

**SPECIAL PURPOSE
FINANCIAL STATEMENTS**

**Clerk of the Circuit Court
St. Lucie County, Florida**

September 30, 2023

SPECIAL PURPOSE FINANCIAL STATEMENTS

Clerk of the Circuit Court
St. Lucie County, Florida

September 30, 2023

CONTENTS

	Page
REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION	1-3
SPECIAL PURPOSE FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	4
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL - GENERAL FUND	6
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – PUBLIC RECORDS MODERNIZATION FUND	7
STATEMENT OF FIDUCIARY NET POSITION	8
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	9
NOTES TO FINANCIAL STATEMENTS	10-16
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	17-18
MANAGEMENT LETTER	19-20
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES	21
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES	22
INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH SECTION 61.181(1), FLORIDA STATUTES	23



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REPORT OF INDEPENDENT AUDITORS ON SPECIAL PURPOSE FINANCIAL STATEMENTS PREPARED IN COMPLIANCE WITH A REGULATORY PROVISION

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of the Clerk of the Circuit Court, St. Lucie County, Florida (the "Clerk of the Circuit Court"), as of and for the year ended September 30, 2023, and the related notes to financial statements.

In our opinion, the special purpose financial statements present fairly, in all material respects, the respective financial position of each major fund of the Clerk of the Circuit Court as of September 30, 2023, and the respective changes in financial position and the budgetary comparison for the General Fund and Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Basis of Presentation

As described in Note 1, the accompanying special-purpose fund financial statements were prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, and are not intended to be a complete presentation of the financial position and changes in financial position of the Clerk of the Circuit Court, St. Lucie County, Florida. Additionally, the special-purpose fund financial statements present only the Clerk of the Circuit Court, St. Lucie County, Florida and are not intended to present the financial position and changes in financial position of St. Lucie County, Florida, taken as a whole. Our opinion is not modified with respect to these matters.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk of the Circuit Court and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Clerk of the Circuit Court's ability to continue as a going concern for one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility 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 opinion. 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 GAAS and *Government 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 judgement made by a reasonable user based on these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement 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 Clerk of the Circuit Court'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk of the Circuit Court'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.

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 31, 2024 on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

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 Clerk of the Circuit Court'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 Clerk of the Circuit Court's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024

**Clerk of the Circuit Court
St. Lucie County, Florida
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2023**

	General Fund	Public Records Modernization Fund	Total Governmental Funds
ASSETS			
Cash and investments	\$ 2,325,988	\$ 1,492,007	\$ 3,817,995
Due from other governments	202,137	-	202,137
Prepaid expenses	444	-	444
	<u>\$ 2,528,569</u>	<u>\$ 1,492,007</u>	<u>\$ 4,020,576</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 804,611	\$ 124,106	\$ 928,717
Accrued liabilities	286,090	20,076	306,166
Deposits payable	29,620	-	29,620
Due to other governments	1,408,248	-	1,408,248
	<u>2,528,569</u>	<u>144,182</u>	<u>2,672,751</u>
Fund Balances:			
Nonspendable:			
Prepaid expenses	444	-	444
Restricted:			
Court modernization	-	1,347,825	1,347,825
Unrestricted	(444)	-	(444)
	<u>-</u>	<u>1,347,825</u>	<u>1,347,825</u>
Total Liabilities and Fund Balances	<u>\$ 2,528,569</u>	<u>\$ 1,492,007</u>	<u>\$ 4,020,576</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court
St. Lucie County, Florida
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023**

	General Fund	Public Records Modernization Fund	Total Governmental Funds
Revenues			
Intergovernmental	\$ 1,071,524	\$ -	\$ 1,071,524
Charges for services	6,887,001	921,128	7,808,129
Fines and forfeitures	1,683,988	-	1,683,988
Interest	465,150	39,351	504,501
Miscellaneous	100,493	14,954	115,447
Total Revenues	<u>10,208,156</u>	<u>975,433</u>	<u>11,183,589</u>
Expenditures			
Current			
General government	4,709,611	-	4,709,611
Court related	7,335,001	1,123,272	8,458,273
Capital outlay	593,783	146,218	740,001
Debt Service			
Principal	78,828	8,753	87,581
Total Expenditures	<u>12,717,223</u>	<u>1,278,243</u>	<u>13,995,466</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(2,509,067)</u>	<u>(302,810)</u>	<u>(2,811,877)</u>
Other Financing Sources/(Uses)			
Initiation of SBITA	232,667	25,834	258,501
Transfers from Board of County Commissioners	2,806,651	-	2,806,651
Transfers to Board of County Commissioners	(530,251)	-	(530,251)
Total Other Financing Sources/(Uses)	<u>2,509,067</u>	<u>25,834</u>	<u>2,534,901</u>
Net change in fund balance	-	(276,976)	(276,976)
Fund Balances - October 1, 2022	-	1,624,801	1,624,801
Fund Balances - September 30, 2023	<u>\$ -</u>	<u>\$ 1,347,825</u>	<u>\$ 1,347,825</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court
St. Lucie County, Florida
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 879,326	\$ 1,071,524	\$ 1,071,524	\$ -
Charges for services	8,186,100	6,887,001	6,887,001	-
Fines and forfeitures	1,503,400	1,683,988	1,683,988	-
Interest	231,400	465,150	465,150	-
Miscellaneous	48,000	100,493	100,493	-
Total Revenues	<u>10,848,226</u>	<u>10,208,156</u>	<u>10,208,156</u>	<u>-</u>
Expenditures				
Current				
General government	6,134,143	4,733,517	4,709,611	23,906
Court related	7,520,734	7,389,923	7,335,001	54,922
Capital outlay	-	361,116	593,783	(232,667)
Debt Service				
Principal	-	-	78,828	(78,828)
Total Expenditures	<u>13,654,877</u>	<u>12,484,556</u>	<u>12,717,223</u>	<u>(232,667)</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(2,806,651)</u>	<u>(2,276,400)</u>	<u>(2,509,067)</u>	<u>(232,667)</u>
Other Financing Sources/(Uses)				
Initiation of SBITA	-	-	232,667	232,667
Transfers from Board of County Commissioners	2,806,651	2,806,651	2,806,651	-
Transfers to Board of County Commissioners	-	(530,251)	(530,251)	-
Total Other Financing Sources/(Uses)	<u>2,806,651</u>	<u>2,276,400</u>	<u>2,509,067</u>	<u>232,667</u>
Net change in fund balance	-	-	-	-
Fund Balances - October 1, 2022	-	-	-	-
Fund Balances - September 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Clerk of the Circuit Court
St. Lucie County, Florida
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
PUBLIC RECORDS MODERNIZATION FUND
For the Year Ended September 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 1,316,000	\$ 921,128	\$ 921,128	\$ -
Interest	45,000	39,351	39,351	-
Miscellaneous	12,000	14,954	14,954	-
Total Revenues	1,373,000	975,433	975,433	-
Expenditures				
Current:				
Court related	3,093,000	2,575,049	1,123,272	1,451,777
Capital outlay	-	120,384	146,218	(25,834)
Debt Service				
Principal	-	-	8,753	(8,753)
Total Expenditures	3,093,000	2,695,433	1,278,243	1,417,190
Excess/(deficiency) of revenues over/(under) expenditures	(1,720,000)	(1,720,000)	(302,810)	1,451,777
Other Financing Sources/(Uses)				
Initiation of SBITA	-	-	25,834	25,834
Net change in fund balance	(1,720,000)	(1,720,000)	(276,976)	1,443,024
Fund Balance - October 1, 2022	1,720,000	1,720,000	1,624,801	(95,199)
Fund Balance - September 30, 2023	\$ -	\$ -	\$ 1,347,825	\$ 1,347,825

See accompanying notes to financial statements.

**Clerk of the Circuit Court
St. Lucie County, Florida
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2023**

	<u>Custodial Funds</u>
Assets	
Cash and investments	<u>\$ 13,898,586</u>
Liabilities	
Vouchers payable	13,690
Due to other governments	<u>4,997,702</u>
Total Liabilities	<u>5,011,392</u>
Net Position	
Restricted-held for others	<u><u>\$ 8,887,194</u></u>

See accompanying notes to financial statements.

**Clerk of Circuit Court
St. Lucie County, Florida
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended September 30, 2023**

	Custodial Funds
ADDITIONS	
Fees collected	\$ 20,788,308
Family relations	636,286
Court registry	19,654,681
Cash bonds	690,584
Witness Fees	32,628
Total Additions	41,802,487
 DEDUCTIONS	
Collected fee payments	20,526,058
Family relations payments	633,098
Court registry payments	22,780,499
Cash bond payments	1,117,251
Witness fee payments	23,255
Total Deductions	45,080,161
 Change in Net Position	 (3,277,674)
 Net position - October 1, 2022	 12,164,868
 Net position - September 30, 2023	 \$ 8,887,194

See accompanying notes to financial statements.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 1 – Summary of the Significant Accounting Policies

The summary of significant accounting policies followed by the Clerk of the Circuit Court, St. Lucie County, Florida, is summarized below.

Reporting Entity

The Clerk of the Circuit Court is a county officer as established by Article VIII, Section(1)(d) of the Constitution of the State of Florida.

For financial statement and reporting purposes, the Clerk of the Circuit Court does not meet the definition of a legally separate organization and is not considered to be a component unit. The Clerk of the Circuit Court is considered to be part of the primary government of St. Lucie County, Florida. The financial statements contained herein represent the financial transactions of the Clerk of the Circuit Court only and do not represent the financial transactions of the primary government of St. Lucie County, Florida.

Basis of Presentation

The financial statements have been prepared in accordance with the fund financial statements presentation requirements of GASB Statement No. 34.

Fund Description

The Clerk of the Circuit Court maintains financial records and accounts on the basis of governmental and fiduciary funds.

a. Governmental Funds

General Fund – The General Fund is used to account for the general operations of the Clerk of the Circuit Court.

Special Revenue Fund – The Public Records Modernization Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

b. Fiduciary Fund

Custodial Fund – The Custodial Fund is used to report assets held in a trustee or custodial capacity for others and therefore, cannot be used to support the Clerk’s own programs.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 1 – Summary of the Significant Accounting Policies – Continued

Bases of Accounting, Measurement Focus and Presentation

Governmental fund financial statements report using the current financial resources measurement focus and are maintained on the modified accrual basis. The custodial fund utilizes the accrual method. Under the modified accrual basis of accounting revenues are generally recognized when they become measurable and available and expenditures are recognized when incurred. Revenues collected in excess of expenditures are not considered earned and are reflected as liabilities.

Budget

An operating budget for the General Fund is prepared by the Clerk of the Circuit Court and submitted to the Board of County Commissioners for approval and to the Florida Court Clerk Operations Corporation for the court related functions pursuant to State Statutes. The Clerk of the Circuit Court also prepares a budget for the Public Records Modernization special revenue fund. The budgets are prepared on a basis consistent with generally accepted accounting principles.

Capital Assets

Acquisitions of equipment with a cost of \$5,000 or more are recorded as expenditures at the time of purchase for governmental fund financial statements. The equipment is reported to and capitalized by the Board of County Commissioners pursuant to State Statutes.

Accrued Compensated Absences

Accrued compensated absences reflect the liability of the Clerk of the Circuit Court for the employees' rights to receive future compensation for their accrued annual leave and vested sick leave, since the Clerk of the Circuit Court does not, nor is the Clerk of the Circuit Court legally required to, accumulate financial resources to liquidate this obligation, the liability for accrued compensated absences is not reported in the governmental fund.

Transfers

All revenues and other sources in excess of expenditures in the General Fund non-court related operations at year-end are owed to the Board of County Commissioners in accordance with State Statutes. The excess fees for the court related function are owed to the Clerk Trust Fund.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 1 – Summary of the Significant Accounting Policies – Continued

Subscription-Based Information Technology Arrangements (SBITA)

The Clerk determines if an agreement is a subscription-based arrangement at inception. Subscription arrangements are included as right-to-use subscription assets and subscription liabilities in the financial statements of St. Lucie County, Florida; however, these arrangements are not reflected in the financial statements of the Clerk since they are not payable from available resources. Payments for short-term arrangements with a term of 12 months or less are recognized as expenses as incurred. The Clerk has a \$100,000 threshold, for total payments, for arrangements to be subject to GASB 96. Short-term arrangements and subscriptions under the threshold are not included as subscription liabilities or right-to-use subscription assets on the Statement of Net Position in the financial statements of St. Lucie County, Florida.

Governmental Accounting Standards Board Statement No. 96

The Clerk implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which changes the accounting and financial reporting for subscription-based information technology arrangements. Under previous guidance, SBITAs were expensed when incurred. GASB Statement No. 96 defines a SBITA as a contract that conveys control of the right to use another entity's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under GASB Statement No. 96, SBITAs other than short-term SBITAs, defined as having a maximum possible term of 12 months or less, are required to be recognized on the Statement of Net Position in the financial statements of St. Lucie County, Florida. An end user of a SBITA should recognize a subscription liability and an intangible right-to-use subscription asset.

Additional information regarding SBITAs is present in subsequent notes.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 1 – Summary of the Significant Accounting Policies – Continued

Fund Financial Statements

In accordance with Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions, fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The Clerk of the Circuit Court has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This category includes amounts that have externally imposed restrictions or restrictions imposed by laws.

Committed Fund Balance – This category usually consists of contractual obligations which require a formal approval from the Board of County Commissioners. This type of fund balance can only be removed by the Board of County Commissioners through the same approval process. This category also includes an emergency reserve which is established by the Board of County Commissioners. The amount can only be used for natural and manmade disasters.

Assigned – This classification includes amounts that are intended by the County to be used for specific purposes, but are neither restricted nor committed. Assignments may be made only by the governing body or official.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Note 2 – Cash and Investments

A. Deposits

As of September 30, 2023, the total carrying amount of the deposits with qualified public depositories for governmental funds was \$2,646,798 and the carrying amount for custodial funds was \$9,670,163 and the total bank balance was \$13,792,208. All deposits are insured by federal depository insurance or collateralized under the provisions of Chapter 280, Florida Statutes.

B. Investments

The Clerk had \$1,157,352 in investments in governmental funds and \$4,228,423 invested in custodial funds.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 2 – Cash and Investments – Continued

B. Investments (Continued)

As of September 30, 2023, the Clerk of the Circuit Court had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>	<u>Book Value</u>
Florida Fixed Income Trust	N/A	<u>\$ 5,385,775</u>	<u>\$ 5,385,775</u>

The Clerk of the Circuit Court categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The Clerk of the Circuit Court uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the Clerk of the Circuit Court's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investment in Florida Fixed Income Trust is a Level 1 asset.

Interest Rate Risk

The Clerk of the Circuit Court's only exposure to interest rate risk is the reduction in the interest earned on his investment.

Credit Risk

As of September 30, 2023, the Clerk of the Circuit Court's investment in Florida Fixed Income Trust was rated AAf by Standard & Poor's.

Concentration of Credit Risk

Section 218.401(17), Florida Statutes, limit the type of investments available to the Clerk of the Circuit Court for investment. The Clerk of the Circuit Court has chosen to invest in an intergovernmental investment pool.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 3 – Pension Plan

The employees of the Clerk of the Circuit Court participate in the Florida Retirement System, a cost-sharing multiple-employer plan.

The details of the plan, the funding policies and other pension information are defined in the financial statements and notes to financial statements of St. Lucie County, Florida.

Member contribution rates changed effective July 1, 2011. Employee contributions of 3% are now required. Contributions to the plan by the Clerk of the Circuit Court for the fiscal years ended September 30, 2023, 2022, and 2021 were \$967,363, \$883,450, and \$689,864, respectively, which is equal to the required contribution for each year. The employee contribution portion for the year ended September 30, 2023, 2022, and 2021 was \$196,033, \$190,725, and \$180,585, respectively.

For those employees who elect participation in the Investment Plan rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration.

The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to the Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by calling 850-488-4742.

Note 4 – Risk Management

The Clerk of the Circuit Court participates in a public entity risk pool for the purpose of obtaining various insurance coverage other than health and life insurance. Other members of the pool consist of the Board of County Commissioners and the other elected officials, except the Sheriff, two municipalities and another county.

The operations of this public entity risk pool are outlined in the notes to financial statements of St. Lucie County, Florida.

The Clerk of the Circuit Court along with the Board of County Commissioners, Tax Collector, Supervisor of Elections and Property Appraiser are self-insured for group health. Certain former employees are also eligible and participate in the plan. The financial transactions of this plan are accounted for in an internal service fund of the Board of County Commissioners. The cost to the Clerk of the Circuit Court is based on historical claims and totaled \$2,470,581 for the year ended September 30, 2023. Further details of this self-insurance program are discussed in the notes to financial statements of St. Lucie County, Florida.

**Clerk of the Circuit Court
St. Lucie County, Florida
NOTES TO FINANCIAL STATEMENTS
September 30, 2023**

Note 5 – Accrued Compensated Absences

The accrued amount of annual leave and vested sick leave at September 30, 2023, was \$620,276 as compared to \$580,113, the balance at September 30, 2022.

This liability is not reflected in the financial statements of the Clerk of the Circuit Court since it is not payable from available resources.

Note 6 – Subscription-based Information Technology Arrangements

The Clerk entered into one subscription-based information technology arrangement (SBITA) under governmental activities in the current year. The arrangement holds a term of 36 months. The expected payments are discounted using the imputed interest rate of 1.65 percent. The future minimum payments under this arrangement and the present value of the minimum future payments as of September 30, 2023, are as follows:

Subscription Obligation/Liability:

Year Ending September 30,	Principal	Interest	Total
2024	\$ 84,761	\$ 2,820	\$ 87,581
2025	86,159	1,422	87,581
Totals	<u>\$ 170,920</u>	<u>\$ 4,242</u>	<u>\$ 175,162</u>

Future Use of Subscription Amortization:

Description	Beginning Balance	Additions	Deletions	Ending Balance
Right-to-use subscription assets	\$ -	\$ 258,501	\$ -	\$ 258,501
Less: Accumulated Amortization	-	(43,084)	-	(43,084)
Total Subscription Assets, Net	<u>\$ -</u>	<u>\$ 215,417</u>	<u>\$ -</u>	<u>\$ 215,417</u>

SBITAs are not reflected in the financial statements of the Clerk since they are not payable from available resources.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

**Clerk of the Circuit Court
St. Lucie County, Florida**

September 30, 2023



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, 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 financial statements, as listed in the table of contents, of the Clerk of the Circuit Court, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated January 31, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk of the Circuit Court'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk of the Circuit Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk of the Circuit Court'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 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. 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 or significant deficiencies may exist that have not been identified.

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk of the Circuit Court's financial statements are free of 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 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 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.



Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024

MANAGEMENT LETTER

**Clerk of the Circuit Court
St. Lucie County, Florida**

September 30, 2023



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MANAGEMENT LETTER

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Report on the Financial Statements

We have audited the financial statements of the Clerk of the Circuit Court as of and for the year ended September 30, 2023, and have issued our report thereon dated January 31, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated January 31, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations in the preceding annual financial report. There were no findings or recommendations made in the preceding annual financial report.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the Clerk of the Circuit Court has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Clerk of the Circuit Court has not met one of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2023 for the Clerk of the Circuit Court. It is management's responsibility to monitor the Clerk of the Circuit Court's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Fort Pierce / Stuart



Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Clerk of the Circuit Court, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024

**Clerk of the Circuit Court
St. Lucie County, Florida
September 30, 2023**

**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 61.181(1), FLORIDA STATUTES**



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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 218.415, FLORIDA STATUTES**

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

We have examined Clerk of the Circuit Court's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2023. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024



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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

We have examined Clerk of the Circuit Court's compliance with Sections 28.35 and 28.36, Florida Statutes during the year ended September 30, 2023. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024



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**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE WITH
SECTION 61.181(1), FLORIDA STATUTES**

Honorable Michelle R. Miller
Clerk of the Circuit Court
St. Lucie County, Florida

We have examined the Clerk of the Circuit Court's compliance with Section 61.181(1), Florida Statutes during the year ended September 30, 2023. Management is responsible for the Clerk of the Circuit Court's compliance with those requirements. Our responsibility is to express an opinion on the Clerk of the Circuit Court's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Clerk of the Circuit Court's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk of the Circuit Court's compliance with the specified requirements.

In our opinion, the Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

*Berger Toombs Elam
Gaines + Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

January 31, 2024