

St. Johns County
Clerk of the Circuit Court
and Comptroller

Audit Report

September 30, 2016



St. Johns County Clerk of the Circuit Court and Comptroller
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INDEPENDENT AUDITOR'S REPORT

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
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 office of the St. Johns County Clerk the Circuit Court and Comptroller (the "Office") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Office's special purpose 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.

Auditor's 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.

Opinions

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 of the Office as of September 30, 2016, and the respective changes in financial position, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1 to the financial statements, which describes that the accompanying financial statements 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 special purpose financial statements that do not constitute a complete presentation, but otherwise constitute financial statements prepared in accordance with generally accepted accounting principles. Our opinions are 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 be presented to supplement the special purpose financial statements. Such information, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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 special purpose financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the special purpose 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 special purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the special purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special purpose financial statements or to the special purpose 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 special purpose financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2017 on our consideration of the Office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Office's internal control over financial reporting and compliance.

Carri Riggs E. Ingram, L.L.C.

St. Augustine, Florida
March 8, 2017

St. Johns County Clerk of the Circuit Court and Comptroller
 Balance Sheet - Governmental Funds
 September 30, 2016

	General Fund	Court Modernization	Records Modernization Trust Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in pooled cash and equivalents	\$ 1,564,558	\$ 862,574	\$ 733,841	\$ 86,177	\$3,247,150
Due from other county agencies	2,667	-	-	-	2,667
Due from other governments	170	-	-	33,757	33,927
Accounts receivable	-	7,429	-	-	7,429
Total assets	<u>\$ 1,567,395</u>	<u>\$ 870,003</u>	<u>\$ 733,841</u>	<u>\$ 119,934</u>	<u>\$3,291,173</u>
Liabilities and fund balances					
Liabilities:					
Accounts payable and accrued liabilities	\$ 201,689	\$ 22,050	\$ -	\$ 7,246	\$ 230,985
Due to Individuals	9,436	-	-	-	9,436
Due to other county agencies	945,557	1,896	-	1,966	949,419
Due to other governments	410,713	-	-	-	410,713
Total liabilities	1,567,395	23,946	-	9,212	1,600,553
Fund balances:					
Restricted	-	846,057	733,841	110,722	1,690,620
Total liabilities and fund balances	<u>\$ 1,567,395</u>	<u>\$ 870,003</u>	<u>\$ 733,841</u>	<u>\$ 119,934</u>	<u>\$3,291,173</u>

See accompanying notes.

St. Johns County Clerk of the Circuit Court and Comptroller
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2016

	General Fund	Court Modernization	Records Modernization Trust Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Intergovernmental revenues	\$ 231,916	\$ -	\$ -	\$ 167,795	\$ 399,711
Charges for services	2,574,019	608,659	191,723	50,095	3,424,496
Fines and forfeitures	2,368,345	-	131,529	-	2,499,874
Investment income (loss)	7,313	2,198	3,135	206	12,852
Miscellaneous revenue	5,564	-	-	-	5,564
Total revenues	5,187,157	610,857	326,387	218,096	6,342,497
Expenditures					
Current:					
General government services:					
Personal services	2,693,287	-	-	-	2,693,287
Operating expenditures	286,494	-	89,334	-	375,828
Capital outlay	20,357	-	23,542	-	43,899
Court related:					
Personal services	3,504,155	153,631	-	175,381	3,833,167
Operating expenditures	158,197	174,595	-	8,422	341,214
Capital outlay	-	66,899	-	-	66,899
Total expenditures	6,662,490	395,125	112,876	183,803	7,354,294
Excess of revenues over (under) expenditures	(1,475,333)	215,732	213,511	34,293	(1,011,797)
Other financing sources (uses)					
Transfer to/from funds	470,000	-	(470,000)	-	-
Appropriation from Board of County Commissioners					
Reversion to Board of County Commissioners	2,051,500	-	-	-	2,051,500
Reversion to Clerks of Court Trust Fund	(903,636)	-	-	-	(903,636)
Reversion to Clerks of Court Trust Fund	(142,531)	-	-	-	(142,531)
Total other financing sources (uses)	1,475,333	-	(470,000)	-	1,005,333
Net change in fund balances	-	215,732	(256,489)	34,293	(6,464)
Fund balances - October 1, 2015	-	630,325	990,330	76,429	1,697,084
Fund balances - September 30, 2016	-	\$ 846,057	\$ 733,841	\$ 110,722	\$ 1,690,620

See accompanying notes.

St. Johns County Clerk of the Circuit Court and Comptroller
Statement of Fiduciary Net Position
September 30, 2016

	<u>Agency Fund</u>
Assets	
Equity in pooled cash and equivalents	\$ 6,873,606
Accounts receivable	<u>7,239</u>
Total assets	<u>6,880,845</u>
Liabilities	
Assets held for others	6,732,278
Due to other county agencies	<u>148,567</u>
Total liabilities	<u>6,880,845</u>
Net position	<u><u>\$ -</u></u>

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the office of the St. Johns County Clerk of the Circuit Court and Comptroller (the “Office”) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Reporting Entity

The 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.

The Office is an integral part of St. Johns County (the “County”), which is the primary government for financial reporting purposes.

Basis of Presentation

The Office’s financial statements are special purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the “Rules”). These special purpose financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide financial statements or management’s discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County’s countywide financial statements.

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. 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. All nonmajor funds are aggregated and displayed in a single column.

The Office reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund. It is used to account for and report all financial resources not accounted for and reported 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 the 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 fund also accounts for the 10 percent of fines retained by the Office as required by Section 28.37(2), Florida Statutes. These funds are used solely for court-related operations and program enhancements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

The Office also reports the following fiduciary fund:

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

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. 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. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

Agency fund assets and liabilities are accounted for on the accrual basis of accounting.

Capital Assets and Long-Term Liabilities

Capital assets used by the Office are 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 noncurrent 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.

Equity in Pooled Cash and Equivalents

The Office maintains a cash and cash equivalents pool that is available for use by all funds. Each fund's portion of this pool is displayed on the balance sheet as "Equity in Pooled Cash and Equivalents." If a fund overdraws its account in the pool, a liability and corresponding receivable (i.e., due to/from other funds) are reported on the balance sheet.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in State Pool and FLGIT

The Office has adopted an investment policy pursuant to Section 218.415, Florida Statutes, which allows for surplus funds to be invested in the Local Government Investment Pool (the “State Pool”) or any intergovernmental investment pool (such as “FLGIT”); Securities and Exchange Commission 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 State Pool's PRIME Fund. The State Pool is administered by the Florida State Board of Administration (“SBA”), who provides regulatory oversight. The Florida PRIME has adopted operating procedures consistent with GASB's requirements to measure its investments at amortized cost. Therefore, the Office's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. As of September 30, 2016, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

The Office has funds invested in the Florida Local Government Trust's (“FLGIT”) Day-to-Day Fund. FLGIT 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.

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.

St. Johns County Clerk of the Circuit Court and Comptroller
Notes to Financial Statements
September 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 2 – FUND BALANCE CLASSIFICATIONS

Balances of reported fund balance at September 30, 2016 are as follows:

	Court Modernization Fund	Records Modernization Trust Fund	Other Funds	Total
Restricted for:				
Court operations	\$ -	\$ 64,900	\$ 110,722	\$ 175,622
Court technology modernization	846,057	-	-	846,057
Records modernization	-	668,941	-	668,941
Total fund balances	<u>\$ 846,057</u>	<u>\$ 733,841</u>	<u>\$ 110,722</u>	<u>\$ 1,690,620</u>

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

All deposits of the Office are placed in a bank that qualifies as a public depository pursuant to the provisions of the Florida Security For Public Deposits Act. Every qualified public depository is required by this law to deposit with the Chief Financial Officer eligible collateral equal to, or in excess of, an amount to be determined by the Chief Financial Officer. The Chief Financial Officer is required to ensure that all funds are entirely collateralized throughout the fiscal year.

St. Johns County Clerk of the Circuit Court and Comptroller
Notes to Financial Statements
September 30, 2016

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

At year end, the Office's investments, included in pooled cash and equivalents in the accompanying financial statements consisted of:

Florida PRIME	\$ 161,209
FLGIT	<u>3,097,013</u>
Total	<u>\$ 3,258,222</u>

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 Florida PRIME and FLGIT are rated by Standard and Poors and have a rating at September 30, 2016 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 the Florida PRIME at September 30, 2016 was 50 days.

The weighted average maturity (WAM) of FLGIT's Day-to-Day Fund at September 30, 2016 was 52.76 days.

NOTE 4 – RISK MANAGEMENT

For health insurance and worker's compensation, the Office participates in the risk management program established by the Board of County Commissioners to cover claims against the Board and Constitutional Officers. The risk management program is accounted for in the Board's financial statements as an Internal Service Fund, in accordance with requirements of GASB 10.

Required Supplementary Information

St. Johns County Clerk of the Circuit Court and Comptroller
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
Year Ended September 30, 2016

	Budgeted Amounts		Actual
	Original	Final	
Revenues			
Intergovernmental revenues	\$ 24,950	\$ 213,730	\$ 231,916
Charges for services	2,243,830	2,175,230	2,574,019
Fines and forfeitures	2,575,700	2,337,985	2,368,345
Investment income	2,000	4,500	7,313
Miscellaneous revenue	3,800	3,100	5,564
Total revenues	<u>4,850,280</u>	<u>4,734,545</u>	<u>5,187,157</u>
Expenditures			
Current:			
General government services:			
Personal services	3,026,360	2,958,860	2,693,287
Operating expenditures	458,170	520,470	286,494
Capital outlay	21,000	26,200	20,357
Court Related:			
Personal services	3,628,780	3,544,455	3,504,155
Operating expenditures	233,470	195,760	158,197
Capital outlay	4,000	10,300	-
Total expenditures	<u>7,371,780</u>	<u>7,256,045</u>	<u>6,662,490</u>
Excess of revenues over (under) expenditures	<u>(2,521,500)</u>	<u>(2,521,500)</u>	<u>(1,475,333)</u>
Other financing sources (uses)			
Transfers to/from funds	470,000	470,000	470,000
Appropriation from Board of County Commissioners	2,051,500	2,051,500	2,051,500
Reversion to Board of County Commissioners	-	-	(903,636)
Reversion to Clerks of Court Trust Fund	-	-	(142,531)
Total other financing sources (uses)	<u>2,521,500</u>	<u>2,521,500</u>	<u>1,475,333</u>
Net change in fund balances	-	-	-
Fund balances - October 1, 2015	-	-	-
Fund balances - September 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Schedule:

Pursuant to Section 28.36, Florida Statutes, the budget for court-related functions of the Office is subject to the General Appropriations Act of the Florida Legislature. The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. The State of Florida releases this appropriation on a monthly basis. The noncourt-related functions are funded by Board appropriations and user fees. The fund is the legal level of control.

Supplementary Information

St. Johns County Clerk of the Circuit Court and Comptroller
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Court Modernization Fund
Year Ended September 30, 2016

	Budgeted Amounts		Actual
	Original	Final	
Revenues			
Charges for services	\$ 445,000	\$ 445,000	\$ 608,659
Investment income	50	50	2,198
	<u>445,050</u>	<u>445,050</u>	<u>610,857</u>
Expenditures			
Current:			
Court related:			
Personal services	290,540	274,690	153,631
Operating expenditures	133,150	226,000	174,595
Capital outlay	18,000	70,700	66,899
Total expenditures	<u>441,690</u>	<u>571,390</u>	<u>395,125</u>
Excess of revenue over (under) expenditures	3,360	(126,340)	215,732
Fund balances - October 1, 2015	<u>630,325</u>	<u>630,325</u>	<u>630,325</u>
Fund balances - September 30, 2016	<u><u>\$ 633,685</u></u>	<u><u>\$ 503,985</u></u>	<u><u>\$ 846,057</u></u>

Notes to Schedule:

The preparation, adoption, and amendment of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

St. Johns County Clerk of the Circuit Court and Comptroller
Schedule of Revenues, Expenditures and Changes in Fund Balances - Records Modernization Trust
Year Ended September 30, 2016

	Budgeted Amounts		Actual
	Original	Final	
Revenues			
Charges for services	\$ 155,000	\$ 155,000	\$ 191,723
Fines and forfeitures	130,000	130,000	131,529
Investment Income	50	50	3,135
Total revenues	<u>285,050</u>	<u>285,050</u>	<u>326,387</u>
Expenditures			
Current:			
General government services:			
Operating expenditures	76,000	93,000	89,334
Capital outlay	<u>15,000</u>	<u>24,300</u>	<u>23,542</u>
Total expenditures	<u>91,000</u>	<u>117,300</u>	<u>112,876</u>
Excess of revenues over (under) expenditures	194,050	167,750	213,511
Other financing sources (uses)			
Transfers to/from funds	<u>(470,000)</u>	<u>(470,000)</u>	<u>(470,000)</u>
Net change in fund balances	(275,950)	(302,250)	(256,489)
Fund balances - October 1, 2015	<u>990,330</u>	<u>990,300</u>	<u>990,330</u>
Fund balances - September 30, 2016	<u>\$ 714,380</u>	<u>\$ 688,050</u>	<u>\$ 733,841</u>

Notes to Schedule:

The preparation, adoption, and amendment of the budgets is governed by Florida Statutes, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control.

St. Johns County Clerk of the Circuit Court and Comptroller
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2016

	Title IV D Fund	Teen Court	Total Nonmajor Governmental Funds
Assets			
Equity in pooled cash and equivalents	\$ 40,127	\$ 46,050	\$ 86,177
Due from other governments	33,757	-	33,757
 Total assets	 \$ 73,884	 \$ 46,050	 \$ 119,934
Liabilities and fund balances			
Liabilities:			
Accounts payable and accrued liabilities	\$ 4,567	\$ 2,679	\$ 7,246
Due to other county agencies	1,491	475	1,966
Total liabilities	6,058	3,154	9,212
Fund balances:			
Restricted	67,826	42,896	110,722
 Total liabilities and fund balances	 \$ 73,884	 \$ 46,050	 \$ 119,934

St. Johns County Clerk of the Circuit Court and Comptroller
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended September 30, 2016

	IV D Fund	Teen Court	Governmental Funds
Revenues			
Intergovernmental	\$ 167,795	\$ -	\$ 167,795
Charges for services	-	50,095	50,095
Investment income	-	206	206
	<u>167,795</u>	<u>50,301</u>	<u>218,096</u>
Total revenues			
Current:			
Court related:			
Personal services	96,829	78,552	175,381
Operating expenditures	3,140	5,282	8,422
	<u>99,969</u>	<u>83,834</u>	<u>183,803</u>
Total expenditures			
Excess of revenues over (under) expenditures	67,826	(33,533)	34,293
Fund balances - October 1, 2015	<u>-</u>	<u>76,429</u>	<u>76,429</u>
Fund balances - September 30, 2016	<u>\$ 67,826</u>	<u>\$ 42,896</u>	<u>\$ 110,722</u>

**Additional Elements Required by the
Rules of the Auditor General**

MANAGEMENT LETTER

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
St. Johns County, Florida

We have audited the financial statements of the office of the St. Johns County Clerk of the Circuit Court and Comptroller (the "Office"), as of and for the year ended September 30, 2016, and have issued our report thereon dated March 8, 2017. That report should be considered in conjunction with this management letter.

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. Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

Prior Audit Findings

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The Office has no uncorrected prior audit findings that are required to be identified pursuant to the Rules of the Auditor General.

Other Matters

Our audit did not reveal any other matters that we are required to include in this management letter.

The purpose of this management letter is solely to comply with the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this communication is not suitable for any other purpose.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 8, 2017

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

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
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 each major fund and the aggregate remaining fund information of the office of the St. Johns County Clerk of the Circuit Court and Comptroller (the “Office”), as of and for the year ended September 30, 2016, 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 March 8, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office’s internal control over financial reporting (internal control) to determine the 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 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 8, 2017



INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
St. Johns County, Florida

We have examined the office of the St. Johns County Clerk of the Circuit Court and Comptroller's (the "Office") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2016. 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 and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 8, 2017

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
St. Johns County, Florida

We have examined the office of the St. Johns County Clerk of the Circuit Court and Comptroller's (the "Office") compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2016. 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 and, accordingly, included examining, on a test basis, evidence about the Office's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office's compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine, Florida
March 8, 2017



**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH SECTION 61.181,
FLORIDA STATUTES**

The Honorable Hunter S. Conrad
Clerk of the Circuit Court and Comptroller
St. Johns County, Florida

We have examined the office of the St. Johns County Clerk of the Circuit Court and Comptroller’s (the “Office”) compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2016. 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 and, accordingly, included examining, on a test basis, evidence about the Office’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Office’s compliance with specified requirements.

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

St. Augustine Florida
March 8, 2017

Hunter S. Conrad
Clerk & Comptroller



St. Johns County Clerk of the Circuit Court and Comptroller
4010 Lewis Speedway, Saint Augustine, Florida 32084
(904) 819-3600
Fax: (904) 819-3661

March 8, 2017

Sherrill F. Norman, CPA
Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman:

I agree with the contents of the audit report, and I am pleased to note that there are no current year findings. Should you have any questions or concerns, please feel free to contact us.

Sincerely yours,

A handwritten signature in cursive script that reads 'Hunter S. Conrad'.

Hunter S. Conrad,
Clerk of Courts & Comptroller