditor's Report on the Annual Comprehensive Financial Report
 - Unmodified Opinion
- Independent Auditor's Report on Internal Control and Compliance - *Government Auditing Standards*
 - No Material Weaknesses or Significant Deficiencies
- Independent Auditor's Report on Compliance with Federal and State Grants
 - Unmodified Opinion
 - No Material Weaknesses, Significant Deficiencies, Findings or Questioned Costs

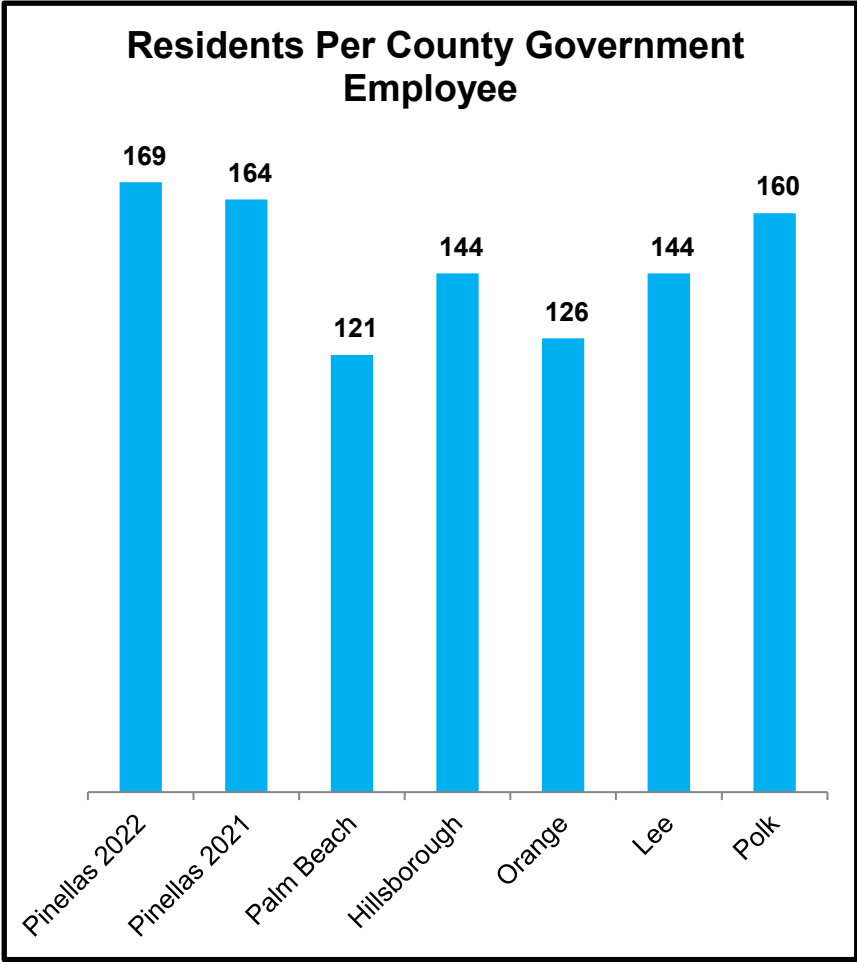
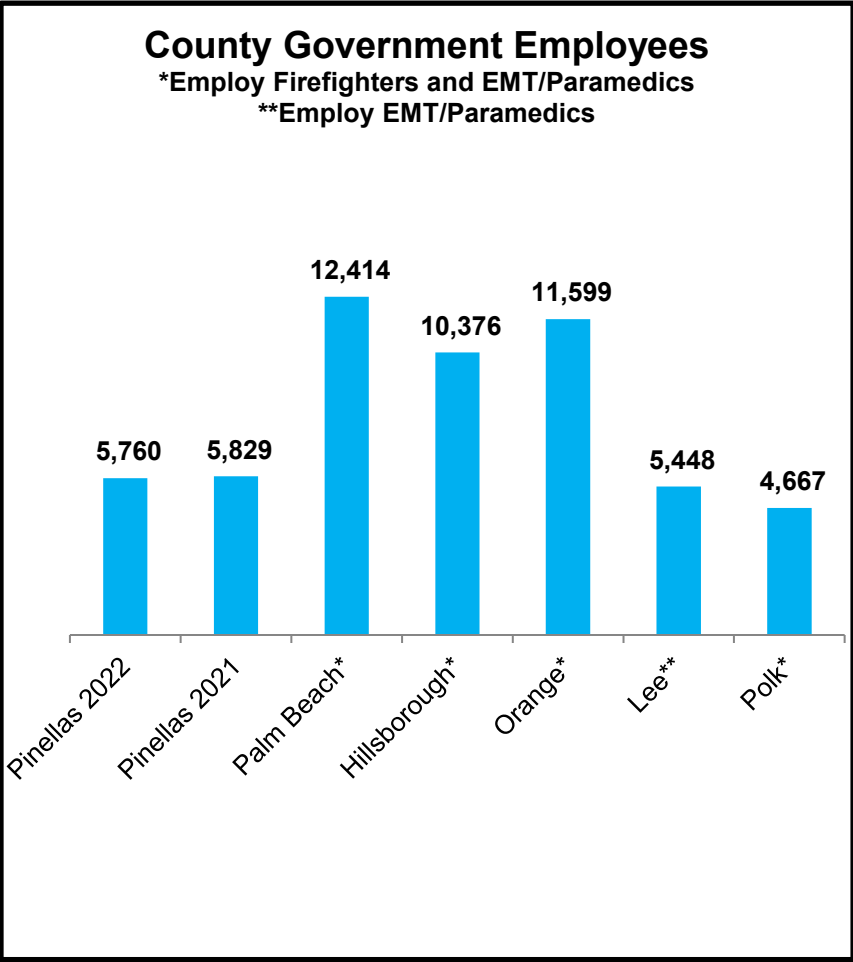
Audit Results

- Unmodified Opinions Issued On:
 - Clerk of the Circuit Court and Comptroller
 - Property Appraiser
 - Tax Collector
 - Sheriff
 - Supervisor of Elections
 - Passenger Facility Charges Collected and Expended (As Reported to the FAA)
 - Pinellas County Construction Licensing Board
 - Community Redevelopment Agency
- Deepwater Horizon Oil Spill – No Non-Compliance
- Investment of Public Funds – No Non-Compliance
- E911 Receipts and Expenditures – No Non-Compliance
- Agreed Upon Procedures (AUP) Report – Solid Waste Management Facility Letter – No Exceptions

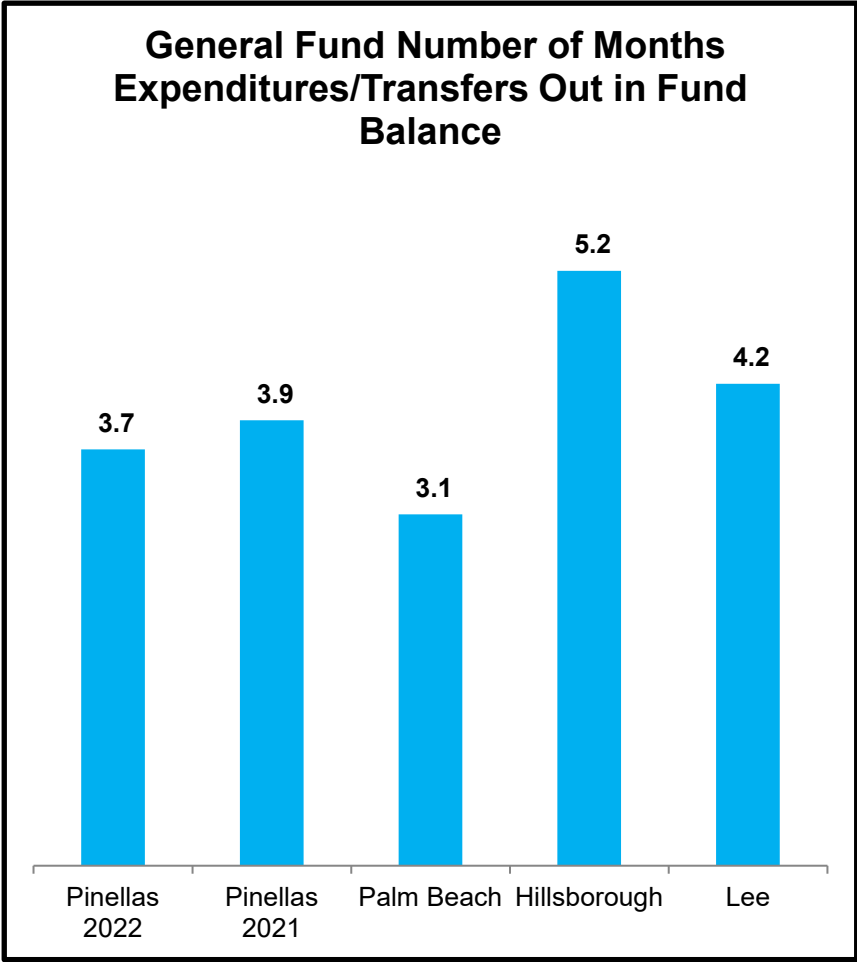
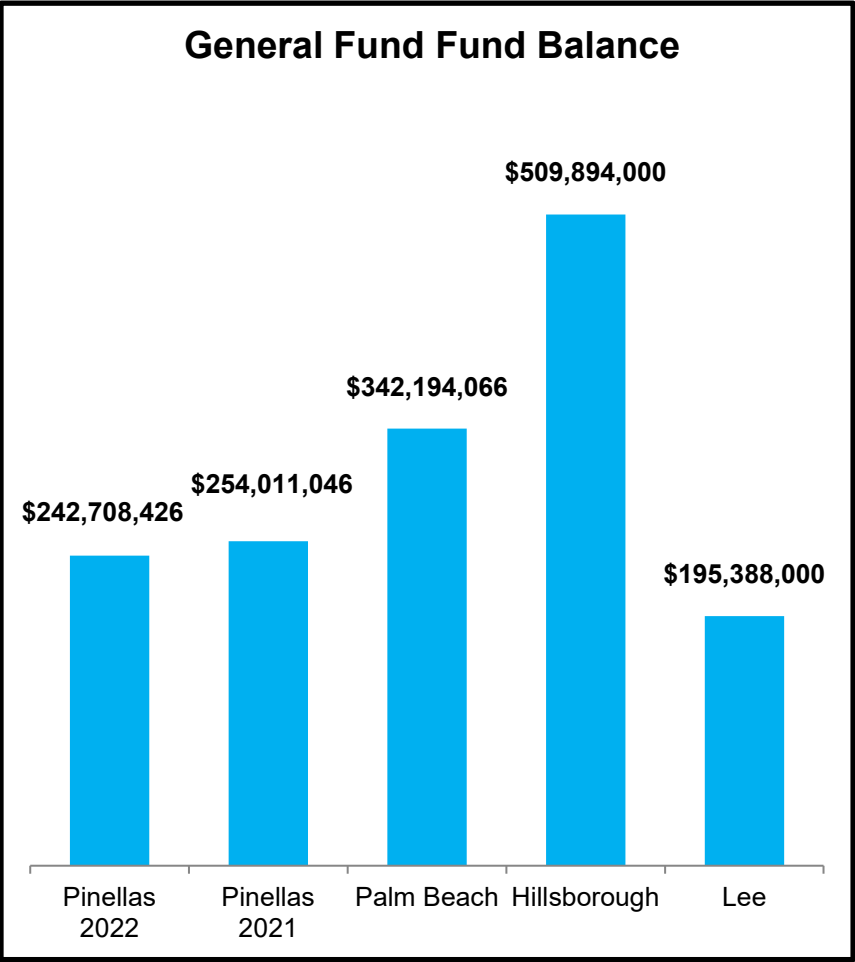
Comparative Data

- The information on the following charts was taken from 2021 Annual Comprehensive Financial Reports publicly available.
- The information for the general fund slides was taken from the following:
 - Pinellas – General Fund
 - Palm Beach – General Fund BOCC Category
 - Hillsborough – General Fund Countywide/Unincorporated Area Category
 - Lee – General Fund Board of County Commissioners
 - Orange and Polk – Information not available for comparative purposes

Comparative Data

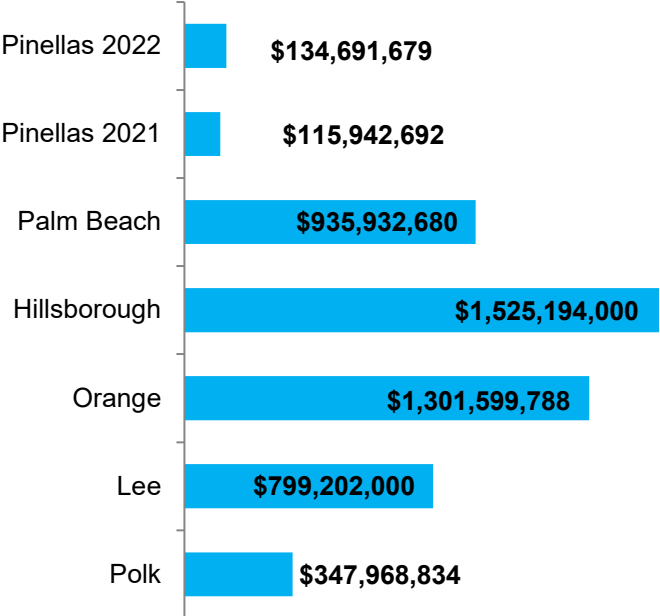


Comparative Data

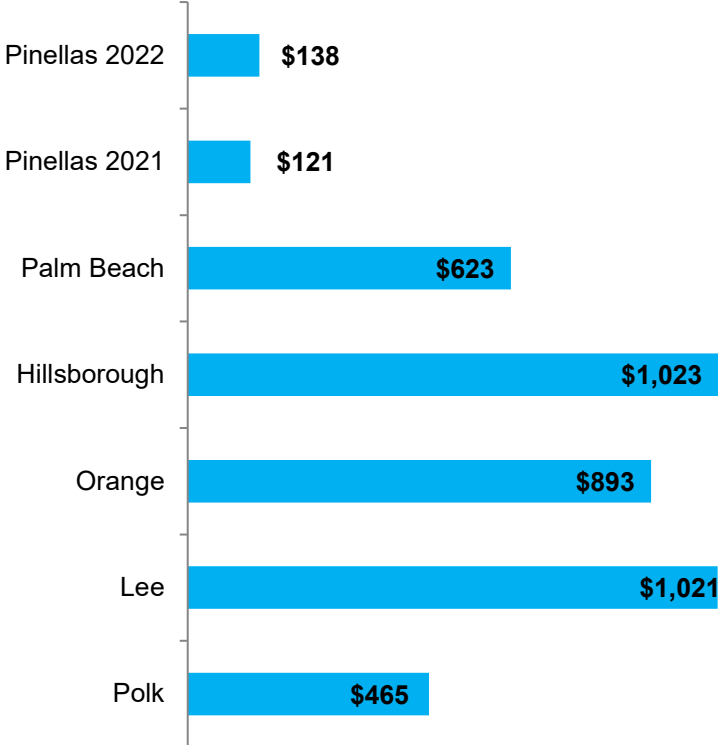


Comparative Data

Outstanding Debt Payable (Bonds, Notes, Loans, Capital Leases, Interlocal Agreements) - FY 2022 Includes Implementation of GASB 87 - Leases for Pinellas



Debt Per Capita - FY 2022 Includes Implementation of GASB 87 - Leases for Pinellas





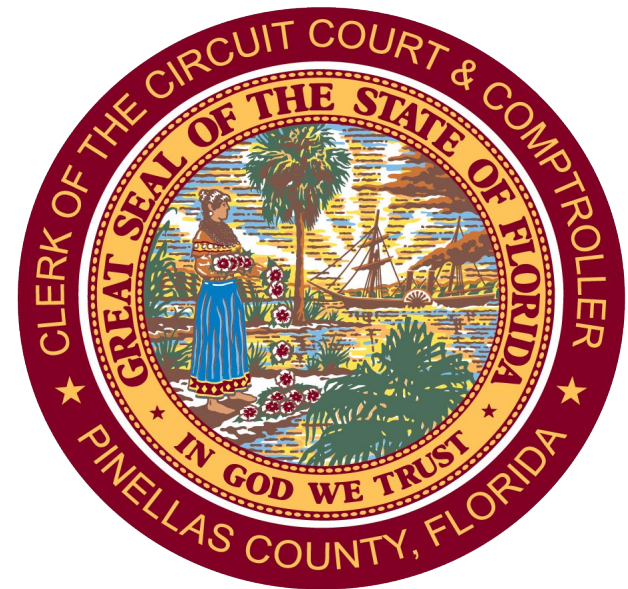
Thank You

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FY 2021 – 2022 Financial Update

A1

- The Clerk of the Circuit Court & Comptroller is the Clerk and Accountant to the Board of County Commissioners, and much more:
 - ▶ Clerk of the Circuit & County Court
 - ▶ Recorder of Deeds
 - ▶ Custodian of County funds
 - ▶ County Auditor
 - ▶ Clerk of the Water and Navigation Control Authority
- The Clerk's office also provides:
 - ▶ County-wide mail operations
 - ▶ County-wide printing and mail services
 - ▶ Records Management



APPENDIX

County Stakeholders

Internal

Commissioners

Management

Constitutional Officers

Component Units

Employees

External – Grants & Compliance

Federal and State grant agencies

Florida Auditor General

FL Joint Legislative Auditing Committee (JLAC)

Other oversight agencies

External – Financing

Banks – Noteholders

Bondholders

Credit Rating Agencies

External – General

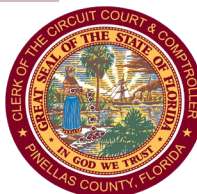
Citizens

Media

External auditors

Business community

Public at large



The Reporting Entity

Pinellas County, Florida

Board of County Commissioners

Constitutional Officers

Discretely Presented Component Units

Governmental Funds

Proprietary Funds

Blended Component Units

Agency Funds

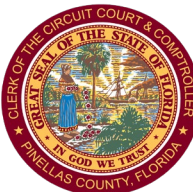
Sheriff

Clerk of the Circuit Court and Comptroller

Tax Collector

Supervisor of Elections

Property Appraiser



Components of the ACFR

Introductory Section

- Letter of Transmittal
- GFOA Certificate of Achievement
- Organization Chart

Financial Section

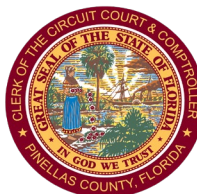
- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

Statistical Section

- Financial Trend Information
- Revenue Capacity Information
- Debt Capacity Information
- Demographic and Economic Information
- Operating Information

Compliance Section

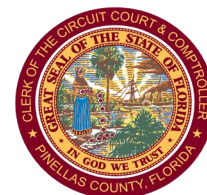
- Compliance-related Independent Auditor's Reports
- Schedule of Expenditures of Federal Awards and State Financial Assistance
- Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Spill
- Management Letter



Overview of County Audit Requirements

- ▶ Independent auditor’s report: dated March 28, 2023 (consistent with previous years)
- ▶ Legal requirement: Annual financial audit of local government entity must be completed within 9 months after the end of fiscal year by an independent certified public accountant retained by it and paid from its public funds (Section 218.39, Florida Statutes)
- ▶ Completion of single audit under Federal (Uniform Guidance, 2 CFR Part 200) and State (Florida Single Audit Act, Section 215.97, F.S.) guidelines
- ▶ Other required assurance in accordance with applicable laws & regulations

SUBJECT MATTER	STATUTORY REFERENCE
Investment compliance	218.415, F.S.
Use of E911 funds	365.173, F.S.
Clerk of Court compliance	28.35, 28.36, 61.181, F.S.
Receipt/expenditure of Deepwater Horizon oil spill funds	288.8018(1), F.S.
Community Redevelopment Agency (CRA) compliance	163.387(6)(7), F.S.



Financial Statement Presentation - Terminology

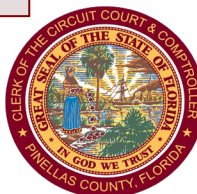
A6

Basis of accounting: Determines when transactions and events are recognized.

- Accrual – recognition when substantive economic impact completed
- Modified accrual – recognition of revenue when it is measurable and available

Measurement Focus – Determines what is being reported upon.

- The proprietary funds and the government-wide financial statements adopt an accrual basis of accounting and report on **all** assets and liabilities and increases/decreases in net capital are recognized as revenues or expenses
 - Economic resources focus: report on determination of net income, financial position, and cash flows; measures operational accountability
- Governmental funds adopt a **modified accrual** basis of accounting and a measurement focus on short-term financial assets and liabilities
 - Current resources focus: report on inflows and outflows of current financial resources; measures fiscal accountability



Differences Between Government-wide and Fund Level Financial Statements

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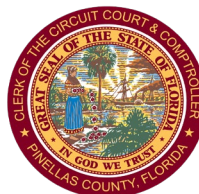
Government-Wide

- Economic resources measurement focus
 - Adds long-term assets and liabilities
- Full accrual basis
- Includes:
 - Capital assets
 - Pension
 - OPEB
 - Pollution remediation
 - Long-term debt (e.g., capital leases)
 - Long-term receivables (e.g., EMS collections beyond 60-days)
- Internal service funds reported with governmental activities

Governmental Fund

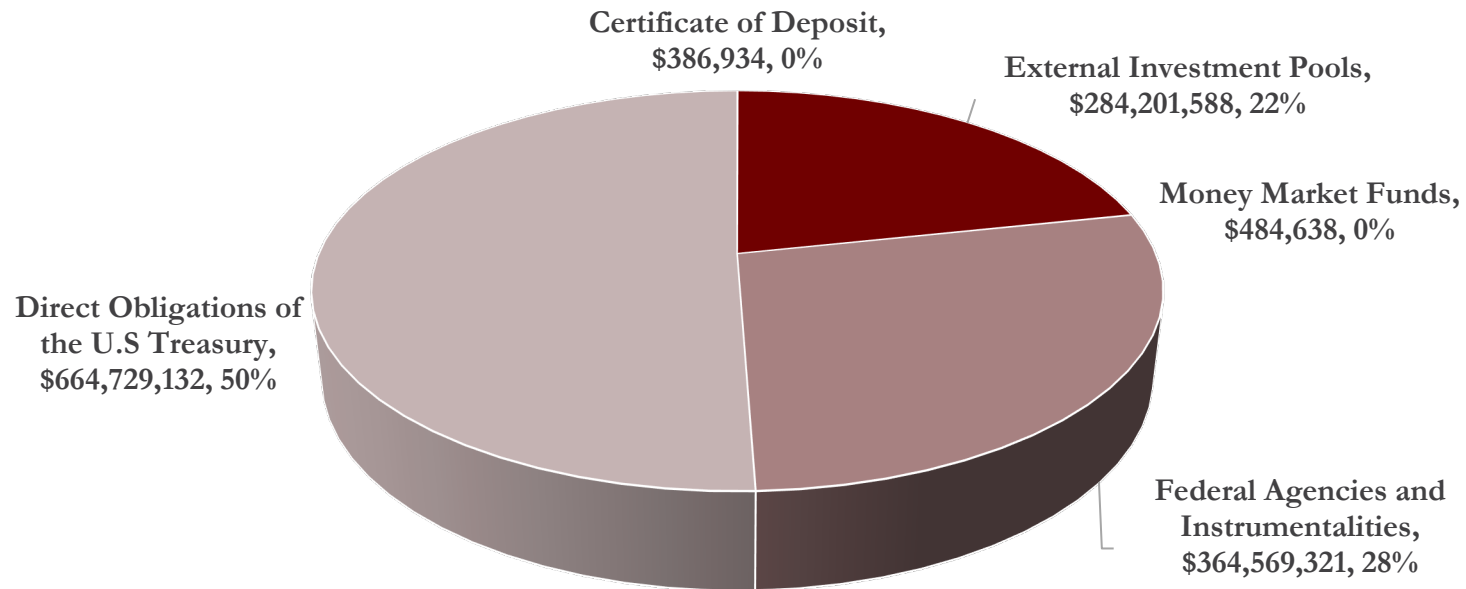
- Financial resources measurement focus
 - Cash, inventory, accounts payable/receivable, or other current assets and liabilities
- Modified accrual basis
- Tracks the near term and budgetary basis
- Expenditures for capital items purchased during the year

Business-type activities are only reported under the economic resource's measurement focus and full accrual basis of accounting.

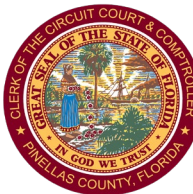


A Look at County Investments

Pinellas County Investment Portfolio \$1,314,371,613



Safety/Liquidity/Yield



Debt Portfolio

► **Governmental**

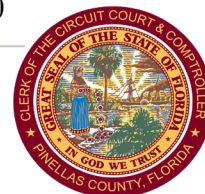
Activities: Outstanding balance at 9/30/22 is \$6,318,081, consisting of lease-purchase agreements for Sheriff equipment (vehicles, helicopter, and airplane)

► **Business-Type**

Activities: Outstanding balance at 9/30/22 is \$92,468,000, consisting of sewer bank notes.

Sewer Issuance Type	Interest Rate	Original Amount	Balance at 9/30/22
Revenue Note – Series 2008A	4.41%	\$42,005,000	\$36,105,000
Revenue Refunding Note – Series 2008B-1	4.24%	32,700,000	10,120,000
Revenue Refunding Note – Series 2016	2.20%	14,733,000	3,926,000
Revenue Refunding Note – Series 2021B	2.00%	5,292,000	5,282,000
Revenue Refunding Note – Series 2022	1.17%	40,862,000	37,035,000
TOTAL		\$135,592,000	\$92,468,000

Ken Burke, CPA
 Clerk of the Circuit Court and Comptroller
 Pinellas County, FL



Debt Portfolio – FY'22

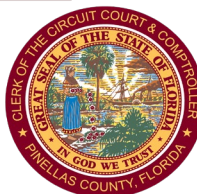
Refunding

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In July 2022
County
issued a
tax-exempt
Sewer
Refunding
Revenue
Note, Series
2022, for
\$40,862,000

Proceeds used to refund outstanding Sewer
Revenue Refunding Note, Series 2021A

Estimated aggregate savings of \$539,439

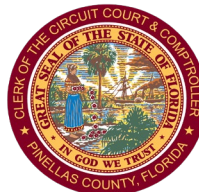


Net Position By Component Multi-Year Comparison

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Amounts In Thousands

Governmental Activities	FY 2022	FY 2021	FY 2020
Net Investment in Capital Assets	\$2,100,070	\$2,060,959	\$2,037,594
Restricted	576,754	400,974	325,254
Unrestricted	(651,024)	(676,815)	(817,331)
Business-Type Activities	FY 2022	FY 2021	FY 2020
Net Investment in Capital Assets	\$1,472,883	\$1,468,778	\$1,441,448
Restricted	13,643	10,440	9,600
Unrestricted	493,548	405,308	352,035
Total Primary Government	FY 2022	FY 2021	FY 2020
Net Investment in Capital Assets	\$3,572,953	\$3,529,737	\$3,479,042
Restricted	590,397	411,414	334,854
Unrestricted	(157,476)	(271,507)	(465,296)

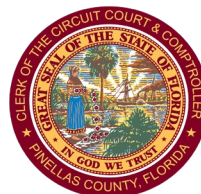


Pension & Other Post-Employment Benefits

County retirement plans consist of the Florida Retirement System (FRS) Pension and Health Insurance Subsidy (HIS) Plans

County Other Post Employment Benefits (OPEB) cover eligible retirees & their dependents and consist of two plans – the County Plan and the Sheriff’s Plan

	FY 2022	FY 2021	Difference
FRS – Net Pension Liability	\$462,635,324	\$97,165,749	\$365,469,575
FRS – Pension Expense (Benefit)	60,796,568	(1,410,706)	62,207,274
HIS – Net Pension Liability	111,795,565	132,560,923	(20,765,358)
HIS – Pension Expense	6,133,257	10,391,830	(4,258,573)
Total OPEB Liability	515,479,700	716,021,788	(200,542,088)
OPEB Expense (Benefit)	(8,397,714)	(810,000)	(7,587,714)

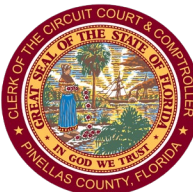


General Fund Highlights

Financial Overview

General Fund

- ▶ Revenues and other financing sources decreased by \$55.6 Million, or 6.6%, from the prior year largely resulting from the completion of the Coronavirus Aid, Relief, and Economic Security (CARES) Act grant.
- ▶ Tax revenue increased by \$20.5 Million, due primarily to a 4.0% increase in ad valorem.
- ▶ Intergovernmental revenues decreased by \$86.2 million, or 39.2%, largely resulting from the completion of the Coronavirus Aid, Relief, and Economic Security (CARES) Act grant.
- ▶ Expenditures and transfers out increased by \$17.4 Million, or 2.2%.



Financial Overview

AD Valorem Property Taxes

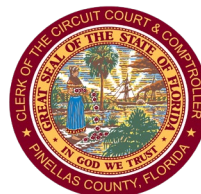
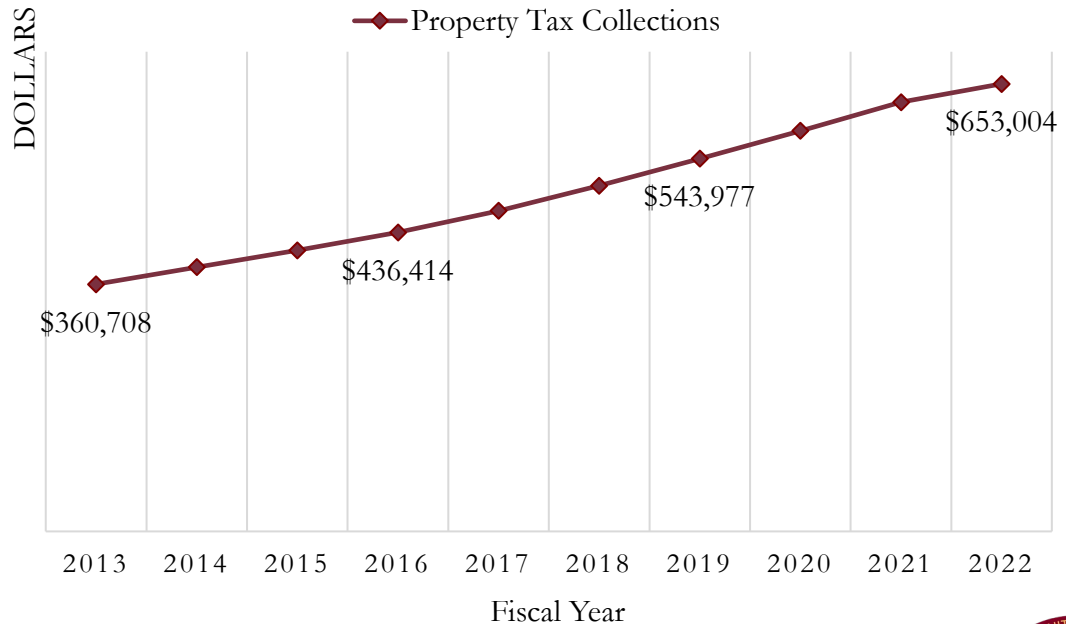
Property Taxes

County-wide single largest revenue source

*Countywide millage rate decreased

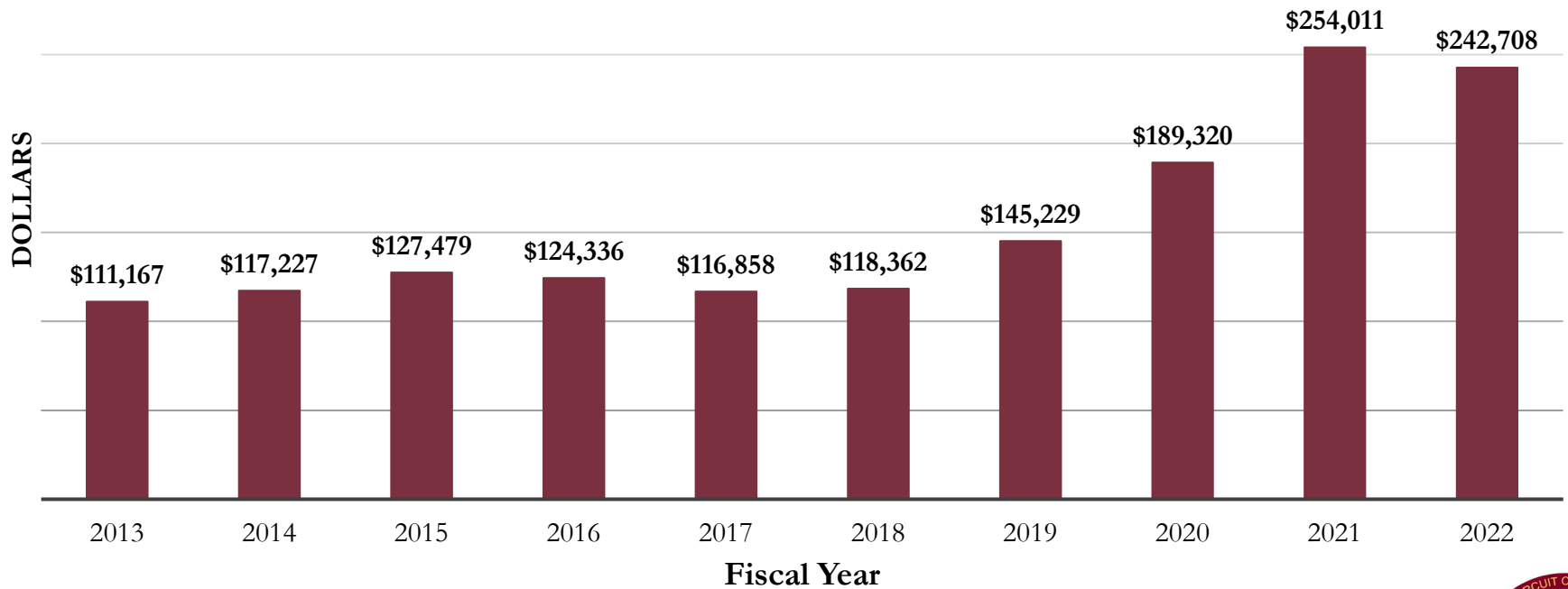
*5.7% increase in taxable assessed value (real & personal property) from FY 21 to FY 22

PROPERTY TAX COLLECTIONS BY FISCAL YEAR (AMOUNTS IN THOUSANDS)



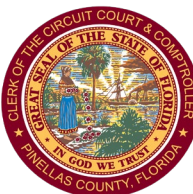
Fund Balance – General Fund

**General Fund – Total Fund Balance
(Amounts in Thousands)**



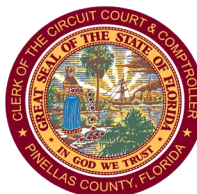
■ Total Fund Balance - General Fund

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Clerk of the Circuit Court and Comptroller
Pinellas County, FL



GASB Implementation

- **GASB 87 LEASES:** This statement required recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.
 - ▶ Governmental funds added new capital assets for leased land, buildings and equipment with a net book value of \$35.5 million.
 - ▶ Governmental funds recognized a lease receivable of \$23.4 million and a lease obligation of \$35.9 million for land, buildings and equipment.
 - ▶ The St. Pete-Clearwater International Airport recognized a lease receivable \$84.8 million for land and buildings.

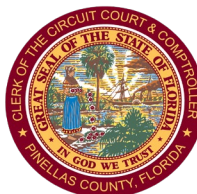


GASB Implementation: Future Years

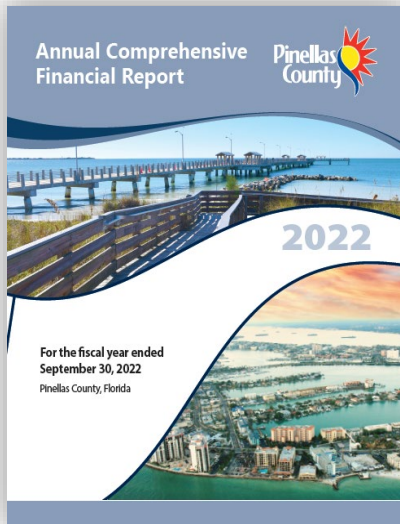
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GASB 96 (FY 2023 Implementation):

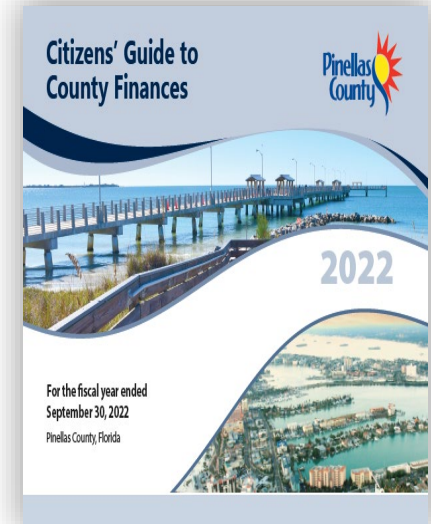
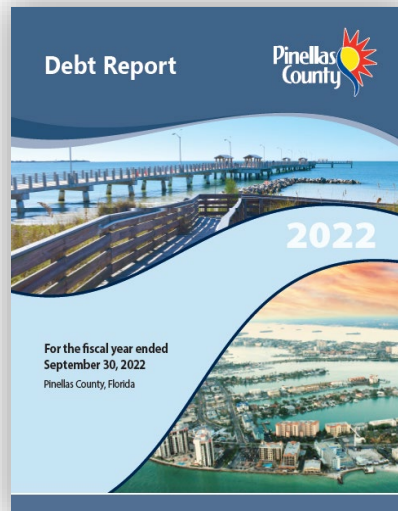
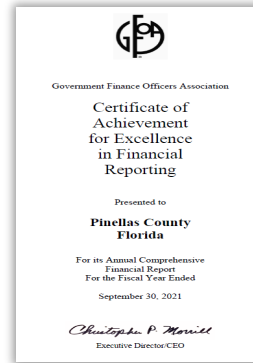
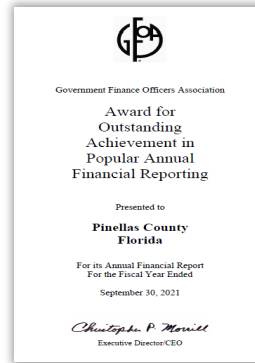
This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users.



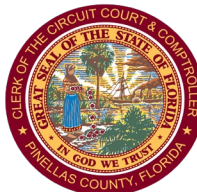
Reports & Awards



Recognition received for
41 consecutive years



Recognition received for
16 consecutive years



Resources

<https://www.mypinellasclerk.org/Home/Finance#60691-financial-reports>

<https://www.mypinellasclerk.org/Home/Inspector-General>

<https://flauditor.gov/>

<https://www.fgfoa.org/>

<https://www.myfloridacfo.com/>

