

## **ADDENDUM TO THE INDEPENDENT AUDITORS' MANAGEMENT LETTER ISSUED JUNE 23, 2022**

Honorable Mayor and Members of the City Council  
City of Port St Lucie, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of Port St. Lucie, Florida as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated June 23, 2022. The following is an addendum to the letter management letter included in the City of Port St. Lucie, Florida's financial statements.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address finding and recommendations made in the preceding audit report. Corrective actions have been taken to address all findings and recommendations made in the preceding financial audit report.

Finding	Status
2020-001 Review of Reports, Originally reported as finding 2019-003	Cleared

### **Financial Condition and Management**

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management.

2021-004 Documentation of Insurance Reports and Review of Revenue Recognition

Condition/Cause- Management did not maintain documentation of review of insurance claims reports and perform adequate review of revenue recognition.

Criteria- Proper user controls need to be in place in order to rely on reports from third party and revenue could be reported in the incorrect period.

Effect- Review of a report could be missed without documenting the review occurred and/or revenue could be reported in the incorrect period.

Recommendation- We recommend that management ensures quarterly review controls around health insurance claims are documented and maintained and revenue is recorded when services are provided and received.

Management Response- Review of the reports and revenue transactions will be documented.

**Purpose of this Letter**

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

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

Melbourne, Florida  
August 23, 2022