

PINELLAS COUNTY, FLORIDA

**ST. PETERSBURG-CLEARWATER INTERNATIONAL
AIRPORT ENTERPRISE FUND**

**SCHEDULE OF PASSENGER FACILITY CHARGES (PFC)
COLLECTED AND EXPENDED (AS REPORTED TO THE FAA)
AND RELATED COMPLIANCE REPORTS**

September 30, 2021

PINELLAS COUNTY, FLORIDA

ST. PETERSBURG-CLEARWATER INTERNATIONAL
AIRPORT ENTERPRISE FUND

SCHEDULE OF PASSENGER FACILITY CHARGES (PFC)
COLLECTED AND EXPENDED (AS REPORTED TO THE FAA)

September 30, 2021

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INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners
Pinellas County, Florida
Clearwater, Florida

Report on the Schedule of Passenger Facility Charges (PFC) Collected and Expended (as Reported to the FAA)

We have audited the accompanying Schedule of Passenger Facility Charges (PFC) Collected and Expended (As Reported to the FAA) (the "Schedule") of Pinellas County, Florida (the County), which comprise certain revenues and expenses for the year ended September 30, 2021, and the related note to the Schedule.

Management's Responsibility for the Schedule

Management is responsible for the preparation and fair presentation of this Schedule in accordance with the financial reporting provisions of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

Opinion

In our opinion, the Schedule referred to above presents fairly, in all material respects, the revenues and expenses of the Passenger Facility Charges (PFC) Collected and Expended (As Reported to the FAA) for the year ended September 30, 2021, in accordance with the financial reporting provisions of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the Schedule, which describes the basis of accounting. As described in Note 1 to the Schedule, the Schedule is prepared by the County on the basis of the financial reporting provisions of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Federal Aviation Administration. Our opinion is not modified with respect to this matter.

Restriction on Use

Our report is intended solely for the information and use of the County and the Federal Aviation Administration and is not intended to be and should not be used by anyone other than these specified parties.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2022 on our consideration of the County's internal control over financial reporting for the Passenger Facility Charges (PFC) Collected and Expended (As Reported to the FAA) and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Crowe LLP

Tampa, Florida
March 16, 2022

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF
PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED (AS REPORTED TO THE
FAA) PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of County Commissioners
Pinellas County, Florida
Clearwater, Florida

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 Schedule of Passenger Facility Charges (PFC) Collected and Expended (As Reported to the FAA) (the "Schedule") of Pinellas County, Florida (the County), which comprise certain revenues and expenses for the year ended September 30, 2021, and the related note to the Schedule, and have issued our report thereon dated March 16, 2022. As described in Note 1 to the Schedule, the Schedule is prepared by the County on the basis of the financial reporting provisions of the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Federal Aviation Administration.

Internal Control Over Financial Reporting

In planning and performing our audit of the Schedule, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, 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 of 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 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 County's Schedule will not be prevented, or detected and corrected 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's Schedule is 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 Schedule. 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*.

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Crowe LLP

Tampa, Florida
March 16, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE PASSENGER FACILITY CHARGE (PFC) PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE**

The Board of County Commissioners
Pinellas County, Florida
Clearwater, Florida

Report on Compliance of Passenger Facility Charges

We have audited the Pinellas County, Florida's (the "County") compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration ("Guide"), that could have a direct and material effect on its passenger facility charge program for the year ended September 30, 2021.

Management's Responsibility

Management of the County is responsible for compliance with the requirements of laws and regulations applicable to its passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit of the types of compliance requirements referred to above. 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 Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

Opinion on Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the passenger facility charge program and to test and report on internal control over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's 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 the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 the passenger facility charge 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 the passenger facility charge 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.



Crowe LLP

Tampa, Florida
March 16, 2022

PINELLAS COUNTY, FLORIDA
 ST. PETERSBURG-CLEARWATER INTERNATIONAL
 AIRPORT ENTERPRISE FUND
 SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED
 AND EXPENDED (AS REPORTED TO THE FAA)
 Year Ended September 30, 2021

Beginning Balance as of October 1, 2020 **\$ 9,600,185**

Quarterly Collections

December 31, 2020	\$ 755,899	
March 31, 2021	691,088	
June 30, 2021	1,350,998	
September 30, 2021	<u>1,437,542</u>	
Totals		4,235,527

Quarterly Interest

December 31, 2020	\$ 5,690	
March 31, 2021	2,646	
June 30, 2021	2,795	
September 30, 2021	<u>3,036</u>	
Totals		14,167

Quarterly Expenditures

December 31, 2020	\$ (3,663,082)	
March 31, 2021	(30,407)	
June 30, 2021	(77,000)	
September 30, 2021	<u>(14,966)</u>	
Totals		<u>(3,785,455)</u>

Ending Balance as of September 30, 2021 **\$ 10,064,424**

Expenditure Summary

Terminal		\$ 3,313,336
Airfield		424,869
PFC Admin		<u>47,250</u>
Total All		<u>\$ 3,785,455</u>

See accompanying note.

PINELLAS COUNTY, FLORIDA
NOTE TO THE SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND
EXPENDED (AS REPORTED TO THE FAA)
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Pinellas County, Florida (the County) is a political subdivision of the State of Florida pursuant to Article VIII, Sections (1) and (6), of the Constitution of the State of Florida. It is guided by an elected Board of County Commissioners (the Board), which is governed by state statutes. In addition to the members of the Board, there are five elected constitutional officers: the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and the Tax Collector. The entities controlled by these officials are combined and compose the primary government.

The Schedule of Passenger Facility Charges (PFC) collected and expended contained herein represents the financial transactions of the Passenger Facility Charges (PFC) Collected and Expended required to show compliance with the Federal Aviation Administration's *Passenger Facility Charge Audit Guide for Public Agencies*, and is not combined with the financial transactions of the County or any other county agency to present the financial position, results of operations, or cash flows of the County, in conformity with accounting principles generally accepted in the United States of America (GAAP).

Basis of Accounting

The accompanying Schedule of Passenger Facility Charges (PFC) collected and expended presents the activity of all PFC collected and expended by the St. Petersburg-Clearwater International Airport Enterprise Fund.

The revenue and expenses as presented in the schedule are maintained and presented herein on the cash basis of accounting, whereby revenues are recognized when they are received and expenses are recognized when funds are disbursed.

PINELLAS COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED
(AS REPORTED TO THE FAA)
September 30, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

Schedule of Passenger Facility Charges (PFC) Collected and Expended (as Reported to the FAA)

Type of auditors' report issued	<i>Unmodified</i>
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Reported
Noncompliance material to Schedule of Passenger Facility Charges (PFC) Collected and Expended (as Reported to the FAA) noted?	No

Passenger Facility Charge Audit Guide for Public Agencies

Internal control over major programs:	
Material weakness identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Reported
Type of auditors' report issued on compliance for with the Passenger Facility Charge Audit Guide for Public Agencies	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Passenger Facility Charge Audit Guide for Public Agencies	No