



SINGLE AUDIT AND OTHER AUDIT REQUIREMENTS



ST. JOHNS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022.

| Federal Agency | Assistance Listing Number | Contract Number | Expenditures | Program/Cluster Totals | Expenditures to Subrecipients |
|--|---------------------------------|---|---------------------|---------------------------|-------------------------------------|
| Department of Housing and Urban Development | | | | | |
| Direct Assistance: | | | | | |
| Housing Counseling Assistance Program | 14.169 | HC200421042 | 55,604 | | - |
| Housing Counseling Assistance Program | 14.169 | HC210421084 | 32,166 | \$37,770 | - |
| Community Development Entitlement Grants Cluster | 14.218 | 8-16-UC-12-0021 | 120,478 | | 29,575 |
| Community Development Entitlement Grants Cluster | 14.218 | 8-17-UC-12-0021 | 85,236 | | 82,186 |
| Community Development Entitlement Grants Cluster | 14.218 | 8-18-UC-12-0021 | 380,894 | | - |
| Community Development Entitlement Grants Cluster | 14.218 | 8-19-UC-12-0021 | 2,868 | | 2,695 |
| Community Development Entitlement Grants Cluster | 14.218 | 8-20-UC-12-0021 | 177,285 | | - |
| Community Development Entitlement Grants Cluster | 14.218 | 8-20-UW-12-0021 | 126,805 | | 121,365 |
| Community Development Entitlement Grants Cluster | 14.218 | 8-21-UC-12-0021 | 87,610 | 981,176 | - |
| Passed through the Florida Department of Economic Opportunity | | | | | |
| Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii | 14.228 | 170B-OL-04-65-01-W01 | 36,269,717 | 36,269,717 | - |
| Passed through the Florida Department of Children and Families and Flagler Hospital | | | | | |
| Emergency Solutions Grant Program | 14.231 | NP006 | 35,421 | 35,421 | - |
| Department of Justice | | | | | |
| Passed through Florida Department of Legal Affairs, Office of the Attorney General | | | | | |
| Victim of Crimes Act | 16.575 | VOCA-2021-St. Johns County Sheriff-00702 | 125,308 | 125,308 | - |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 2021-IAGC-STJO-1-3B_055 | 25,173 | | - |
| Direct Assistance: | | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 16.738 | 15PBIA-21-GG-01346-JAGX | 23,288 | 48,461 | - |
| Direct Assistance: | | | | | |
| Public Safety Partnership and Community Policing Grants | 16.710 | 15JCOPS-21-GG-02472-SPPS | 62,500 | 62,500 | - |
| Department of Transportation | | | | | |
| Direct Assistance: | | | | | |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2018-015-01; 6410-2017-2 | 70,226 | | - |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2019-077-01; 6410-2019-1 | 649,081 | | 520,838 |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2020-044-01; 6410-2020-2 | 741,946 | | 313,672 |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2018-106-00; 6410-2018-1 | 14,222 | | - |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2018-125-00; 6410-2017-3 | 154,398 | | - |
| Federal Transit Formula Grants/Federal Transit Cluster | 20.507 | FL-2021-025-00 | 18,613 | 1,648,486 | - |
| Passed through the Florida Department of Transportation | | | | | |
| Highway Planning and Construction Cluster | 20.205 | G1S1; 439470-1-58-01 & 68-02 | 624,396 | | - |
| Highway Planning and Construction Cluster | 20.205 | g1s50; 441220-1-58-01 | 117,606 | | - |
| Highway Planning and Construction Cluster | 20.205 | ASRS2;445863-1-38-01; 58-01; 68-01 | 160,463 | 902,465 | - |
| Passed through the Florida E911 Board: | | | | | |
| E-911 Grant Program | 20.615 | S18-21-05-14 | 403,759 | | - |
| E-911 Grant Program | 20.615 | S18-21-05-13 | 140,712 | 544,471 | - |
| Department of the Treasury | | | | | |
| Passed through the Florida Housing Finance Corporation | | | | | |
| Coronavirus Relief Fund | 21.019 | 089-2020 | 357,451 | 357,451 | 304,600 |
| Direct Assistance: | | | | | |
| Emergency Rental Assistance Program | 21.023 | | 345,885 | | - |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | 5,130,410 | 5,476,295 | - |
| Small Business Administration | | | | | |
| Shuttered Venue Operators Grants | 59.075 | SBAHQ21SV003539 | 2,992,284 | 2,992,284 | - |
| Election Assistance Commission | | | | | |
| Passed through the Florida Department of State, Division of Elections | | | | | |
| Help America Vote Act | 90.404 | 2021-001 | 9,019 | | - |
| Help America Vote Act | 90.404 | ESF1 #22.e.es.200.058 | 11,194 | | - |
| Help America Vote Act | 90.404 | ESF4 #22.e.es.300.058 | 32,752 | 52,965 | - |
| Passed through the Florida Department of Children and Families | | | | | |
| Guardianship Assistance: | 93.090 | NJ206 | 32,256 | 32,256 | - |
| Promoting Safe and Stable Families | 93.556 | NJ206 | 243,699 | 243,699 | - |
| Temporary Assistance for Needy Families Block Grant (477 Cluster) | 93.558 | NJ206 | 175,572 | 175,572 | - |
| Child Care and Development Block Grant | 93.575 | NJ206 | 87,530 | 87,530 | - |
| Adoption and Legal Guardianship Incentive Payments | 93.603 | NJ206 | 38,336 | 38,336 | - |
| Stephanie Tubbs Jones Child Welfare Services Program | 93.645 | NJ206 | 120,503 | 120,503 | - |
| Foster Care-Title IV-E | 93.658 | NJ206 | 872,369 | 872,369 | - |
| Adoption Assistance | 93.659 | NJ206 | 1,256,591 | 1,256,591 | - |
| Social Services Block Grant | 93.667 | NJ206 | 78,464 | 78,464 | - |
| Child Abuse and Neglect State Grants | 93.669 | NJ206 | 17,210 | 17,210 | - |
| Chafee Foster Care Independence Program | 93.674 | NJ206 | 101,774 | 101,774 | - |
| Medical Assistance Program (Medicaid Cluster) | 93.778 | NJ206 | 7,939 | 7,939 | - |
| Passed through the Florida Department of Revenue | | | | | |
| Child Support Enforcement - Title IV-D | 93.563 | COC55 | 116,035 | 116,035 | - |
| Passed through Northeast Florida Area Agency on Aging | | | | | |
| Low Income Home Energy Assistance | 93.568 | P021-STJBCC | 6,705 | 6,705 | - |
| Executive Office of the President | | | | | |
| Direct Assistance: | | | | | |
| High Intensity Drug Trafficking Areas Program | 95.001 | G20NF0001A | 301,423 | | - |
| High Intensity Drug Trafficking Areas Program | 95.001 | G21NF0001A | 3,243,926 | | - |
| High Intensity Drug Trafficking Areas Program | 95.001 | G22NF0001A | 479,805 | 4,025,154 | - |
| Department of Homeland Security | | | | | |
| Direct Assistance: | | | | | |
| Staffing for Adequate Fire and Emergency Response | 97.083 | EMW-2017-FH-00331 | 205,930 | | - |
| Staffing for Adequate Fire and Emergency Response | 97.083 | EMW-2018-FH-00045 | 533,221 | | - |
| Staffing for Adequate Fire and Emergency Response | 97.083 | EMW-2020-FF-00767 | 767,862 | 1,507,013 | - |
| Passed through the Florida Division of Emergency Management | | | | | |
| Disaster Grants - Public Assistance | 97.036 | 17-PA-US-04-65-02-125 | 9,445,461 | | - |
| Disaster Grants - Public Assistance | 97.036 | 20276 | 8,319,761 | | - |
| Disaster Grants - Public Assistance | 97.036 | 22493 | 2,265 | | - |
| Disaster Grants - Public Assistance | 97.036 | 21636 | 167,531 | 17,935,018 | - |
| Hazard Mitigation Grant | 97.039 | H0013 | 331,910 | | - |
| Hazard Mitigation Grant | 97.039 | H0014 | 318,186 | | - |
| Hazard Mitigation Grant | 97.039 | H0494 | 338,411 | | - |
| Hazard Mitigation Grant | 97.039 | H0539 | 141,029 | 1,129,536 | - |
| Emergency Management Performance Grants | 97.042 | G0329 | 90,555 | | - |
| Emergency Management Performance Grants | 97.042 | G0342 | 13,926 | 104,481 | - |
| Homeland Security Grant Program | 97.067 | EMW-2020-SS-0056-S01; #R0445 | 2,724 | | - |
| Homeland Security Grant Program | 97.067 | EMW-2018-SS-00064-S01 | 56,000 | 58,724 | - |
| Total Expenditures of Federal Awards | | | <u>\$77,449,679</u> | <u>\$77,449,679</u> | <u>\$ 1,374,921</u> |

(continued)

ST. JOHNS COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

| State Agency | State CSFA Number | Contract Number | Expenditures | Project Totals | Expenditures to Subrecipients |
|--|-------------------------|-----------------------|----------------------|----------------------|-------------------------------------|
| Executive Office of the Governor: Emergency Management Programs | 31.063 | A0228 | 96,502 | 96,502 | - |
| Department of Environmental Protection: | | | | | |
| Beach Management Funding Assistance Program | 37.003 | 17SJ1 | 2,156,892 | | - |
| Beach Management Funding Assistance Program | 37.003 | 21SJ1 | 6,671,810 | | - |
| Beach Management Funding Assistance Program | 37.003 | 21SJ2 | 33,923 | 8,862,625 | - |
| Drinking Water Facility Construction | 37.076 | DW550130 | 449,492 | 449,492 | - |
| Wastewater Treatment Facility Construction | 37.077 | WW550150 | 1,846,461 | | - |
| Wastewater Treatment Facility Construction | 37.077 | WW550160 | 130,760 | | - |
| Wastewater Treatment Facility Construction | 37.077 | WW550170 | 1,673,560 | 3,650,781 | - |
| Florida Housing Finance Corporation: | | | | | |
| State Housing Initiatives Partnership Program | 40.901 | 2021-2022 | 52,348 | 52,348 | 38,900 |
| Department of State and Secretary of State: | | | | | |
| State Aid to Libraries | 45.030 | 22.l.sa.000.190 | 117,213 | 117,213 | - |
| Historic Preservation Grants | 45.031 | 22.h.sm.200.101 | 46,490 | | - |
| Historic Preservation Grants | 45.031 | 22.h.sm.300.109 | 17,268 | 63,758 | - |
| Department of Transportation: | | | | | |
| County Incentive Grant Program | 55.008 | G1I56; 442785-1-54-01 | 29,625 | 29,625 | - |
| Public Transit Block Grant Program | 55.010 | G1W93; 418441-1-84-21 | 432,397 | 432,397 | 432,397 |
| Transportation Regional Incentive Program | 55.026 | G1I56; 442785-1-54-01 | 29,625 | 29,625 | - |
| Local Transportation Projects | 55.039 | G1H43; 445799-1-54-01 | 723,477 | | - |
| Local Transportation Projects | 55.039 | G1I55; 445798-1-54-01 | 310,361 | | - |
| Local Transportation Projects | 55.039 | G1S52; 445798-2-54-01 | 402,671 | | - |
| Local Transportation Projects | 55.039 | G2272;44733-2-54-01 | 155,504 | 1,592,013 | - |
| Department of Children and Families: | | | | | |
| Homeless Grants-in-Aid | 60.021 | NP006 | 46,641 | 46,641 | - |
| Out-of-Home Supports | 60.074 | NJ206 | 1,048,701 | 1,048,701 | - |
| CBC - Adoption Services | 60.076 | NJ206 | 16,063 | 16,063 | - |
| The Independent Living and Road to Independence Program | 60.112 | NJ206 | 21,286 | 21,286 | - |
| Extended Foster Care Program | 60.141 | NJ206 | 14,474 | 14,474 | - |
| CBC - Purchase of Therapeutic Services for Children | 60.183 | NJ206 | 32,782 | 32,782 | - |
| Family Finders Program | 60.206 | NJ206 | 85,521 | 85,521 | - |
| Kinship Navigator Program | 60.207 | NJ206 | 868,017 | 868,017 | - |
| Guardianship Assistance Program | 60.210 | NJ206 | 3,610 | 3,610 | - |
| CBC- Fatherhood Engagement Specialists | 60.211 | NJ206 | 14,359 | 14,359 | - |
| Early Childhood Court Case Management & Prevention Services | 60.225 | NJ206 | 4,432 | 4,432 | - |
| State Funded Child Care Subsidy | 60.244 | NJ206 | 6,982 | 6,982 | - |
| Department of Health | | | | | |
| County Grant Awards | 64.005 | C0058 | 17,526 | 17,526 | - |
| Department of Management Services | | | | | |
| Prepaid Next Generation 911 (NG911)State Grant Program | 72.003 | S15-20-06-27 | 21,979 | 21,979 | - |
| Total expenditures of state financial assistance | | | <u>\$ 17,578,752</u> | <u>\$ 17,578,752</u> | <u>\$ 471,297</u> (concluded) |

ST. JOHNS COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal and State award activity of St. Johns County, Florida for the year ended September 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized when they become a demand on current available financial resources. Expenditures on contracts are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The County did not elect to charge the 10% de minimus indirect cost rate as outlined in the Uniform Guidance or any other indirect cost rate to any federal or state programs.

NOTE 4 – SUBRECIPIENTS

The County provided federal awards to subrecipients as follows:

| Federal Program | Federal Assistance listing | |
|--|----------------------------|---------------------|
| | Number | Amount |
| Community Development Entitlement Grants Cluster | 14.218 | \$ 235,821 |
| Federal Transit Formula Grants | 20.507 | 834,510 |
| Coronavirus Relief Fund | 21.019 | 304,600 |
| Total | | <u>\$ 1,374,931</u> |

The County provided state awards to subrecipients as follows:

| State Project | State CSFA Number | |
|---|-------------------|-------------------|
| | | Amount |
| State Housing Initiatives Partnership Program | 40.901 | \$ 38,900 |
| Public Transit Block Grant Program | 55.010 | 432,397 |
| Total | | <u>\$ 471,297</u> |

ST. JOHNS COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NOTE 5 – OTHER

The County does not participate in any loan or loan guarantee programs at the Federal level, but did participate in the State Revolving Loan (SRF) program of the State of Florida. Current year borrowing for the SRF was \$4,100,273. The balance of SRF loans at September 30, 2022 was \$56,633,807. The County did not receive any non-cash federal or state assistance in fiscal year 2022.



**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***

Honorable Board of County Commissioners
St. Johns 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 of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Johns County, Florida (the "County") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 21, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness 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 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Board of County Commissioners
St. Johns County, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

We have also issued a management letter to the Board of County Commissioners, St. Johns County, Florida dated June 21, 2023 presenting certain required disclosures and comments pursuant to the Chapter 10.550, *Rules of the Auditor General*.

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.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
June 21, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY THE
UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Board of County Commissioners
St. Johns County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the compliance of St. Johns County, Florida (the "County") with the types of compliance requirements described in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2022. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Basis for Opinion for Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards; the Uniform Guidance; and Chapter 10.550, *Rules of the Auditor General* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs and state projects. In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance; and Chapter 10.550, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance (*Continued*)

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

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

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

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 21, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis, as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
June 21, 2023

ST. JOHNS COUNTY, FLORIDA
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards and State Financial Assistance

Internal control over major programs/projects:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Type of report issued on compliance for major federal programs and major state projects:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*?

___ Yes X No

Identification of Major Federal Programs and Major State Projects:

AL Numbers

Name of Federal Programs

| | |
|-----------------|--|
| 14.228 | Community Development Block Grants/State's Program |
| 20.507 / 20.526 | Federal Transit Cluster |
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |
| 97.036 | Disaster Grants – Public Assistance |

CSFA Numbers

Name of State Projects

| | |
|--------|-------------------------------------|
| 37.003 | Beach Management Funding Assistance |
| 60.074 | Out-of-Home Supports |
| 60.207 | Kinship Navigator Program |

Dollar threshold used to distinguish between

| | |
|-------------------------------------|--------------------|
| Type A and Type B programs: Federal | <u>\$2,323,490</u> |
| State | <u>\$ 750,000</u> |

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

___ Yes X No

ST. JOHNS COUNTY, FLORIDA
Schedule of Findings and Questioned Costs (*Continued*)
For the Year Ended September 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS
SECTION

None reported.

SECTION IV - PRIOR-YEAR AUDIT FINDINGS

Financial Statement Finding 2020-001 - Timeliness of Bank Reconciliations

Status: Resolved

Financial Statement Finding 2021-001 - Unbilled Water and Sewer Receivables

Status: Resolved



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Board of County Commissioners
St. Johns County, Florida

Report on the Financial Statements

We have audited the basic financial statements of St. Johns County, Florida (the "County") as of and for the year ended September 30, 2022, and have issued our report thereon dated June 21, 2023.

Auditor's Responsibility

We conducted our audit 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the 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*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, Schedule of Findings and Questioned Costs, and Independent Accountant'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 those reports and schedule, which are dated June 21, 2023, 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 made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report except for Finding MLC 2020-002 which was included in the second preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the County did not meet any 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 condition assessment procedures. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

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

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Anastasia Sanitary District (the "Sanitary District"), a dependent special district of the County, reported:

- a) The total number of Sanitary District employees compensated in the last pay period of the Sanitary District's fiscal year as 0.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Sanitary District's fiscal year as 0.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e) Each construction project with a total cost of at least \$65,000 approved by the Sanitary District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. N/A.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Sanitary District amends a final adopted budget under Section 189.016(6), Florida Statutes as N/A.

Special District Component Units (*Continued*)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Elkton Drainage District (the “Drainage District”), a dependent special district of the County, reported:

- a) The total number of Drainage District employees compensated in the last pay period of the Drainage District’s fiscal year as 0.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Drainage District’s fiscal year as 1.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$6,360.
- e) Each construction project with a total cost of at least \$65,000 approved by the Drainage District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. N/A.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Drainage District amends a final adopted budget under Section 189.016(6), Florida Statutes as N/A.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Ponte Vedra Zoning and Adjustment Board (the “Zoning Board”), a dependent special district of the County, reported:

- a) The total number of Zoning Board employees compensated in the last pay period of the Zoning Board’s fiscal year as 1.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Zoning Board’s fiscal year as 0.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$5,906.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e) Each construction project with a total cost of at least \$65,000 approved by the Zoning Board that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. N/A.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Zoning Board amends a final adopted budget under Section 189.016(6), Florida Statutes as N/A.

Special District Component Units (Continued)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Vilano Beach Street Lighting District (the “Lighting District”), a dependent special district of the County, reported:

- a) The total number of Lighting District employees compensated in the last pay period of the Lighting District’s fiscal year as 0.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Lighting District’s fiscal year as 0.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e) Each construction project with a total cost of at least \$65,000 approved by the Lighting District that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - i. N/A.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Lighting District amends a final adopted budget under Section 189.016(6), Florida Statutes as N/A.

Specific information of the St. Johns County Community Redevelopment Agency, the Housing Finance Authority of St. Johns County, and the St. Johns County Industrial Development Authority, dependent districts of the County, that are required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, are reported in the respective dependent district’s management letters for the fiscal year ended September 30, 2022.

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 had the following recommendation:

MLC 2020-002 - Unexpended Fund Balance – Building Permits

Criteria:

Section 553.80(7)(a), Florida Statutes, has been updated to limit the amount of unexpended building permit funds carried forward to future fiscal years to no more than the County’s average operating budget for enforcing the Florida Building Code for the previous four fiscal years. A local government must use any fund in excess of this limitation to rebate or reduce fees.

Condition:

The County’s unexpended building permit funds in the Building Services Fund at September 30, 2020, exceeded the County’s average operating budget for enforcing the Florida Building Code for the previous four fiscal years by substantial amounts.

Honorable Board of County Commissioners
St. Johns County, Florida

Additional Matters (*Continued*)

Recommendation:

We continue to recommend that the County take steps to reduce the amount of unexpended building code balances in order to comply with Section 553.80(7)(a) of Florida Statutes.

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, County Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
June 21, 2023



INDEPENDENT ACCOUNTANT'S REPORT

Honorable Board of County Commissioners
St. Johns County, Florida

We have examined the compliance of St. Johns County, Florida (the "County") with the requirements of Sections 218.415, 365.172(10), and 365.173(2)(d), Florida Statutes, during the year ended September 30, 2022. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County is in accordance with those with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the County's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
June 21, 2023



Brandon J. Patty

Clerk of the Circuit Court and County Comptroller | St. Johns County, Florida
4010 Lewis Speedway, St. Augustine, FL 32084
(904) 819-3600 | www.stjohnsclerk.com

June 21, 2023

Ms. Sherrill F. Norman, C.P.A.
Auditor General Office
Local Government Audits
Claude Pepper Building
111 West Madison Street
Tallahassee FL 32399-1450

Dear Ms. Norman

This letter is in response to the findings related to the St. Johns County's financial statements audit for the year ended September 30, 2022.

Independent Auditor's Management Letter, MLC 2020-002

The County's Building Department continues to monitor permit activities and is again recommending, for a third year, to maintain building-related fees at the existing reduced rate. The Board of County Commissioners has adopted, as part of their Fiscal Year 2023 budget, an appropriation within the Building Department Fund, toward the construction of a facility, in compliance with Florida Statute 553.80(7)a, to improve and integrate services for the community and building community. That design and construction continues to move forward in anticipation of a competitive construction bid occurring in Fiscal Year 2024 and a completion date of Fiscal Year 2026. It is the opinion of County Administration that the continued monitoring and reduction to fees, coupled with the Commission-approved construction improvements, will attain a balance of unexpended building permit funds to no more than the County's average operating budget for enforcing the Florida Building Code for the previous four fiscal years, as cited within the aforementioned Statute.

Should you need further comment or have any questions or concerns, please feel free to contact us.

Sincerely,


Brandon J. Patty
Clerk of the Circuit Court and Comptroller