

SPECIAL-PURPOSE FINANCIAL  
STATEMENTS, REQUIRED SUPPLEMENTARY  
INFORMATION, OTHER FINANCIAL  
INFORMATION AND OTHER REPORTS

Pinellas County, Florida, Clerk of the Circuit Court  
Year Ended September 30, 2012  
With Summarized Financial Information for the  
Year Ended September 30, 2011

Ernst & Young LLP

 **ERNST & YOUNG**

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Financial Statements, Required Supplementary Information,  
Other Financial Information and Other Reports

Year Ended September 30, 2012  
With Summarized Financial Information for the Year Ended September 30, 2011

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## Report of Independent Auditors

The Honorable Ken Burke, Clerk of the Circuit Court  
Pinellas County, Florida

We have audited the accompanying special-purpose financial statements of each major fund and the aggregate remaining fund information of Pinellas County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2012, which collectively comprise the Clerk's special-purpose financial statements as listed in the table of contents. These special-purpose financial statements are the responsibility of the Clerk's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year summarized comparative information has been derived from the 2011 special-purpose financial statements, and in our report dated April 11, 2012, we expressed unqualified opinions on the respective financial statements of each major fund and the aggregate remaining fund information.

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 of material misstatement. We were not engaged to perform an audit of the Clerk's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall special-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As discussed in Note 1, the accompanying special-purpose financial statements referred to above were prepared for the purpose of complying with Section 218.39, *Florida Statutes*, and Chapter 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the Clerk's financial position and its changes in financial position, where applicable thereof, for the year then ended in conformity with accounting principles generally accepted in the United States. Additionally, the special-purpose financial statements present only the Clerk and do not purport to, and do not, present fairly the financial position, of Pinellas County, Florida, as of September 30, 2012, and the changes in its financial position, where applicable thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States.

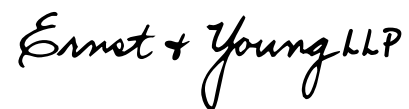
In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the each major fund and the aggregate remaining fund information of Pinellas County, Florida, Clerk as of September 30, 2012, and the respective changes in financial position, where applicable thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2013, on our consideration of the Clerk'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States require that the Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual on pages 19 through 21 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, 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.

Our audit was conducted for the purpose of forming opinions on the special-purpose financial statements that collectively comprise the Clerk's special-purpose financial statements. The Statement of Changes in Assets and Liabilities – Agency Fund on page 23 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. In our opinion, the information is fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

This report is intended solely for the information and use of the Clerk of the Circuit Court, Pinellas County, Florida management, the Board of County Commissioners of Pinellas County, Florida, and the Auditor General of the State of Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

March 29, 2013

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Balance Sheet – Governmental Funds

September 30, 2012

With Summarized Financial Information for the Year Ended September 30, 2011

	General Fund	Court Fund	Public Records Modernization Fund	Totals	
				2012	2011
<b>Assets</b>					
Cash	\$ 3,154,289	\$ 3,851,573	\$ 3,430,462	\$ 10,436,324	\$ 9,055,497
Investments	–	67	–	67	66
Due from Pinellas County, Florida					
Constitutional Officers	4,691	–	–	4,691	21,395
Due from Pinellas County, Florida					
Board of County Commissioners	154,122	146,446	40,546	341,114	290,536
Due from State of Florida	15,132	202,035	–	217,167	185,637
Due from other funds	–	–	–	–	22,318
Due from other governments	50,619	–	–	50,619	61,992
Accounts receivable	4,706	3	15	4,724	23,817
Prepaid items	5,953	9,713	–	15,666	176,846
Total assets	<u>\$ 3,389,512</u>	<u>\$ 4,209,837</u>	<u>\$ 3,471,023</u>	<u>\$ 11,070,372</u>	<u>\$ 9,838,104</u>
<b>Liabilities and fund balances</b>					
Liabilities:					
Accounts payable	\$ 604,414	\$ 48,950	\$ 37,940	\$ 691,304	\$ 984,952
Accrued liabilities	330,953	400,417	5,749	737,119	933,256
Due to Pinellas County, Florida					
Constitutional Officers	1,750	–	–	1,750	659
Due to Pinellas County, Florida					
Board of County Commissioners	2,433,426	67,205	–	2,500,631	1,689,995
Due to other funds	–	–	–	–	22,318
Due to other governments	69	398	–	467	1,427
Deposits	12,947	3,661,582	–	3,674,529	3,667,086
Total liabilities	<u>3,383,559</u>	<u>4,178,552</u>	<u>43,689</u>	<u>7,605,800</u>	<u>7,299,693</u>
Fund balances:					
Nonspendable:					
Prepaid items	5,953	9,713	–	15,666	176,846
Spendable:					
Restricted	–	21,572	3,427,334	3,448,906	2,361,565
Total fund balances	<u>5,953</u>	<u>31,285</u>	<u>3,427,334</u>	<u>3,464,572</u>	<u>2,538,411</u>
Total liabilities and fund balances	<u>\$ 3,389,512</u>	<u>\$ 4,209,837</u>	<u>\$ 3,471,023</u>	<u>\$ 11,070,372</u>	<u>\$ 9,838,104</u>

See accompanying notes.

Pinellas County, Florida  
Clerk of the Circuit Court

Special Purpose Statement of Revenues, Expenditures, and Changes in  
Fund Balances – Governmental Funds

For the Year Ended September 30, 2012  
With Summarized Financial Information for the Year Ended September 30, 2011

	General Fund	Court Fund	Public Records Modernization Fund	Totals	
				2012	2011
Revenues:					
Charges for services	\$ 4,494,083	\$ –	\$ 1,659,852	\$ 6,153,935	\$ 5,287,032
Intergovernmental	907,837	–	–	907,837	1,084,641
Fines and forfeitures	–	–	1,197,032	1,197,032	1,236,478
Interest income	3,075	–	150	3,225	8,653
Miscellaneous revenue	30,260	–	482	30,742	228,629
Court revenue appropriated from State	–	22,461,321	–	22,461,321	22,157,110
<b>Total revenues</b>	<b>5,435,255</b>	<b>22,461,321</b>	<b>2,857,516</b>	<b>30,754,092</b>	<b>30,002,543</b>
Expenditures:					
General government:					
Salaries and benefits	10,952,887	20,301,919	306,469	31,561,275	32,722,646
Operating expenditures	3,168,991	2,519,290	859,769	6,548,050	6,891,466
Capital outlay	589,029	188,106	46,230	823,365	854,258
Distribution of excess court revenue to the State	–	–	–	–	199,564
<b>Total expenditures</b>	<b>14,710,907</b>	<b>23,009,315</b>	<b>1,212,468</b>	<b>38,932,690</b>	<b>40,667,934</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(9,275,652)</b>	<b>(547,994)</b>	<b>1,645,048</b>	<b>(8,178,598)</b>	<b>(10,665,391)</b>
Other financing sources (uses):					
Transfers in:					
Pinellas County, Florida Board of County Commissioners appropriations	9,901,260	–	–	9,901,260	10,338,710
Transfers out:					
Distribution of excess appropriations to Pinellas County, Florida Board of County Commissioners	(796,501)	–	–	(796,501)	(369,508)
<b>Total other financing sources (uses)</b>	<b>9,104,759</b>	<b>–</b>	<b>–</b>	<b>9,104,759</b>	<b>9,969,202</b>
<b>Net change in fund balances</b>	<b>(170,893)</b>	<b>(547,994)</b>	<b>1,645,048</b>	<b>926,161</b>	<b>(696,189)</b>
Fund balances – beginning of year	176,846	579,279	1,782,286	2,538,411	3,234,600
<b>Fund balances – end of year</b>	<b>\$ 5,953</b>	<b>\$ 31,285</b>	<b>\$ 3,427,334</b>	<b>\$ 3,464,572</b>	<b>\$ 2,538,411</b>

See accompanying notes.

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Balance Sheet – Agency Fund

	September 30	
	2012	2011
<b>Assets</b>		
Cash	\$ 22,913,988	\$ 18,567,344
Investments	1,098	1,095
Accounts receivable	654,969	211,766
Due from other governments	23,801	19,261
Total assets	<u>\$ 23,593,856</u>	<u>\$ 18,799,466</u>
<b>Liabilities</b>		
Due to other governments	\$ 6,393,365	\$ 6,379,845
Deposits	17,200,491	12,419,621
Total liabilities	<u>\$ 23,593,856</u>	<u>\$ 18,799,466</u>

*See accompanying notes.*

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements

September 30, 2012

**1. Summary of Significant Accounting Policies and Practices**

**(a) Reporting Entity**

The Pinellas County, Florida, Clerk of the Circuit Court (Clerk) is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Section 129, *Florida Statutes*, the Clerk's budget for the General Fund is submitted to the Pinellas County, Florida, Board of County Commissioners (Board) for approval. The Public Records Modernization Fund budget is approved by the Clerk. Additionally, the Court Fund budget is submitted to the Clerk of Court Operations Corporation of the State of Florida for approval. The restricted fund balance represents resources for use by the Court Fund and Public Records Modernization Fund and is restricted by specific state statutes.

**(b) Measurement Focus, Basis of Accounting, and Basis of Presentation**

These special-purpose financial statements include the general fund, special revenue funds, and agency fund of the Clerk. The accompanying special-purpose financial statements were prepared for the purposes of complying with Section 218.39, *Florida Statutes*, and Chapter 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. Certain prior-year financial statement amounts have been reclassified to conform to the current year's presentation.

Chapter 10.556(5), *Rules of the Auditor General for Local Governmental Entity Audits*, requires the Clerk's financial statements to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including a management's discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Clerk as of September 30, 2012, and the changes in its financial position for the year then ended, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, but otherwise constitute financial statements prepared in conformity with U.S. generally accepted accounting principles.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance current liabilities of the fiscal year).



Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**1. Summary of Significant Accounting Policies and Practices (continued)**

For this purpose, the Clerk considers revenues to be available if they are collected within 60 days after the end of the current period. Charges for services, interest income, and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. The appropriations from the Board are the primary source of funds considered to be susceptible to accrual. Capital outlays expended in the governmental funds are capitalized in the basic financial statements of the Board rather than in the governmental funds of the Clerk.

The Clerk utilizes the following major governmental funds.

*General Fund* – The General Fund is a major fund used to account for all revenues and expenditures applicable to the general operations of the Clerk, which are not accounted for in another fund. All operating revenue, which is not specifically restricted or designated as to use, is recorded in the General Fund.

*Court Fund* – This major special revenue fund is used to account for court related functions as mandated by Section 28.37, *Florida Statutes*.

*Public Records Modernization Fund* – This major special revenue fund is mandated by Section 28.24(12)(d), *Florida Statutes*, to be held in trust by the Clerk and used exclusively for equipment and maintenance of equipment, personnel training, and technical assistance in modernizing the public records system of the Clerk.

The Clerk's General Fund activity is funded through service charges for recording instruments and documents into the official records and through transfers in from the Board. Section 218.36(1), *Florida Statutes*, provides that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board within 31 days following the fiscal year for which the funding was provided. The amount of this distribution is recorded as a liability and as a transfer out (other financing use) in the accompanying special-purpose financial statements.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**1. Summary of Significant Accounting Policies and Practices (continued)**

The Court Fund activity is funded by fees authorized by *Florida Statutes*, for maintaining the County and Circuit Court records, and collecting the fines and fees assessed by the courts. These fees are considered state funds and are remitted by the Clerk to the Department of Revenue for deposit into the Clerks of the Court Trust Fund within the Justice Administrative Commission. The Clerk receives 1/12th of the approved budget monthly from the State to fund court-related operations for the State fiscal year of July 1 through June 30. The excess of revenues collected over expenditures for the state fiscal year ended June 30 is required to be returned to the State for deposit in its General Revenue Fund.

The Public Records Modernization Fund is funded by a portion of recording fees and an additional amount is collected pursuant to Section 28.24(12)(e), *Florida Statutes*, and used exclusively for funding court-related technology needs. 10% of all court-related fines collected by the Clerk are also deposited into this fund to be used exclusively for additional Clerk court-related operational needs and program enhancements.

Additionally, the Clerk of the Circuit Court reports the following fund type:

Fiduciary Funds—*Agency Funds* – These funds are used to account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, other governments, and other funds. Agency funds are custodial in nature (assets equal liabilities), and do not involve measurement of results of operations or have a measurement focus.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents are defined for financial reporting purposes as any liquid investment with original maturities of three months or less.

**(d) Investments**

Investments are carried at fair value. The Clerk invested funds during the fiscal year with the Local Government Surplus Funds Trust Fund, which is carried at amortized cost. The fair value of the Clerk's position in the trust is the same as the value of the trust shares. The Local Government Surplus Funds Trust Fund met the criteria to be a "2a7-like" pool, as defined in GASB 31, *Certain Investments and External Investment Pools*, and is permitted to report

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**1. Summary of Significant Accounting Policies and Practices (continued)**

investments at amortized cost. A 2a7-like pool is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the regulations set forth in the SEC's Rule 2a7 of the Investment Company Act of 1940, which comprises the rules governing money market funds.

Thus, this pool operates essentially as a money market fund and is not categorized as to custodial risk according to the criteria set forth in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*, and GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

**(e) Compensated Absences**

All full-time employees of the Clerk are entitled to annual vacation and sick leave with pay. The employees are generally allowed to accumulate vacation leave up to a maximum of three years' leave. Prior to December 24, 1994, sick leave was accumulated with no maximum. Beginning December 24, 1994, employees no longer accrue sick leave. Upon termination, the employee is paid for up to one-half of accumulated sick leave, depending on length of service, and all of the accumulated vacation. Vacation and sick leave payments are included in operating costs when the payments are made to the employees. The Clerk does not and is not legally required to accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds of the Clerk but rather is reported in the basic financial statements of the Board.

**(f) Use of Estimates**

The preparation of these special-purpose financial statements is in conformity with Section 218.39, *Florida Statutes*, and Chapter 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*, and requires management to make use of estimates that affect the reported amounts in the special-purpose financial statements. Actual results could differ from the required estimates.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**1. Summary of Significant Accounting Policies and Practices (continued)**

**(g) Financial Information for 2011**

The special-purpose financial statements include certain prior-year summarized comparative information in total but not by major fund. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Clerk's financial statements for the year ended September 30, 2011, from which the summarized information was derived.

**2. Cash and Investments**

As of September 30, 2012 and 2011, the carrying value of the Clerk of the Circuit Court's cash and investments was as follows:

Type	2012	2011	Credit Rating
Cash on hand	\$ 42,600	\$ 39,500	N/A
Demand deposits	33,307,712	27,583,341	N/A
Local Government Surplus Funds Trust			
Fund:			
Florida PRIME	1,098	1,095	AAAm
Fund B	67	66	Unrated
Total cash and investments	<u>\$ 33,351,477</u>	<u>\$ 27,624,002</u>	
<u>Financial Statement Presentation</u>			
Governmental funds	\$ 10,436,391	\$ 9,055,563	
Agency funds	22,915,086	18,568,439	
	<u>\$ 33,351,477</u>	<u>\$ 27,624,002</u>	

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**2. Cash and Investments (continued)**

**Custodial Credit Risk**

At September 30, 2012, the Clerk's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Section 280, *Florida Statutes*. Under this Section, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

**Credit Risk**

The Clerk's investment policy is guided by 1) Section 219.075, *Florida Statutes*, regarding the deposit of funds received and the investment of surplus funds, and 2) Sections 219.075 and 218.415, *Florida Statutes*, authorizing investments in the Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized statistical rating organization; direct obligations of the United States Treasury; federal agencies and instrumentalities; or interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida, national banks organized under the laws of the United States and doing business and situated in the State of Florida, savings and loan associations, which are under State supervision, or in federal savings and loan associations located in the State of Florida or organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law.

At September 30, 2012, the Clerk's investments were with the Local Government Surplus Funds Trust Fund administered by the State Board of Administration. Standard & Poor's issued an AAAM rating on Fund A, now known as Florida PRIME, which is the highest rating category for a government investment pool fund. Fund B is unrated.

**3. Accounts Payable**

Accounts payable in the Governmental Funds result from transactions with various vendors. Funds due to Pinellas County are amounts due to the Board and other constitutional officers. Other due to amounts are amounts due to governmental entities other than the County. Deposits are funds held in trust that are due to the citizenry or their authorized representatives.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**4. Capital Assets**

Capital assets used in governmental fund type operations are capitalized in the basic financial statements of the Board rather than in the governmental funds of the Clerk. Upon acquisition, such assets are recorded as expenditures in the governmental funds of the Clerk and capitalized at cost in the basic financial statements of the Board. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date received. The Clerk maintains custodial responsibility for the capital assets used by the office. No depreciation has been provided on capital assets in these special-purpose financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of the Board.

**5. Fund Balances**

The Clerk accounts for its fund balances pursuant to GASB Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. In accordance with this statement, fund balances are classified as either spendable or nonspendable. Spendable fund balances are further classified based on the extent to which there are external and internal constraints on the use of funds. The Clerk's fund balances are categorized as follows:

Nonspendable fund balances include amounts that cannot be spent because they are not in a spendable form or legally or contractually required to be maintained intact. The Clerk's prepaid items that are not in spendable form fall into this category.

Restricted fund balances are spendable fund balances that are constrained for specific purposes, which are externally imposed by laws or regulations. The fund balances of the Court and Public Records Modernization Trust Funds can only be used for purposes as authorized by Florida Statutes.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**5. Fund Balances (continued)**

The fund balance categories shown on the Special Purpose Balance Sheet-Governmental Funds are as follows at September 30, 2012:

	<b>General Fund</b>	<b>Court Fund</b>	<b>Public Records Modernization Fund</b>	<b>Total</b>
Nonspendable	\$ 5,953	\$ 9,713	\$ –	\$ 15,666
Spendable – restricted	–	21,572	3,427,334	3,448,906
	\$ 5,953	\$ 31,285	\$ 3,427,334	\$ 3,464,572

**6. Accumulated Compensated Absences**

The following is a summary of changes in general long-term liabilities, which are reflected in the basic financial statements of the Board of County Commissioners:

	<b>October 1, 2011</b>	<b>Additions</b>	<b>Retirements</b>	<b>September 30, 2012</b>
Accrued compensated absences	\$ 2,197,617	\$ 2,076,163	\$ 2,121,452	\$ 2,152,328
	<b>October 1, 2010</b>	<b>Additions</b>	<b>Retirements</b>	<b>September 30, 2011</b>
Accrued compensated absences	\$ 2,360,433	\$ 1,967,441	\$ 2,130,257	\$ 2,197,617

These long-term liabilities are not reported in the special-purpose financial statements of the Clerk, since they have not matured.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**7. Employee Retirement Plan**

Substantially all full-time employees of the Clerk are eligible to participate in the State of Florida Retirement System (System), a cost-sharing, multiple-employer defined benefit plan administered by the State of Florida, Division of Retirement. The System is a defined benefit plan for all state, and participating county, district school board, community college, and university employees (Pension Plan). The System also offers eligible employees participation in an alternative defined contribution plan (Investment Plan). The Clerk participates in the Elected State Officers' Class. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to the Clerk's employees are not determinable. Employees participating in the Pension Plan who retire at or after age 62 with 6 years of credited service, or with 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% for regular employees, 2.0% for senior management, and 3.0% for county-elected officials for each year of credited service times their average final compensation. Final average compensation is the employee's average of the five highest fiscal years of salary earned during credited service. Vested employees may retire before age 62 and receive benefits that are reduced 5% for each year prior to normal retirement age. Employees participating in the Investment Plan are vested after one year of service with no age requirements. The System also provides death and disability benefits. Benefits are established by Section 121, *Florida Statutes*, and Chapter 22B, *Florida Administrative Code*.

The Deferred Retirement Option Program (DROP) is a program that provides an alternative method for payment of retirement benefits for a specified and limited period for members of the System, effective July 1, 1998. Under this program, the employee may retire and have their benefits accumulate in the Florida Retirement System Trust Fund, earning interest, while continuing to work for a system employer. The participation in the program does not change conditions of employment. When the DROP period ends, maximum of 60 months, employment must be terminated. At the time of termination of employment, the employee will receive payment of the accumulated DROP benefits and begin receiving their monthly retirement benefit (in the same amount determined at retirement, plus annual cost-of-living increases).



Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**7. Employee Retirement Plan (continued)**

The System publishes an annual report that provides 10-year historical trend information about progress made in accumulating sufficient assets to pay benefits when due. This report may be obtained by writing to Division of Retirement, Research, Education, and Policy Section, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32315-9000, or by calling (877) 377-1737 or by accessing their internet site at:

[http://dms.myflorida.com/dms2/human\\_resource\\_support/retirement/publications/system\\_information/annual\\_reports](http://dms.myflorida.com/dms2/human_resource_support/retirement/publications/system_information/annual_reports)

The Clerk is required to contribute an actuarially determined rate. The contribution requirements of the Clerk are established and may be amended by the State of Florida. The contribution rates are established by fiscal year, beginning each July 1. The contribution rates by job class were as follows: elected county officers 11.14%; regular 4.91% senior management 6.27%; and DROP employees 4.42% from October 1, 2011 through September 30, 2012. The Clerk's contributions to the plan for the years ended September 30, 2012, 2011, and 2010, were \$1,141,689, \$2,177,854, and \$2,478,052, respectively, equal to the required contributions for each year. This represents 5.03%, 9.36%, and 10.36% of covered payroll, respectively. Effective July 1, 2011, employees participating in the plan are required to contribute 3% of their eligible earnings to the plan.

**8. Other Postemployment Healthcare Benefits (OPEB) Plan**

**Plan Description.** The Clerk participates in a single-employer defined benefit healthcare plan that covers eligible retirees and their dependents of the Board of County Commissioners, all Constitutional Officers with the exception of the Sheriff, and the Planning Council and their dependents. The Board administers the plan and establishes the benefits. The healthcare plan does not issue a stand-alone financial report; however, additional actuarial information regarding the plan as a whole is disclosed in the notes to the financial statements of Pinellas County.

The County pays a percentage of the premium for medical and dental insurance for the former employees with at least 10 years of service who retired prior to October 1, 2004, equivalent to that paid for active employees. For non-Medicare eligible retirees, employees enrolled in DROP and those within 5 years of normal FRS retirement prior to October 1, 2004, with 10 years of service, the County will continue funding at the same level as active employees. For employees

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**8. Other Postemployment Healthcare Benefits (OPEB) Plan (continued)**

not part of the previously mentioned groups who retire on or after October 1, 2004, a health insurance subsidy based on length of service will be provided. The subsidy will range from 25% of the premium for 10 years service, increasing by 3.33% per year of service to 75% for 25 years or more, calculated on the single premium of the lowest cost plan.

**Funding Policy.** The contribution requirements of the plan members and the employers are established and may be amended by the County. The plans are financed on a pay-as-you-go basis. Participating agencies contribute an additional amount per each active employee to fund retiree health care. The Clerk contributed \$1,718,079 to the plan during the fiscal year to fund OPEB benefits.

The annual other postemployment benefit cost for both plans is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. An actuarial valuation on the plan as a whole was performed as of October 1, 2011. The notes to the financial statements and required supplemental information of the County disclose additional information regarding the OPEB plan as a whole.

**9. Related-Party Transactions**

The Clerk of the Circuit Court incurred costs and charges from the Board of County Commissioners during the fiscal years ended September 2012 and 2011 for various services as follows:

	<u>2012</u>	<u>2011</u>
Health insurance	\$ 6,298,628	\$ 5,452,953
Risk financing	406,420	552,710
Information technology	2,786,670	2,558,000
General fund cost allocation and fleet charges	36,253	1,137,987
Total charges	<u>\$ 9,527,971</u>	<u>\$ 9,701,650</u>

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**9. Related-Party Transactions (continued)**

During 2012 and 2011, the Board provided funding to the Clerk that amounted to \$ 9,901,260 and \$10,338,710, respectively. At September 30, 2012 and 2011, the Clerk had a receivable due from other county constitutional officers of \$4,691 and \$21,395, respectively, and a receivable due from the Board of County Commissioners of \$341,114 and \$290,536, respectively. Additionally, at September 30, 2012 and 2011, the Clerk had amounts due to the Board as follows:

	2012	2011
Distribution of excess appropriations	\$ 796,501	\$ 369,508
Amounts due for various services	1,168,356	689,594
Government funds payable to Board	1,964,857	1,059,102
Amounts held on behalf of the Board	535,774	630,893
Total due to Board of County Commissioners	\$ 2,500,631	\$ 1,689,995

**10. Risk Management**

The County is exposed to various risks of loss, including, but not limited to, general liability, property and casualty, auto and physical damage, and workers' compensation. The County is substantially self-insured and accounts for and finances its risks of uninsured loss through an internal service fund. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. During the fiscal years ended September 30, 2012 and 2011, the Clerk was charged \$406,420 and \$552,710, respectively, by the County for participation in the risk management program.

Under this self-insured program, the County provides coverage for up to \$1.5 million per claim for workers' compensation. The County has also purchased outside excess coverage for up to \$15 million per occurrence with a \$30 million aggregate for all claims under the self-insured risk management program. Negligence claims in excess of the statutory limits set in Section 768.28, *Florida Statutes*, which provide for limited sovereign immunity of \$200,000/\$300,000 per occurrence, can only be recovered through an act of the State Legislature.

Pinellas County, Florida  
Clerk of the Circuit Court

Notes to Special-Purpose Financial Statements (continued)

**10. Risk Management (continued)**

Effective July 1, 2011, the Clerk acquired outside insurance coverage for worker's compensation claims only. All claims incurred prior to July 1, 2011 for worker's compensation are still covered by the County's risk management program. There have been no other significant changes in insurance coverage in the last year. Settled claims have not exceeded commercial coverage in any of the last three years.

The County is also self-insured for medical and dental claims covering all of its employees and their eligible dependents. As required by Section 112.0801, *Florida Statutes*, retirees and their eligible dependents are provided the same health care coverage as is offered to active employees at the same premium cost (borne by the retiree) applicable to active employees. No excess insurance coverage has been acquired for these claims. An actuarial valuation is performed each year to estimate the amounts needed to pay prior and future claims and to establish reserves.

**11. Claims and Contingencies**

**Litigation**

The Clerk is involved as a defendant or plaintiff in certain litigation and claims arising from the ordinary course of operation. In the opinion of the Clerk and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Clerk.

**Grants**

Grant funds received by the Clerk are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Clerk. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Clerk.

## Required Supplementary Information

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Schedule of Revenues, Expenditures, and Changes  
in Fund Balance – Budget and Actual – General Fund

Year Ended September 30, 2012

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget – Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Charges for services	\$ 4,139,040	\$ 4,739,040	\$ 4,494,083	(244,957)
Intergovernmental revenue	1,152,830	1,152,830	907,837	(244,993)
Interest income	4,750	4,750	3,075	(1,675)
Miscellaneous revenue	–	–	30,260	30,260
<b>Total revenues</b>	<b>5,296,620</b>	<b>5,896,620</b>	<b>5,435,255</b>	<b>(461,365)</b>
<b>Expenditures:</b>				
General government:				
Salaries and benefits	11,337,000	10,472,150	10,952,887	(480,737)
Operating expenditures	3,834,450	4,563,730	3,168,991	1,394,739
Capital outlay	26,430	762,000	589,029	172,971
<b>Total expenditures</b>	<b>15,197,880</b>	<b>15,797,880</b>	<b>14,710,907</b>	<b>1,086,973</b>
Excess (deficiency) of revenues over (under) expenditures	(9,901,260)	(9,901,260)	(9,275,652)	625,608
<b>Other financing sources (uses):</b>				
Transfers in:				
Pinellas County, Florida Board of County Commissioners appropriations	9,901,260	9,901,260	9,901,260	–
Transfers out:				
Distribution of excess appropriations to Pinellas County, Florida Board of County Commissioners	–	–	(796,501)	(796,501)
<b>Total other financing sources</b>	<b>9,901,260</b>	<b>9,901,260</b>	<b>9,104,759</b>	<b>(796,501)</b>
Net change in fund balances	–	–	(170,893)	(170,893)
Fund balances – beginning of year	–	–	176,846	176,846
Changes in reserve for prepaids	–	–	–	–
<b>Fund balances – end of year</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 5,953</b>	<b>\$ 5,953</b>

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Schedule of Revenues, Expenditures, and Changes  
in Fund Balance – Budget and Actual – Court Fund (Budgetary Basis)

Year Ended September 30, 2012

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget – Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues:</b>				
Charges for services	\$ –	\$ –	\$ –	\$ –
Fines and forfeitures	–	–	–	–
Interest income	–	–	–	–
Miscellaneous revenue	–	–	–	–
Court revenue appropriated from State	17,281,230	22,677,012	22,461,321	(215,691)
<b>Total revenues</b>	<b>17,281,230</b>	<b>22,677,012</b>	<b>22,461,321</b>	<b>(215,691)</b>
<b>Expenditures:</b>				
General government:				
Salaries and benefits	15,575,285	20,306,773	20,301,919	4,854
Operating expenditures	1,705,945	2,746,704	2,519,290	227,414
Capital outlay	–	202,815	188,106	14,709
Distribution of excess court revenue to the State	–	–	–	–
<b>Total expenditures</b>	<b>17,281,230</b>	<b>23,256,292</b>	<b>23,009,315</b>	<b>246,977</b>
Excess (deficiency) of revenues over (under) expenditures	–	(579,280)	(547,994)	31,286
Net change in fund balances	–	(579,280)	(547,994)	31,286
Fund balances – beginning of year	–	579,280	579,279	(1)
<b>Fund balances – end of year</b>	<b>\$ –</b>	<b>\$ –</b>	<b>\$ 31,285</b>	<b>\$ 31,285</b>

Pinellas County, Florida  
Clerk of the Circuit Court

Special-Purpose Schedule of Revenues, Expenditures, and Changes  
in Fund Balance – Budget and Actual – Public Records Modernization Fund

Year Ended September 30, 2012

	<u>Budget</u>		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,422,570	\$ 1,422,570	\$ 1,659,852	237,282
Fines and forfeitures	1,230,780	1,230,780	1,197,032	(33,748)
Interest income	2,750	2,750	150	(2,600)
Miscellaneous revenues	–	–	482	482
Total revenues	<u>2,656,100</u>	<u>2,656,100</u>	<u>2,857,516</u>	<u>201,416</u>
Expenditures:				
General government:				
Salaries and benefits	341,910	341,910	306,469	35,441
Operating expenditures	2,469,650	2,469,650	859,769	1,609,881
Capital outlay	1,256,140	1,256,140	46,230	1,209,910
Total expenditures	<u>4,067,700</u>	<u>4,067,700</u>	<u>1,212,468</u>	<u>2,855,232</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,411,600)</u>	<u>(1,411,600)</u>	<u>1,645,048</u>	<u>3,056,648</u>
Other financing sources (uses):				
Reserves	(708,720)	(708,720)	–	708,720
Total other financing sources (uses)	<u>(708,720)</u>	<u>(708,720)</u>	<u>–</u>	<u>708,720</u>
Net change in fund balances	(2,120,320)	(2,120,320)	1,645,048	3,765,368
Fund balances – beginning of year	2,120,320	2,120,320	1,782,286	(338,034)
Fund balances – end of year	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 3,427,334</u>	<u>\$ 3,427,334</u>



Pinellas County, Florida  
Clerk of the Circuit Court

Note to Required Supplementary Information

September 30, 2012

**1. Budgetary Process**

*Florida Statutes* Sections 129.021 and 129.03 govern the preparation, adoption, and administration of the Clerk's annual budget. The budget of the Clerk (to the extent of his function as ex-official Clerk to the Board) is prepared for the general fund, which is submitted to and approved by the Board. The Clerk also prepares the budget related to his recording function based on anticipated fees.

Prior to July 1, 2009, pursuant to Section 28.36, *Florida Statutes*, a balanced court-related budget had to be prepared on or before August 15 and submitted to the Clerk of Court Operations Corporation (the Corporation) of the State of Florida. If the Clerk estimates that projected revenues are insufficient to meet anticipated expenditures, the Clerk had to report the revenue deficit to the Corporation. Once the Corporation verified the revenue deficit, the Clerk could increase fees up to the maximum amounts specified by law to resolve the deficit. If a revenue deficit was still projected, a request could be submitted to release funds from the Department of Revenue Clerks of the Court Trust Fund. Effective July 1, 2009, pursuant to Section 28.36, *Florida Statutes*, a balanced court-related budget had to be prepared for the last quarter of the county fiscal year and the first three quarters of the next county fiscal year and submitted to the Corporation by August 17, now administratively housed within the Justice Administrative Commission of the State, for review and approval. The statewide total appropriation for the 2010–2011 state fiscal year was set in the General Appropriations Act. The Corporation determined the amount of each Clerk's budget, but the statewide total of such amounts may not exceed the amount listed in the General Appropriations Act. Beginning in the 2011–12 state fiscal year, the Corporation shall release appropriations to each Clerk quarterly and the amount released will be based on the performance of the Clerk in the preceding quarter.

Budgets for the general fund and public records modernization fund are prepared on a basis consistent with accounting principles generally accepted in the United States of America. The annual budget serves as the legal authorization for expenditures. Any subsequent amendments to the Clerk's budget funded by the Board must be approved by the Board, and any subsequent amendments of the Court Fund budget must be approved by the Corporation. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary control is maintained at each respective fund level. Budgetary changes within each respective fund are made at the discretion of the Clerk.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

# Other Financial Information

Pinellas County, Florida  
Clerk of the Circuit Court

Statement of Changes in Assets and Liabilities – Agency Fund

Year Ended September 30, 2012

	<b>Balance September 30, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance September 30, 2012</b>
<b>Trust Fund</b>				
Assets:				
Cash and cash equivalents	\$ 18,567,344	\$ 161,316,123	\$ 156,969,479	\$ 22,913,988
Investments	1,095	1,098	1,095	1,098
Accounts receivable	211,766	18,624,687	18,181,484	654,969
Due from other governments	19,261	232,829	228,289	23,801
Total assets	<u>\$ 18,799,466</u>	<u>\$ 180,174,737</u>	<u>\$ 175,380,347</u>	<u>\$ 23,593,856</u>
Liabilities:				
Due to other governments	\$ 6,379,845	\$ 111,272,690	\$ 111,259,170	\$ 6,393,365
Deposits	12,419,621	68,902,047	64,121,177	17,200,491
Total liabilities	<u>\$ 18,799,466</u>	<u>\$ 180,174,737</u>	<u>\$ 175,380,347</u>	<u>\$ 23,593,856</u>

# Other Reports

Report of Independent Certified Public Accountants 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 Ken Burke, Clerk of the Circuit Court  
Pinellas County, Florida

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Pinellas County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2012, and have issued our report thereon dated March 29, 2013, which describes that such special-purpose financial statements have been prepared for the purpose of complying with Section 218.39, *Florida Statutes*, and Chapter 10.577(3), *Rules of the Auditor General for Local Governmental Entity Audits*. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal control over financial reporting**

Management of the Clerk is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Clerk's internal control over financial reporting as a basis for designing our auditing procedures 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 Clerk's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control over financial reporting.

*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 special-purpose financial statements will not be prevented, or detected and corrected on a timely basis.

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 that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and other matters**

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

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

*Ernst + Young LLP*

March 29, 2013

## Management Letter on Internal Control and State Reporting Requirements

The Honorable Ken Burke, Clerk of the Court  
Pinellas County, Florida

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Pinellas County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2012, and have issued our report thereon dated March 29, 2013.

We conducted our audit in accordance with United States generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We have issued our Report of Independent Certified Public Accounts on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Special-Purpose Financial Statements Performed in Accordance With *Government Auditing Standards*. Disclosures in that report, which is dated March 29, 2013, should be considered in conjunction with this management letter.

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. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement.

### **Current Year Recommendations**

The *Rules of the Auditor General* (Chapter 10.554(1)(i)3), require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

### **Status of Prior Year Recommendations**

The *Rules of the Auditor General* (Chapter 10.554(1)(i)1) require that, unless otherwise required to be reported in the auditor's report on internal control over financial reporting and compliance and other matters, a management letter shall include a statement as to whether or not corrective

action plans have been taken to address significant findings and recommendations made in the preceding two annual financial audit reports. We did not report any findings or recommendations in the preceding two annual financial audit reports.

### **Required Disclosures**

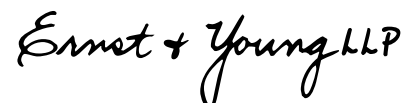
As required by the *Rules of the Auditor General* (Chapter 10.554(1)(i)2), the scope of our audit included a review of the provisions of Section 218.415, *Florida Statutes*, regarding the investments of public funds. In connection with our audit, we determined that the Clerk complied with Section 218.415, *Florida Statutes*.

The *Rules of the Auditor General* (Chapter 10.554(1)(i)4), require disclosure in the management letter of the following matters if not already addressed in the auditor's report on internal control over financial reporting and compliance and other matters and are not clearly inconsequential: (1) violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred; (2) improper or illegal expenditures; (3) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (4) failures to properly record financial transactions; and (5) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor. Our audit discovered none of these matters.

The *Rules of the Auditor General* (Chapter 10.554(1)(i)6) also require that we report on the Clerk's name or official title and legal authority. In that regard, the Pinellas County, Florida, Clerk of the Circuit Court was established by the Constitution of the State of Florida, Article VIII, Section 1(d).

The *Rules of the Auditor General* (Chapter 10.554(1)(i)8) require that we indicate whether the Clerk complied with the provisions of Section 28.35, *Florida Statutes*, regarding the budget and performance standards certified by the Florida Clerk of Courts Operations Corporation. The Clerk has complied with the requirements pursuant to Section 28.35, *Florida Statutes*.

This letter is intended solely for the information and use of the Clerk of the Circuit Court, Pinellas County, Florida management, the Board of County Commissioners, and the Auditor General, State of Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

March 29, 2013