

**PINELLAS COUNTY, FLORIDA
CONSTRUCTION LICENSING BOARD
(A Component Unit of Pinellas County, Florida)**

FINANCIAL STATEMENTS
Year Ended September 30, 2022

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
FINANCIAL STATEMENTS
For the year ended September 30, 2022
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**INDEPENDENT AUDITOR'S
REPORT**

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Pinellas County Construction Licensing Board
Largo, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the general fund of the Pinellas County Construction Licensing Board ("PCCLB"), a component unit of Pinellas County, Florida (the "County"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the PCCLB's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the PCCLB, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the PCCLB, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the PCCLB's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 PCCLB's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the PCCLB's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of revenues, expenditures and changes in fund balance – budget and actual – general fund, on pages 4 to 6 and 14, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2023 on our consideration of the PCCLB'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 solely 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 effectiveness of the PCCLB's 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 PCCLB's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Tampa, Florida
April 21, 2023

**MANAGEMENT'S
DISCUSSION AND ANALYSIS
(UNAUDITED)**

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2022

This section of the Pinellas County Construction Licensing Board's (the Board's) annual financial report presents a narrative overview and an analysis of the financial activities of the Board for the fiscal year ended September 30, 2022. Please read the information presented here in conjunction with the financial statements and notes to the financial statements that follow.

FINANCIAL HIGHLIGHTS

- Net Position remained at \$0 because any excess revenues over expenditures are transferred to Pinellas County, Florida (County). This transfer is the result of an interlocal agreement between the County and the Board. According to the agreement Pinellas County would provide the Board with all staff necessary to provide administrative and enforcement duties, as well as legal and central services consisting of purchasing, accounting, payroll and technology.
- As of September 30, 2022, the Board's governmental fund reported a zero ending fund balance, no change from the previous fiscal year. This is the result of the transfer of any remaining excess of the Board's revenues over expenditures to the County.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements and 3) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements provide both long-term and short-term information about the Board's overall financial status. These statements use a format similar to a private sector business. They include a Statement of Net Position and a Statement of Activities.

The Statement of Net Position presents information on the Board's assets, deferred outflows, liabilities, deferred inflows and the resulting net position using accounting methods similar to those used by private sector companies. This is considered one way to measure the Board's financial health. Annually, the Board transfers all available funds to the County. Thus, no assets, deferred outflows, liabilities, deferred inflows, or net position was reported by the Board as of September 30, 2022.

The Statement of Activities presents information showing the Board's results of operations on a full accrual basis of accounting. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

Fund Financial Statements. Traditional users of governmental financial statements will find the fund financial statements' presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Board uses one governmental fund to account for its operations.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements.

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison.

The Board adopts an annual appropriated budget for the governmental fund. A budgetary comparison statement is provided for the General Fund in order to present budgetary compliance.

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
 (A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
 September 30, 2022

Notes to the financial statements. The notes provide additional information that is essential in order for the reader to obtain a full understanding of the information presented in the basic financial statements.

FINANCIAL ANALYSIS OF THE GOVERNMENT AS A WHOLE

Following is a comparison of the Board's net position as of September 30, 2022 and 2021:

	2022	2021
Assets		
Cash and cash equivalents	\$ -	\$ -
Receivables	-	-
Total assets	-	-
Net position		
Restricted	-	-
Net position	\$ -	\$ -

The Board's net position remained at \$0 as of September 30, 2022 and 2021, due to the transfer of any remaining excess of the Board's revenues over expenditures to the County.

Following is a comparison of the Board's Statement of Activities for the years ended September 30, 2022 and 2021:

	2022	2021
Program revenues:		
Charges for Services	\$ 1,587,829	\$ 1,403,194
Total revenues	1,587,829	1,403,194
Program expenses:		
Public safety	1,587,829	1,403,194
Non-operating expenses:		
Total expenses	1,587,829	1,403,194
Net position - ending	\$ -	\$ -

Governmental Funds: Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the Board's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Board's net resources available for spending at the end of the fiscal year.

As of September 30, 2022, the Board's governmental fund (general fund) reported zero ending fund balance, unchanged from the previous fiscal year. During the current fiscal year revenues increased due to increase of the average payment per citation. The expenditure increase during the current fiscal year were the result of increased personnel costs and other charges for services provided by the County.

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
September 30, 2022

General Fund Budgetary Highlights

The budgetary comparison schedule can be found within required supplementary information section.

A review of actual results compared to the final budget disclosed the following:

- Revenue realized from fines and forfeitures was \$270,617 less than budgeted as a result of decreased number of fines and forfeitures in the current year.
- Total expenditures were under budget by \$170,051 as a result of the decreased spending on staff augmentation.

ECONOMIC FACTORS/CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Licensing registration and renewal revenues increased due to an overall increase in the number of licensing transactions compared to the prior year. Citation revenues were up because the average payment per citation increased compared to the prior year even though the number of citations decreased.

Revenue is projected to decrease in fiscal year 2023 primarily due to Statewide implementation of HB 735, the Pre-emption of Local Specialty Licensing to the State that was signed into law in June of 2021. The bill pre-empts 18 local specialty licensing classifications, eliminating the specialty licenses of an estimated 1,500 contractors, and goes into effect July 1, 2023. Those specialty contractors who renewed their annual licenses in fiscal year 2022 paid a prorated license fee. The Department will feel the full economic impact of the legislation in fiscal year 2023. The Department will continue to monitor legislative changes that may impact operations in the future.

The Department will be retiring its current licensing and case management software in fiscal year 2023. The new system will allow contractors to perform all services online and better serve our municipal and County Building Services partners.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Pinellas County Construction Licensing Board's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed as follows:

Michelle Krickovic
Director
Pinellas County Construction Licensing Board
7887 Bryan Diary Road, Suite 133
Largo, Florida 33777

FINANCIAL STATEMENTS

Pinellas County, Florida
 CONSTRUCTION LICENSING BOARD
 (A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
 STATEMENT OF NET POSITION
 September 30, 2022

	Governmental Activities
ASSETS	
Current Assets	
Cash	\$ -
Receivables	-
Total current assets	-
Total assets	-
NET POSITION	
Restricted	\$ -

The accompanying notes are an integral part of these financial statements.

Pinellas County, Florida
 CONSTRUCTION LICENSING BOARD
 (A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
 STATEMENT OF ACTIVITIES
 For the year ended September 30, 2022

	<u>Governmental Activities</u>
EXPENSES	
Program expenses - public safety	
Construction Licensing Board	<u>\$ 1,587,829</u>
PROGRAM REVENUE	
Charges for services - public safety	<u>1,587,829</u>
Change in net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Pinellas County, Florida
 CONSTRUCTION LICENSING BOARD
 (A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
 BALANCE SHEET
 GENERAL FUND
 September 30, 2022

ASSETS

Cash	\$	-
Receivables		-
		<u> </u>
Total assets		<u> </u>

FUND BALANCES

Restricted	\$	-
		<u> </u>

RECONCILIATION OF THE GENERAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total fund balance - General Fund	\$	-
Net position - governmental activities		<u> </u>
		<u> </u>

The accompanying notes are an integral part of these financial statements.

Pinellas County, Florida
 CONSTRUCTION LICENSING BOARD
 (A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 GENERAL FUND
 For the Year Ended September 30, 2022

REVENUES	
Licenses and permits	\$ 865,216
Fines and forfeitures	721,763
Miscellaneous	<u>850</u>
Total revenues	<u>1,587,829</u>
EXPENDITURES	
Public safety	
Contractual services	1,552,988
Transfer of excess funds to Pinellas County, Florida	<u>34,841</u>
Total expenditures	<u>1,587,829</u>
Net change in fund balance	-
Fund balance - beginning	<u>-</u>
Fund balance - ending	<u><u>\$ -</u></u>
 RECONCILIATION OF THE GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES	
Net change in fund balance - General Fund	<u>\$ -</u>
Change in net position - governmental activities	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

NOTE 1 - Summary Of Significant Accounting Policies

A. Basis of Presentation

The financial statements of Pinellas County Construction Licensing Board (Board) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

B. Organization and Reporting Entity

The Board was created in 1973 by the Legislative's Special Act Chapter 75-489, Law of Florida, as amended by Chapter 78-594, 81-466, 86-444, 89-504, 93-387, 2002-350, 2003-319, 2004-403 and 2018-179, Laws of Florida to regulate the construction industry in Pinellas County. The purpose of the Board is to regulate certain construction and home improvement contractors practicing in all Pinellas jurisdictions. In addition, the Board amends the building codes for application and enforcement countywide to provide safe, economic, and sound buildings and structures throughout Pinellas County.

In March 2018, legislation was passed by the Florida House of Representatives (HB 1137) that significantly impacted the Board's governance structure and legal status. Effective July 1, 2018, the Board became a dependent special district of the Pinellas County, Florida (County). The County appoints all 15 members of the Board and may remove any member at any time. The County, at its discretion, may amend the powers and the duties of the Board including Board finances and contributions of cost associated with the Board which are borne by the County.

These financial statements consist of the Board. Additionally, the Board is included as a discretely presented component unit of the County. The County Annual Comprehensive Financial Report is available at www.mypinellasclerk.gov/Home/Finance.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on the government.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants for goods, services, or privileges provided and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred.

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

Licenses associated with current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

The Board reports the General Fund as a major governmental fund, which represents the Board's sole operating fund and accounts for all financial resources of the Board.

D. Cash

The Board does not maintain an ending cash or investment balance because all revenues earned and collected are remitted to the County to pay for contractual service charges intended to fund the Board's operations. Any excess of revenues over expenditures is transferred to the County, in accordance with the Special Act and interlocal agreement.

E. Receivables

Since likelihood of collection is deemed remote, management records an allowance for 100 percent of delinquent balances relating to unpaid administrative fines and citations. Thus, revenue is recognized upon receipt of those delinquent balances.

F. Capital Assets

As of September 30, 2022, there were no capital assets held by the Board. Capital assets were donated to the County through an interlocal agreement discussed in Note 2.

G. Accounts Payable and Accrued Liabilities

Payables include amounts due to vendors for services under various contracts which are due within one year.

The Board does not recognize payables or other accrued liabilities because the Board has no employees and incurs no direct liabilities for the purchase of goods and services. Rather, these costs are borne by the County, which assesses fees for its services to the Board.

H. Net Position

Net position (deficit) represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the government-wide financial statements. As of September 30, 2022, the Board has no net position.

NOTE 2 - Interlocal Agreement

The Board entered into an interlocal agreement with the County subsequent to becoming a dependent agency as discussed in Note 1. This was authorized by the provisions of Section 163.01, Florida Statutes, which authorized the exercise by agreement of two or more public agencies of a common power.

The interlocal agreement stipulates the County provides the Board with personnel, administration of operations, including central services provided to County Administrator departments and legal services through the Office of the County Attorney. In exchange for the services provided, the Board is to remit revenues generated from operations to the County.

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2022

The Board does not have employees as stipulated above. In the current year, there are no liabilities related to compensated absences, pension, or other post employment benefit (OPEB) for the Board. These expenses and related deferred inflows and deferred outflows are borne by the County.

NOTE 3 - Cash And Investments

The County serves as the Board's fiscal agent and maintains a cash pool for deposits. The Board's cash portion of these balances is zero at September 30, 2022, because the excess of revenues collected over payments to the County to fund the Board's operations is remitted to the County.

Custodial Credit Risk - Deposits

According to Chapter 280, Florida Statutes, the Board's monies must be deposited with financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida. In accordance with this statute, qualified public depositories are required to pledge eligible collateral in varying percentages. Any losses to public depositors are covered by applicable deposit insurance, by the sale of pledged securities and, if necessary, by assessments against other qualified public depositories. At September 30, 2022, all deposits were covered by Federal depository insurance or by pledged collateral.

NOTE 4 - Risk Management

As of September 30, 2022, the Board had not separately established a Risk Management Fund or Pool. Insurance coverage is provided entirely through the County's risk management pool for property, general liability, employee liability, and workers' compensation coverage. All risk from such claims is borne by the County.

NOTE 5 - Related Party Transactions

During the fiscal year ended September 30, 2022, the Board incurred expenditures for contractual services provided by the County of \$1,552,988. Also, the Board remitted all excess revenues earned over expenditures incurred for the fiscal year ended September 30, 2022, totaling \$34,841.

NOTE 6 - Fund Balance Reporting

As of September 30, 2022, the Board has no ending fund balance because any excess or deficit of revenues over (under) expenditures of the Board are transferred to (from) the County.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Pinellas County, Florida

CONSTRUCTION LICENSING BOARD

(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended September 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Licenses and permits	\$ 758,010	\$ 758,010	\$ 865,216	\$ 107,206
Fines and forfeitures	992,380	992,380	721,763	(270,617)
Investment income (loss)	7,490	7,490	-	(7,490)
Miscellaneous	-	-	850	850
Total revenues	<u>1,757,880</u>	<u>1,757,880</u>	<u>1,587,829</u>	<u>(170,051)</u>
EXPENDITURES				
Public safety				
Contractual services	1,690,710	1,690,710	1,552,988	137,722
Transfer of excess funds to Pinellas County, Florida	<u>67,170</u>	<u>67,170</u>	<u>34,841</u>	<u>32,329</u>
Total expenditures	<u>1,757,880</u>	<u>1,757,880</u>	<u>1,587,829</u>	<u>170,051</u>
Net change in fund balances	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Pinellas County, Florida
CONSTRUCTION LICENSING BOARD
(A COMPONENT UNIT OF PINELLAS COUNTY, FLORIDA)
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2022

NOTE 1 - Budgets

The Pinellas County Office of Management and Budget (OMB) on behalf of the Board prepared an annual budget reflecting the combined revenues of the Board and the expenditures made by the County on behalf of the Board under the interlocal agreement. The budget prepared by OMB through the annual budget process of the County was adopted by the Board via resolution. Chapters 129 and 200, Florida Statutes, govern the preparation, adoption, and administration of the County's annual budget. The budget shall be balanced: that is, the total of the estimated receipts, including balances brought forward, shall equal the total of the appropriations and reserves. Budgets for all of the County's governmental funds, including the budget prepared on behalf of the Board, are prepared in accordance with GAAP, using the modified accrual basis of accounting.

Any revision that alters the total expenditures is presented to the Board's chairman and the Board of County Commissioners for approval. In instances where budget appropriations and estimated revenues have been revised during the year, the budget data presented in the financial statements represents final authorized amounts. Expenditures may not legally exceed budgeted appropriations at the fund level.

**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**

Board of Commissioners
Pinellas County Construction Licensing Board
Largo, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the general fund of the Pinellas County Construction Licensing Board ("PCCLB"), a component unit of Pinellas County, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the PCCLB's basic financial statements, and have issued our report thereon dated April 21, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the PCCLB's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the PCCLB's internal control. Accordingly, we do not express an opinion on the effectiveness of the PCCLB'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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the PCCLB's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 PCCLB'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.



Crowe LLP

Tampa, Florida
April 21, 2023

Board of Commissioners
Pinellas County Construction Licensing Board
Largo, Florida

Report on the Financial Statements

We have audited the financial statements of the Pinellas County Construction Licensing Board (“PCCLB”), a component unit of Pinellas County, Florida (“County”), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated April 21, 2023.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of The Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 21, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings noted in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the PCCLB has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and to identify the specific condition(s) met. In connection with our audit, we determined that PCCLB did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the County in which PCCLB is presented as a component unit and included in the County's assessment. It is management's responsibility to monitor the PCCLB's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Special District Component Units

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

		Pinellas County Construction Licensing Board
a.	The total number of district employees compensated in the last pay period of the district's fiscal year being reported	0
b.	The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported	0
c.	All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency	\$ -
d.	All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency	\$ -
e.	Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project	None
f.	A budget variance report based on the budget adopted under Section 189.016(4), <i>Florida Statutes</i> , before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), <i>Florida Statutes</i>	Original budget was not amended

The information above (a. through f.) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Matters

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

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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



Crowe LLP

Tampa, Florida
April 21, 2023

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

Board of Commissioners
Pinellas County Construction Licensing Board
Largo, Florida

We have examined the Pinellas County Construction Licensing Board's ("PCCLB"), a component unit of Pinellas County, Florida, compliance with Section 218.415, *Florida Statutes*, concerning the investment of public funds during the year ended September 30, 2022. Management of the PCCLB is responsible for the PCCLB's compliance with the specified requirements. Our responsibility is to express an opinion on the PCCLB's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and those standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the PCCLB complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the PCCLB complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

Our examination does not provide a legal determination on the PCCLB's compliance with the specified requirements.

In our opinion, the PCCLB complied, in all material respects, with the requirements contained in Section 218.415, *Florida Statutes* during the year ended September 30, 2022.

The purpose of this report is solely to comply with Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Crowe LLP

Tampa, Florida
April 21, 2023