

ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2020

ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT

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INDEPENDENT AUDITORS' REPORT

The Honorable Brandon J. Patty, Clerk of the Circuit Court,
St. Johns County, Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the St. Johns County Clerk of the Circuit Court (the Office), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the St. Johns County Clerk of the Circuit Court's financial statements, as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 financial statements 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information for the St. Johns County Clerk of the Circuit Court as of September 30, 2020, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information, only for that portion of the major funds, of St. Johns County, Florida, that is attributable to the St. Johns County Clerk of the Circuit Court. They do not purport to, and do not, present fairly the financial position of St. Johns County, Florida as of September 30, 2020, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

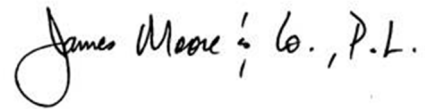
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and are derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the St. Johns County Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. 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 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 St. Johns County Clerk of the Circuit Court's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
June 30, 2021

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

| | <u>General Fund</u> | <u>Records Modernization Fund</u> | <u>Court Modernization Trust Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|---|---|---|---|
| Assets | | | | | |
| Cash and cash equivalents | \$ 2,288,647 | \$ 1,293,388 | \$ 1,066,763 | \$ 47,341 | \$ 4,696,139 |
| Due from other governments | 3,962 | - | - | 18,884 | 22,846 |
| Due from other funds | 11,929 | 165,073 | - | - | 177,002 |
| Due from Board of County Commissioners | 6,410 | - | - | - | 6,410 |
| Prepays | 641 | - | - | - | 641 |
| Total Assets | <u>\$ 2,311,589</u> | <u>\$ 1,458,461</u> | <u>\$ 1,066,763</u> | <u>\$ 66,225</u> | <u>\$ 4,903,038</u> |
| Liabilities and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts payable and accrued expenses | \$ 364,583 | \$ 2,380 | \$ 94,221 | \$ 7,826 | \$ 469,010 |
| Deposits | 53,304 | - | - | - | 53,304 |
| Unearned revenue | 5,314 | - | - | - | 5,314 |
| Due to other governments | 467,204 | - | - | - | 467,204 |
| Due to other funds | 165,073 | - | - | 11,929 | 177,002 |
| Due to Board of County Commissioners | 1,256,111 | - | 1,911 | 1,454 | 1,259,476 |
| Total liabilities | <u>2,311,589</u> | <u>2,380</u> | <u>96,132</u> | <u>21,209</u> | <u>2,431,310</u> |
| Fund Balances | | | | | |
| Restricted for: | | | | | |
| Records modernization | - | 1,456,081 | - | - | 1,456,081 |
| Court operations | - | - | 970,631 | 45,016 | 1,015,647 |
| Total fund balances | <u>-</u> | <u>1,456,081</u> | <u>970,631</u> | <u>45,016</u> | <u>2,471,728</u> |
| Total Liabilities and Fund Balances | <u>\$ 2,311,589</u> | <u>\$ 1,458,461</u> | <u>\$ 1,066,763</u> | <u>\$ 66,225</u> | <u>\$ 4,903,038</u> |

The accompanying notes to financial statements are an integral part of this statement.

ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

| | General Fund | Records Modernization Fund | Court Modernization Trust Fund | Other Governmental Funds | Total Governmental Funds |
|--|-------------------------|---|---|---|---|
| Revenues | | | | | |
| Intergovernmental | \$ 210,090 | \$ - | \$ - | \$ 121,455 | \$ 331,545 |
| Charges for services | 3,005,009 | 287,428 | 906,426 | 37,483 | 4,236,346 |
| Fines and forfeitures | 3,066,651 | - | - | - | 3,066,651 |
| Miscellaneous | 31,373 | 12,110 | 8,470 | 304 | 52,257 |
| Total revenues | <u>6,313,123</u> | <u>299,538</u> | <u>914,896</u> | <u>159,242</u> | <u>7,686,799</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General government | 3,544,508 | 61,482 | - | - | 3,605,990 |
| Court related | 3,335,207 | - | 656,302 | 182,470 | 4,173,979 |
| Capital outlay | 32,734 | - | - | - | 32,734 |
| Total expenditures | <u>6,912,449</u> | <u>61,482</u> | <u>656,302</u> | <u>182,470</u> | <u>7,812,703</u> |
| Excess (deficiency) of revenues over expenditures | <u>(599,326)</u> | <u>238,056</u> | <u>258,594</u> | <u>(23,228)</u> | <u>(125,904)</u> |
| Other financing sources (uses) | | | | | |
| Transfers in | - | 165,073 | - | - | 165,073 |
| Transfers out | (165,073) | - | - | - | (165,073) |
| Appropriations from Board of County Commissioners | 2,122,263 | - | - | - | 2,122,263 |
| Reversion to Board of County Commissioners | (1,206,687) | - | - | - | (1,206,687) |
| Article V Reversion | (151,177) | - | - | - | (151,177) |
| Total other financing sources (uses) | <u>599,326</u> | <u>165,073</u> | <u>-</u> | <u>-</u> | <u>764,399</u> |
| Net change in fund balance | <u>-</u> | <u>403,129</u> | <u>258,594</u> | <u>(23,228)</u> | <u>638,495</u> |
| Fund balance, beginning of year | - | 1,052,952 | 712,037 | 68,244 | 1,833,233 |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ 1,456,081</u> | <u>\$ 970,631</u> | <u>\$ 45,016</u> | <u>\$ 2,471,728</u> |

The accompanying notes to financial statements are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| | |
|------------------------------|---------------------|
| Assets | |
| Cash and cash equivalents | 7,491,348 |
| Receivables | 6,838 |
| Total Assets | \$ 7,498,186 |
| Liabilities | |
| Assets held for others | \$ 7,317,836 |
| Due to other County agencies | 180,350 |
| Total Liabilities | \$ 7,498,186 |
| Net Position | \$ - |

The accompanying notes to financial statements are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) Summary of Significant Accounting Policies:

The accounting policies of the St. Johns County Clerk of the Circuit Court (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Clerk is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of St. Johns County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds;

General Fund – The principal operating fund of the office. It is used to account for all financial resources, except those required to be accounted for in another fund.

Court Modernization Fund – This fund is primarily used to account for and report additional service charges collected and associated expenditures used exclusively to fund court-related technology needs of the office.

Records Modernization Trust Fund – This fund is primarily used to account for and report the additional service charges required by Section 28.24, Florida Statutes, used exclusively to modernize the public records system of the Office.

The Office reports the following nonmajor funds:

Title IV D Fund – This fund is used to primarily account for and report Title IV D costs and related federal reimbursement.

Teen Court Fund – This fund is primarily used to account for and report the fines, surcharges and associated expenditures of the operations of Teen Court.

Additionally, the Office reports the following fiduciary fund type:

Agency Fund – The Agency Fund is primarily used to account for and report resources held in a custodial capacity.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Investments**—The Office has adopted an investment policy pursuant to Section 218.415, Florida Statutes, which allows for surplus funds to be invested in any intergovernmental investment pool (such as “FLGIT”); Securities and Exchange Commissions registered money market funds; certificates of deposits and savings accounts in state-certified qualified public depositories; and direct obligations of the U.S. Treasury.

The office has funds invested in the Florida Local Government Trust’s (“FLGIT”) Day-to-Day Fund. FLIGHT is administered by the Florida Clerk of Courts and Comptrollers Association and the Florida Association of Counties. The Office’s investment in the Day-to-Day Trust is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares.

(g) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the St. Johns County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(h) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(i) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office kept compensated absence records for the hours earned, used and available.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Fund balance**— The Office follows the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Office is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

Fund balance classifications are described below:

Nonspendable Fund Balance - Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Office's highest level of decision making authority, which is a policy of the Office. Committed amounts cannot be used for any other purpose unless the Office removes those constraints by taking the same type of action.

Assigned Fund Balance - Assigned fund balances are amounts that are constrained by the Office's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the constitutional officer or (b) a body or official to which the constitutional officer has delegated the authority to assign amounts used for specific purposes.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General Fund and the negative residual amount in other funds.

The Office's policy is to expend resources in the following order: restricted, committed, assigned, and unassigned.

(k) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the major funds. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(3) Investments:

At year end, the Office's investments consisted of \$4,102,733 invested in FLGIT's Day to Day Fund. The Office's investments expose it to credit risk and interest rate risks. The Office does not have a formal investment policy relating to these risks, which are hereafter described.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The FLGIT is rated by Standard and Poors and have a rating at September 30, 2020, of AAAM.

Interest Rate Risk – The risk that changes in interest rates will adversely affect the fair value of an investment.

The weighted average maturity (WAM) of FLGIT's Day to Day Fund at September 30, 2020, was 27.33 days.

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Long-term Liabilities:

A summary of changes in long-term liabilities of the Office for the fiscal year ended September 30, 2020, follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Reductions</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|----------------------|------------------------------|------------------|-------------------|---------------------------|--------------------------------|
| Compensated absences | \$ 367,608 | \$ 412,735 | \$ (256,207) | \$ 524,136 | \$ 133,123 |

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2020**

(6) **Pension Plan:** (Continued)

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2020.

(7) **Interfund Balances and Transfers:**

As of September 30, 2020, the Office had the following interfund balances. These balances are due to timing differences in cash transactions and are expected to be repaid within the next year. The general fund was owed a total of \$11,929 from the Title IV-D fund. In addition the records modernization trust fund was owed a total of \$165,073 from the general fund.

The general fund transferred \$165,073 to the records modernization fund during the year as part of an adjustment to actual for amounts previously reported as due to the State.

REQUIRED SUPPLEMENTARY INFORMATION

ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with</u> |
|--|-------------------------|--------------------|------------------|-----------------------|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget -</u> |
| | | | | <u>Positive</u> |
| | | | | <u>(Negative)</u> |
| Revenues | | | | |
| Intergovernmental | \$ 78,068 | \$ 83,891 | \$ 210,090 | \$ 126,199 |
| Charges for services | 3,099,099 | 2,750,968 | 3,005,009 | 254,041 |
| Fines and forfeitures | 2,513,000 | 2,419,000 | 3,066,651 | 647,651 |
| Miscellaneous | 38,650 | 38,650 | 31,373 | (7,277) |
| Total revenues | <u>5,728,817</u> | <u>5,292,509</u> | <u>6,313,123</u> | <u>1,020,614</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 4,049,100 | 4,033,021 | 3,544,508 | 488,513 |
| Court related | 3,794,017 | 3,354,067 | 3,335,207 | 18,860 |
| Capital outlay | 7,500 | 32,998 | 32,734 | 264 |
| Total expenditures | <u>7,850,617</u> | <u>7,420,086</u> | <u>6,912,449</u> | <u>507,637</u> |
| Excess (deficiency) of revenues over expenditures | <u>(2,121,800)</u> | <u>(2,127,577)</u> | <u>(599,326)</u> | <u>1,528,251</u> |
| Other financing sources (uses) | | | | |
| Transfers out | - | - | (165,073) | (165,073) |
| Appropriations from Board of County Commissioners | 2,121,800 | 2,127,577 | 2,122,263 | (5,314) |
| Reversion to Board of County Commissioners | - | - | (1,206,687) | (1,206,687) |
| Article V Reversion | - | - | (151,177) | (151,177) |
| Total other financing sources (uses) | <u>2,121,800</u> | <u>2,127,577</u> | <u>599,326</u> | <u>(1,528,251)</u> |
| Net change in fund balance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, beginning of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

The accompanying notes to required supplementary information are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
RECORDS MODERNIZATION TRUST FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|----------------------------|----------------------------|---|
| | <u>Original</u> | <u>Final</u> | | <u>Final Budget - Positive (Negative)</u> |
| Revenues | | | | |
| Charges for services | \$ 210,000 | \$ 210,000 | \$ 287,428 | \$ 77,428 |
| Miscellaneous | 25,000 | 25,000 | 12,110 | (12,890) |
| Total revenues | <u>235,000</u> | <u>235,000</u> | <u>299,538</u> | <u>64,538</u> |
| Expenditures | | | | |
| Current: | | | | |
| General government | 86,000 | 86,000 | 61,482 | 24,518 |
| Capital outlay | 50,000 | 50,000 | - | 50,000 |
| Total expenditures | <u>136,000</u> | <u>136,000</u> | <u>61,482</u> | <u>74,518</u> |
| Excess (deficiency) of revenues over expenditures | <u>99,000</u> | <u>99,000</u> | <u>238,056</u> | <u>139,056</u> |
| Other financing sources (uses) | | | | |
| Transfers in | - | - | 165,073 | 165,073 |
| Net change in fund balance | <u>99,000</u> | <u>99,000</u> | <u>403,129</u> | <u>304,129</u> |
| Fund balance, beginning of year | 1,052,952 | 1,052,952 | 1,052,952 | - |
| Fund balance, end of year | <u><u>\$ 1,151,952</u></u> | <u><u>\$ 1,151,952</u></u> | <u><u>\$ 1,456,081</u></u> | <u><u>\$ 304,129</u></u> |

The accompanying notes to required supplementary information are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COURT MODERNIZATION FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | Variance with Final Budget - Positive (Negative) |
|--|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Charges for services | \$ 600,000 | \$ 600,000 | \$ 906,426 | \$ 306,426 |
| Miscellaneous | 20,000 | 20,000 | 8,470 | (11,530) |
| Total revenues | <u>620,000</u> | <u>620,000</u> | <u>914,896</u> | <u>294,896</u> |
| Expenditures | | | | |
| Current: | | | | |
| Court related | 651,900 | 726,870 | 656,302 | 70,568 |
| Net change in fund balance | <u>(31,900)</u> | <u>(106,870)</u> | <u>258,594</u> | <u>365,464</u> |
| Fund balance, beginning of year | 712,037 | 712,037 | 712,037 | - |
| Fund balance, end of year | <u>\$ 680,137</u> | <u>\$ 605,167</u> | <u>\$ 970,631</u> | <u>\$ 365,464</u> |

The accompanying notes to required supplementary information are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, the fine and forfeiture fund, and the records modernization trust fund. All annual appropriations lapse at fiscal year-end.

The Clerk follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2020**

| | <u>Teen Court Fund</u> | <u>Title IV-D Fund</u> | <u>Total</u> |
|--|--------------------------------|----------------------------|------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 10,819 | \$ 36,522 | \$ 47,341 |
| Due from other governments | - | 18,884 | 18,884 |
| Total Assets | <u>\$ 10,819</u> | <u>\$ 55,406</u> | <u>\$ 66,225</u> |
| Liabilities and Fund Balances | | | |
| Liabilities | | | |
| Accounts payable and accrued expenses | \$ 2,782 | \$ 5,044 | \$ 7,826 |
| Due to other funds | - | 11,929 | 11,929 |
| Due to Board of County Commissioners | 345 | 1,109 | 1,454 |
| Total liabilities | <u>3,127</u> | <u>18,082</u> | <u>21,209</u> |
| Fund Balances | | | |
| Restricted for: | | | |
| Court operations | 7,692 | 37,324 | 45,016 |
| Total Liabilities and Fund Balances | <u>\$ 10,819</u> | <u>\$ 55,406</u> | <u>\$ 66,225</u> |

The accompanying notes to financial statements are an integral part of this statement.

**ST. JOHNS COUNTY CLERK OF THE CIRCUIT COURT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

| | Teen Court Fund | Title IV-D Fund | Total |
|--|--------------------------------|----------------------------|------------------|
| Revenues | | | |
| Intergovernmental | \$ - | \$ 121,455 | \$ 121,455 |
| Charges for services | 37,483 | - | 37,483 |
| Miscellaneous | 304 | - | 304 |
| Total revenues | <u>37,787</u> | <u>121,455</u> | <u>159,242</u> |
| Expenditures | | | |
| Current: | | | |
| Court related | 58,444 | 124,026 | 182,470 |
| Net change in fund balance | <u>(20,657)</u> | <u>(2,571)</u> | <u>(23,228)</u> |
| Fund balance, beginning of year | 28,349 | 39,895 | 68,244 |
| Fund balance, end of year | <u>\$ 7,692</u> | <u>\$ 37,324</u> | <u>\$ 45,016</u> |

The accompanying notes to financial statements are an integral part of this statement.

ADDITIONAL INFORMATION

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

The Honorable Brandon J. Patty, Clerk of the Circuit Court,
St. Johns County, Florida:

We have audited, 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, the financial statements of the general fund of the St. Johns County Clerk of the Circuit Court (the Office) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated June 30, 2021, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office'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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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 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.

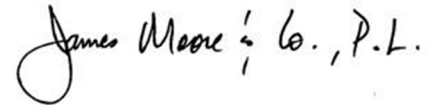
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's special-purpose 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*.

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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida
June 30, 2021

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Brandon J. Patty, Clerk of the Circuit Court,
St. Johns County, Florida:

We have audited the financial statements of the St. Johns County Clerk of the Circuit Court (the Office), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 30, 2021.

Auditors' 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 and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountants 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, which are dated June 30, 2021, 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. There were no findings or recommendations in the preceding annual financial 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 St. Johns County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. St. Johns County, including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the St. Johns County Clerk of the Circuit Court to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

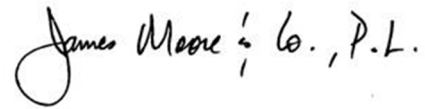
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 St. Johns County 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.

James Moore & Co., P.L.

Daytona Beach, Florida
June 30, 2021

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Brandon J. Patty, Clerk of the Circuit Court,
St. Johns County, Florida:

We have examined the St. Johns County Clerk of the Circuit Court's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, Section 28.36, Florida Statutes, *Budget Procedure*, and Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees* (collectively, "the Statutes"), for the year ended September 30, 2020. Management is responsible for the Office's compliance with those requirements. Our responsibility is to express an opinion on the Office's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Office complied with the Statutes for the year ended September 30, 2020, in all material respects. An examination involves performing procedures to obtain evidence about the Office's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, 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.

In our opinion, the St. Johns County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

Daytona Beach, Florida
June 30, 2021

