Juvenile Welfare Board

Investing in children. Strengthening our community.

JUVENILE WELFARE BOARD

FINANCIAL STATEMENTS AND COMPLIANCE REPORTS

As of and For the Year Ended September 30, 2015

And Reports of Independent Auditor

Cherry Bekaert LLP

CPAs & Advisors

JUVENILE WELFARE BOARD

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Report of Independent Auditor

Members of the Board
Juvenile Welfare Board of Pinellas County

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the Juvenile Welfare Board of Pinellas County ("JWB") as of and for the year ended September 30, 2015, and the related notes in the financial statements, which collectively comprise JWB's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the general fund and the aggregate remaining fund information of JWB, as of September 30, 2015 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 13 to the basic financial statements, JWB adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No 27,* and GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68,* during the year ended September 30, 2015. Our opinions are not modified with respect to these matters.

Other Matters

Prior Year Information

We have previously audited JWB's 2014 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the general fund, and the aggregate remaining fund information in our report dated January 27, 2015. In our opinion, the summarized information presented herein as of and for the year ended September 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived. The summarized information has not been modified for the effects of GASB Statements No. 68 and 71 and thus is not comparative to the current year amounts.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed on the table of contents, on pages 3 through 10 and 36 through 40, respectively, be presented to supplement the basic financial statements. Such information, 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise JWB's basic financial statements. The schedule of receipts and expenditures related to the Deepwater Horizon Oil Spill is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of receipts and expenditures of funds related to the Deepwater Horizon Oil Spill is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2016, on our consideration of JWB'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* in considering JWB's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
May 4, 2016

JUVENILE WELFARE BOARD
MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2015
(UNAUDITED)

Our discussion and analysis of the financial performance of Juvenile Welfare Board ("JWB") provides an overview of the financial activities for the fiscal years ended September 30, 2015 and 2014. Please read it in conjunction with the financial statements which begin on page 11.

FINANCIAL HIGHLIGHTS

JWB's total net position increased by $2,127,043 (or 10%). The governmental activities include the JWB General Fund and the Special Revenue Fund of Pinellas Core Management Services, Inc. ("PCMS"), a 501(c)(3) not-for-profit corporation, which is a blended component unit to JWB's governmental activities. See Note 2 to the financial statements for further discussion. PCMS totals only .62% of net position.

JWB's governmental activities total expenses of $56,807,576 reflected a decrease over the prior year by $8,987,109 (or 14%). Total revenues decreased by $9,620,665 (or 14%). This is primarily due to the reduction in Intergovernmental Transfer ("IGT") dollars from the previous fiscal year amounts. PCMS revenue for the year was 0.02% of total governmental revenues and expenses which make up 1.9% of total governmental expenses.

Although the decrease in revenues was greater than the decrease in expenditures, the General Fund saw a net increase of $2,168,253. This is due primarily to lower than anticipated expenditures. The Special Revenue Fund – PCMS experienced a net decrease of $16,411 resulting from general operating expense.

The General Fund expenditures budget was unspent by $7,900,207. This lapse resulted from $2.1M in administration and technology and $5.8M in children and families programming. The lapse in children and families programming consisted of $602k for a Quality Early Learning Expansion Initiative, $750k in non-operating technology, $1.0M in the Family Services Initiative, and $1M that was transferred to PCMS for children and family program grants.

The Vision of the Juvenile Welfare Board is that children and families in Pinellas County will have a future of more successful and satisfying lives because of the efforts of JWB and its partners. JWB has identified and invests annually in three strategic focus areas: School Readiness, School Success, and the Prevention of Child Abuse and Neglect. In FY 14/15, JWB agency-partner investments included $7,594,626, $16,430,134, and $18,000,820, respectively, in these focus areas.

OVERVIEW OF THE FINANCIAL STATEMENTS

The focus of the financial statements is on JWB as a whole (government-wide) and the major individual funds allowing for comparisons and enhanced accountability. The sections are as follows: Management's Discussion and Analysis, Basic Financial Statements (Government-Wide and Fund Financial Statements) along with the Notes to the Financial Statements and Required Supplementary Information.

Government-wide Financial Statements

The government-wide financial statements present readers a broad overview of JWB's financial operations for the fiscal year in a manner similar to a private sector business. There is only one category which is the governmental fund. The governmental fund includes JWB General Fund and the PCMS Special Revenue Fund. All of JWB's basic services are considered to be governmental activities, including administration and services to children and families. Property taxes finance most of these activities. PCMS is a legally separate not-for-profit entity; however, it complies with the criteria as a blended component unit with JWB and is accounted for in the Special Revenue Fund of the governmental fund.

The *Statement of Net Position* presents information on JWB's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference being reported as net position. Over time, changes in net position (increases and decreases) may serve as a useful indicator of whether the financial position of JWB is improving or deteriorating.

The *Statement of Activities* presents the change in JWB's net position during the fiscal year. Revenues and expenses are accounted for on the accrual basis of accounting in this report. Revenues and expenses are recorded when the underlying transaction occurs. Therefore, some revenues and expenses reported will result in expenditures in future years (e.g. earned but unused vacation/sick leave). Depreciation for all capital assets is also recorded.

These two statements report JWB's net position and the changes thereof.

The value of Pinellas County properties increased by 6.54% for FY 14/15. The .8981 millage rate adopted last year and maintained this year yielded $51,838,335 in total ad valorem revenues, an increase of $3,083,285. The projected gap between revenues and expenditures is approximately $4.5M for the fiscal year 14/15 budget and is covered by the fund balance.

JWB has historically derived nearly all of its revenues from property taxes, but over the last several years revenue maximization efforts have diversified the base. The Intergovernmental Transfer Program ("IGT") maintained approximately $6.8M in the original budget in FY 14/15, a $14.6M reduction from FY 13/14.

Fund Financial Statements

A *fund* is a self-balancing group of accounts used to maintain control over resources intended to be used for specific purposes. JWB uses the governmental fund. The fund financial statements focus on major funds, not JWB as a whole.

The *governmental fund* financial statements provide information based on current inflows and outflows of spendable resources and the balances available at the end of the fiscal year. These statements provide the detail to develop the budget or financial plan. They also allow for current budget compliance to be confirmed. A reconciliation of the governmental fund financial statements with the governmental activities included in the government-wide financial statements is provided at the end of the related financial statements to facilitate comparison. One element of the reconciliation is long-term liabilities, which are not due and payable in the current period and therefore are not reported in the fund financial statements. The other is capital assets used in governmental activities which are not financial resources and not reported in the fund financial statements.

JWB uses the General Fund and the Special Revenue Fund to record governmental activities. The General Fund is used to account for all JWB financial resources except those required to be reported in another fund. The Special Revenue Fund is used to account for the activities of PCMS.

Notes to the Financial Statements

The notes provide additional information that is important to the reader in attaining a full understanding of the data presented in the financial statements.

Other Supplementary Information

JWB adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided as supplementary information. The required supplementary information consists of the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual - General Fund (Budgetary Basis); Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System Pension Plan; Schedule of Contributions – Florida Retirement System; Schedule of Proportionate Share of Net Pension Liability – Health Insurance Subsidy Pension Plan; and Schedule of Contributions – Health Insurance Subsidy Pension Plan.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The table below reflects the condensed Statement of Net Position compared to the prior year. As of September 30, 2015, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately $21.1 million. This is an increase of $2,127,043 over the prior year (as restated).

	Governmental Activities	
	2015	2014 Restated
Current and other assets	$25,392,442	$ 22,176,870
Capital assets/LT NR	3,439,881	3,584,747
Total assets	28,832,323	25,761,617
Deferred outflow of resources		
Deferred amount related to pensions	872,679	398,283
Total deferred outflow of resources	872,679	398,283
Other liabilities	5,180,499	4,155,522
Long-term liabilities	2,717,150	2,070,444
Total liabilities	7,897,649	6,225,966
Deferred inflows of resources		
Deferred amount related to pensions	711,151	964,775
Total deferred inflow of resources	711,151	964,775
Net position:		
Net investment in capital assets	3,425,618	3,550,339
Unrestricted	17,670,584	15,418,820
Total net position	$ 21,096,202	$ 18,969,159

Current assets increased by $3,215,572 in 2015 due to an increase in ad valorem revenue. Receivables decreased because of the reduction in note receivable from St. Petersburg College based on the payments received during the year. The net investment in capital assets (land, buildings, furniture and equipment) represents 16% of JWB's total net position. Capital assets decreased due to fewer additions than removal of furniture, equipment and building improvements, net of depreciation for the period. Total liabilities increased by $1,671,683 due to an increase in accounts payable, slight increase in payroll accruals at year end and the recognition of the net pension liability of retirement plans as a result of the implementation of Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No 27,* and GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* during the year. A reduction also occurred in the long-term portion of accrued absences and copier leases. Net investments in capital are $124,721 less than the prior year. It is reduced by leases payable and also includes the retirement of equipment. The unrestricted net position increased by 15% from prior fiscal year (as restated). This represents an increase from ad valorem revenue and fewer expenses during the fiscal year.

The following schedule reflects the condensed Statement of Activities compared to the prior year. As of September 30, 2015, revenues exceeded expenses by $2,127,043, a decrease of 23% over the prior year.

	Governmental Activities	
	2015	**2014**
Revenues:		
Program revenues:		
Charges for services	$ 20,893	$ 94,955
Operating grants and contributions	7,978,626	20,759,151
General revenues:		
Property taxes	50,660,045	47,635,245
Investment income	88,707	49,253
Miscellaneous	186,348	16,680
Total Revenues	58,934,619	68,555,284
Expenses:		
Administration	7,815,021	7,315,695
Children & family programs	48,992,555	58,478,990
Total Expenses	56,807,576	65,794,685
Increase in net position	2,127,043	2,760,599
Net position – beginning of year, as previously reported	21,252,484	18,491,885
Accumulative effect of accounting change (see Note 13)	(2,283,325)	-
Net position – beginning of year, as restated	18,969,159	-
Net position – end of year	$ 21,096,202	$ 21,252,484

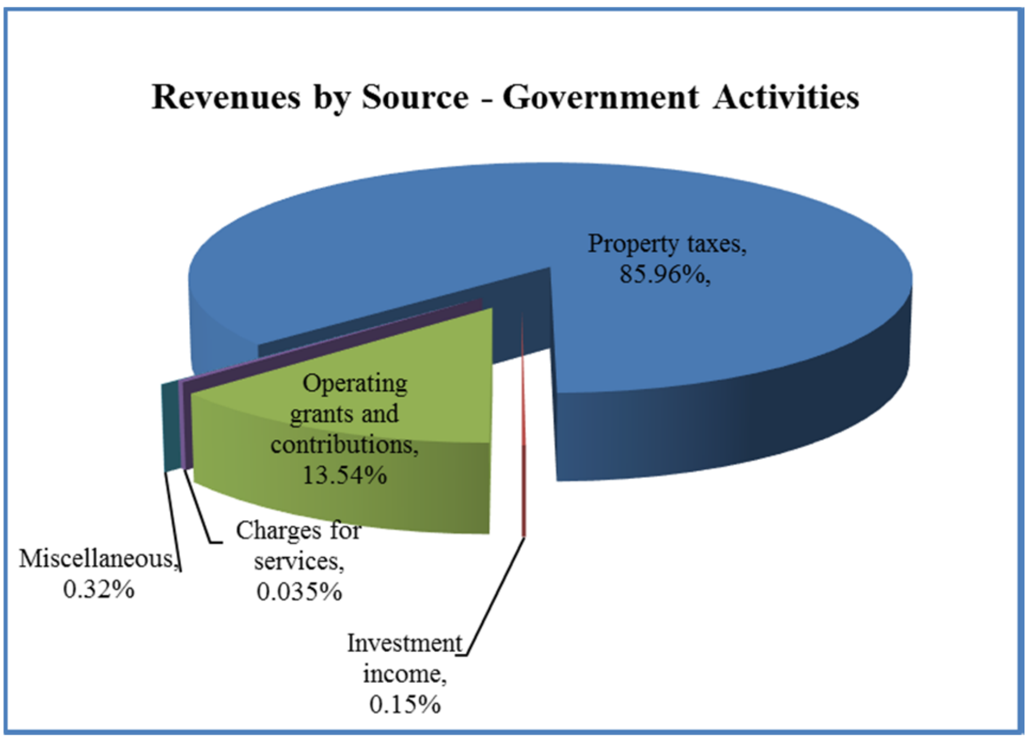
The total revenue for governmental activities decreased by $9,620,665 (or 14%) from 2014. Property taxes are the main source of income for JWB at 86% of total revenues. Grants and contributions are the next highest source of revenue, which included an intergovernmental partnership of $6.8M with All Children's Hospital, BayCare Health System and Community Health Centers of Pinellas for Medicaid dollars for low-income children and families. Total expenses decreased by 14% over the prior year due to the decrease in Intergovernmental Transfer and Family Services Initiative expenditures, as well as the decision to not expand an additional Quality Early Learning site. In addition, some technology initiatives were not implemented such as Business Intelligence and the Single Entry Application. An Enterprise Resource Planning ("ERP") system initiative began in FY 14/15 with the hiring of a consultant to assist in the process of selecting a system. The expending of dollars for this process will begin in FY 15/16.

Governmental Activities

Property taxes remain the main revenue source for JWB. Other sources of revenue such as investment income and grants are a smaller portion of the overall revenue stream for the governmental activities.

The current property tax valuation for FY 15 was $60 billion which is an overall increase of 6.54%. Property values began to increase last fiscal year after a five year decline. It is projected to see growth in property tax revenue in future years.

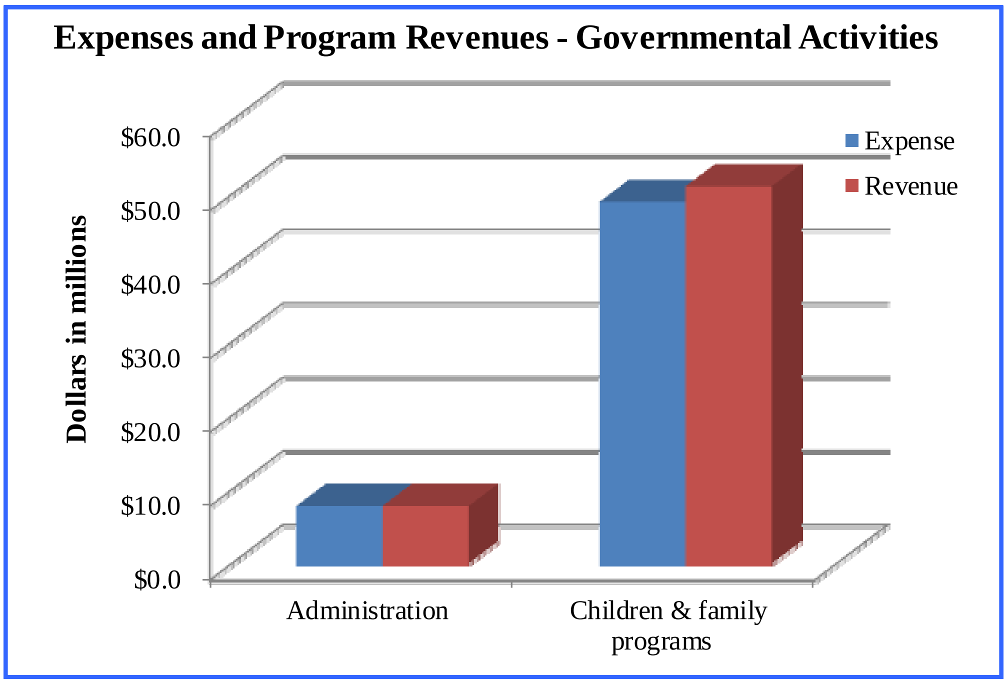
For FY 15, the budget reflects a millage rate of .8981 mills, which is the same rate as the prior year. The overall initial operating budget was $75.8 million, a decrease of 11% over the amended budget for FY 14.



Intergovernmental and grant revenue and contributions decreased from approximately $21 million to approximately $8 million. JWB partnered with All Children's Hospital, BayCare Health System and Community Health Centers of Pinellas in order to attract additional Medicaid funding for at risk children and families through the Intergovernmental Transfer Program. Due to an significant policy change to Medicaid at the federal level, JWB would no longer be able to participate in the program. It was due to this change that one of the hospitals that partnered with JWB and participated in FY 13/14, did not participate in FY 14/15, thus resulting in the decrease. JWB administered two grants, the Volunteer Income Tax Assistance grant and the Annie Casey Foundation grant.

JWB investment revenue increased in yield from $49,253 to $88,707, or approximately 80%. JWB received additional interest in the amount of approximately $21k from the closed Florida Prime Fund B.

The revenue sources along with expense by activity are presented in the chart below.



The total expense of the governmental activities decreased by approximately $9 million over the prior year. The majority of the expense decrease over the prior year is the reduction of Intergovernmental Transfer expenditures.

Administrative expense increased by 7% which occurred from personnel and benefit as well as non-operating technology increases. The children and family program expense decreased by $9.5 million from 2014 in relationship to the Medicaid program. Program revenues increased due to the increase in property tax revenue.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

Budgetary Highlights

General Fund

At the end of FY 15, JWB's General Fund balance was $19.8 million (an increase of $2,168,253). The fund balance consists of non-spendable in the amount of $498,069, assigned in the amount of $2,328,211 and $16,988,764 unassigned.

Special Revenue Fund (Pinellas Core Management Services, Inc.)

There is a minimal fund balance which originally was assumed under the transition of PCMS to JWB in FY 09/10. Increased revenue activity in FY 11/12 requires it to be recognized in the Special Revenue Fund (see Note 2 for further discussion). The Special Revenue Fund balance at September 30, 2015 is $131,152. This is a reduction of $16,411 from the prior year and is effectuated through a transfer from the General Fund.

Capital Assets

JWB's capital assets for the governmental activities is approximately $3.44 million, net of accumulated depreciation. This represents a $144,866 decrease, net of depreciation, from September 30, 2014. The chart below includes land, buildings, improvements, and equipment with the accumulated depreciation deducted.

	Governmental Activities	
	2015	**2014**
Capital lease - St. Petersburg College	$ 3,352,684	$ 3,453,459
Furniture, fixtures, and equipment	74,243	105,379
Capital lease - Equipment	12,954	25,909
Total	$ 3,439,881	$ 3,584,747

JWB's capital technology expenditures in FY 15 included costs for computer hardware and GEMS enhancements, along with capital leases for three copier machines. The decrease occurred from depreciation and the removal of retired equipment.

Long-term Liability Administration

As of September 30, 2015, the Juvenile Welfare Board had $2.7m in long- term liabilities. Of that amount $2.4 million is the net pension liability recognized as a result of the implementation of GASB 68, Accounting and Financial Reporting for Pensions. The remainder is the long- term portion of both compensated balances and capital leases for equipment. The chart below shows the balances of the long-term liabilities:

	Beginning Balance Restated	Increases	Decreases	Ending Balance	Due in One Year
Compensated absences	$ 319,203	$ 13,428	$ 18,206	$ 314,425	$ 103,663
Capital Leases - Equipment	28,161	-	13,898	14,263	10,201
Leasehold Improvements - St. Petersburg College	6,247	-	6,247	-	-
Net pension liability	1,716,833	671,629	-	2,388,462	-
Total	$2,070,444	$ 685,057	$ 38,351	$ 2,717,150	$ 113,864

Economic Factors

With the recession five years behind us, Florida's economy shows several signs of sustained improvement. In Pinellas County, building permits and inspections are showing sustained growth, the real estate market continues to improve, and sales tax revenues are showing modest growth.

The total FY 15/16 budget is approximately $73.3 million which is a slight decrease to the adopted budget of FY 14/15 which totaled $75.8 million.

The FY 15/16 budget is built on a foundation of strategic planning, performance measurement, program budgeting and five-year forecasting. Developing a multi-year forecast provides decision-makers with at least two key benefits: (1) assessing the long-term financial sustainability of JWB funds and (2) understanding the impact of today's decisions on the future. At the current millage rate and with the assumption of a 3% property value increase, expenditure reductions or revenue increases may be required in FY 2017, or future years, to address the structural imbalance. The extent of the changes that may be needed depends on the pace of the economy, particularly the real estate market.

The most significant change in the FY 15/16 budget is the elimination of the IGT. During the years of depressed property valuation, revenue maximization efforts has diversified the revenue base through the IGT program. In 2011, the Florida Legislature voted to expand and intensify the Statewide Medicaid Managed Care program effective July 1, 2014, mandating that almost all Florida Medicaid recipients are required to enroll in an HMO or HMO-like plan. During the 2014 session, legislation was passed that continues IGT funding through June 30, 2015. However, the Code of Federal Regulations was updated and defined agreements between government and private entities in a different manner than in the prior years. This updated language precludes JWB from contracting with the hospitals and, hence, this revenue stream was not budgeted for in FY 16.

REQUESTS FOR INFORMATION

JWB's financial statements are designed to present users (citizens, taxpayers) with a general overview. If you have questions about this report or need additional financial information, contact Juvenile Welfare Board Finance Department, 14155 58th Street North, Clearwater, FL 33760 or visit our website at: www.jwbpinellas.org

JUVENILE WELFARE BOARD

STATEMENT OF NET POSITION

SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

	Governmental Activities	
ASSETS	**2015**	**2014**
Cash	$ 11,495,909	$ 14,207,189
Investments	12,695,174	6,651,259
Due from other governments	505,679	476,916
Due from other agencies	8,278	119
Receivables	5,350	4,001
Other assets	53,795	39,178
Note receivable:		
Due within one year	130,188	127,078
Due in more than one year	498,069	671,130
Capital assets, net of accumulated depreciation	3,439,881	3,584,747
Total Assets	28,832,323	25,761,617
DEFERRED OUTFLOW OF RESOURCES		
Deferred amount related to pensions	872,679	-
Total Deferred Outflow of Resources	872,679	-
LIABILITIES		
Payable to agencies	4,505,938	3,108,891
Accounts payable	436,720	639,072
Other payables	14,552	114,833
Unearned revenue	-	91,650
Accrued salary and benefits	223,289	201,076
Long-term liabilities:		
Due within one year	113,864	110,380
Due in more than one year	2,603,286	243,231
Total Liabilities	7,897,649	4,509,133
DEFERRED INFLOW OF RESOURCES		
Deferred amount related to pensions	711,151	-
Total Deferred Inflow of Resources	711,151	-
NET POSITION		
Net investment in capital assets	3,425,618	3,550,339
Unrestricted	17,670,584	17,702,145
Total Net Position	$ 21,096,202	$ 21,252,484

JUVENILE WELFARE BOARD
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

		Program Revenues		2015 Net (Expense) Revenue and Changes in Net Position	2014 Net (Expense) Revenue and Changes in Net Position
Functions/programs	Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	Primary Government
Primary Government:					
Governmental activities:					
Administration	$ 7,815,021	$ 20,893	$ -	$ (7,794,128)	$ (7,220,740)
Children and family programs	48,992,555	-	7,978,626	(41,013,929)	(37,719,839)
Total Primary Government	$ 56,807,576	$ 20,893	$ 7,978,626	$ (48,808,057)	$ (44,940,579)

	2015	2014
General revenues:		
Property taxes	$ 50,660,045	$ 47,635,245
Investment income, net	88,707	49,253
Miscellaneous	186,348	16,680
Total General revenues	50,935,100	47,701,178
Change in net position	2,127,043	2,760,599
Net position – beginning of year, as previously reported	21,252,484	18,491,885
Restatement (see Note 13)	(2,283,325)	-
Net position – beginning of year, as restated	18,969,159	-
Net position – end of year	$ 21,096,202	$ 21,252,484

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

JUVENILE WELFARE BOARD

BALANCE SHEET – GOVERNMENTAL FUNDS

SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

	Major Fund	Non-Major Fund		
ASSETS	**General Fund**	**Special Revenue Fund**	**2015**	**2014**
Cash	$ 11,351,786	$ 144,123	$ 11,495,909	$ 14,207,189
Investments	12,695,174	-	12,695,174	6,651,259
Due from other governments	239,932	-	239,932	249,922
Due from other agencies	8,278	-	8,278	119
Receivables	5,350	-	5,350	4,001
Other receivables	53,795	-	53,795	39,178
Due from other funds	(85,414)	85,414	-	-
Notes Receivable:				
Due within one year	130,188	-	130,188	127,078
Due in more than one year	498,069	-	498,069	671,130
Total Assets	$ 24,897,158	$ 229,537	$ 25,126,695	$ 21,949,876
LIABILITIES AND FUND BALANCE				
Liabilities:				
Payable to agencies	$ 4,492,967	$ 12,971	$ 4,505,938	$ 3,108,891
Accounts payable	351,306	85,414	436,720	639,072
Other payables	14,552	-	14,552	114,833
Unearned revenue	-		-	91,650
Accrued salary and benefits	223,289	-	223,289	201,076
Total Liabilities	5,082,114	98,385	5,180,499	4,155,522
Fund Balance:				
Non-spendable	498,069	-	498,069	671,130
Assigned	2,328,211	-	2,328,211	4,531,720
Unassigned	16,988,764	131,152	17,119,916	12,591,504
Total Fund Balance	19,815,044	131,152	19,946,196	17,794,354
Total Liabilities and Fund Balance	$ 24,897,158	$ 229,537	$ 25,126,695	$ 21,949,876

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

JUVENILE WELFARE BOARD

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

	2015	2014
Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balance – governmental fund	$ 19,946,196	$ 17,794,354
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	3,439,881	3,584,747
Accounts receivable shown in governmental activities were not financial resources, therefore, were not reported in the governmental funds	265,747	226,994
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	872,679	-
Deferred inflows of resources related to pensions	(711,151)	-
Some long-term liabilities that are not due and payable in the current period activities consist of:		
Capital leases	(14,263)	(28,161)
Other non-current liabilities	-	(6,247)
Compensated absences	(314,425)	(319,203)
Net pension liability	(2,388,462)	-
Net position of governmental activities	$ 21,096,202	$ 21,252,484

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

JUVENILE WELFARE BOARD

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

	General Fund	Special Revenue Fund - PCMS	2015	2014
Revenues:				
Property taxes, net of fees	$ 50,660,045	$ -	$ 50,660,045	$ 47,635,245
Fees	20,893	-	20,893	21,622
Intergovernmental	55,603	-	55,603	1,098,295
Grant and contribution revenue	7,910,023	13,000	7,923,023	19,660,856
Investment income, net	88,481	226	88,707	49,253
Other	186,348	-	186,348	16,680
Total Revenues	58,921,393	13,226	58,934,619	68,481,950
Expenditures:				
Administration	7,755,430	-	7,755,430	7,191,625
Children and family programs	47,922,850	1,069,705	48,992,555	58,478,990
Capital outlay	34,792	-	34,792	58,478
Total Expenditures	55,713,072	1,069,705	56,782,777	65,729,093
Excess (Deficiency) of Revenues				
over expenditures	3,208,321	(1,056,479)	2,151,842	2,752,857
Other Financing Sources:				
Transfers in (out)	(1,040,068)	1,040,068	-	-
Capital lease	-	-	-	7,455
Total Other Financing Sources	(1,040,068)	1,040,068	-	7,455
Excess (Deficiency) of revenues over expenditures and other sources	2,168,253	(16,411)	2,151,842	2,760,312
Fund balance – beginning of year	17,646,791	147,563	17,794,354	15,034,042
Fund balance – end of year	$ 19,815,044	$ 131,152	$ 19,946,196	$ 17,794,354

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

JUVENILE WELFARE BOARD

RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2015
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2014)

	2015	2014
Amounts reported for governmental activities in the statement of net position are different because:		
Net change in fund balance	$ 2,151,842	$ 2,760,312
Capital outlays are reported as expenditures in the General Fund. However, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the statement of activities. In the current period, these amounts are:		
Capital outlay	34,792	58,478
Depreciation expense	(163,317)	(221,321)
Loss on disposal of capital assets		
Disposal of capital assets	(16,341)	(38,014)
Revenues shown in governmental activities were not financial resources, therefore, were not reported in the governmental funds	38,753	51,872
The issuance of long-term debt (capital leases) provides current financial resources to governmental funds, while the repayment of the principle of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	-	(7,455)
Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore is not reported as an expenditure in the General Fund. In the current period these amounts are:		
Compensated absences	4,778	19,264
Lease expense	20,145	137,463
Pension benefit	56,391	-
Change in net position in governmental activities	$ 2,127,043	$ 2,760,599

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

Note 1—Organization

The Juvenile Welfare Board of Pinellas County, Florida (the "Juvenile Welfare Board" or "JWB") was established by Legislature through Chapter 23.483 Special Acts of 1945, and codified in the Laws of Florida Chapter 2003-320. The Juvenile Welfare Board invests in partnerships, innovation and advocacy to strengthen Pinellas County children and families.

On January 1, 2010, JWB became the governing board of Pinellas Core Management Services, Inc. ("PCMS"), a 501(c) (3) not-for-profit entity. PCMS receives and administers federal, state and local grants and other funds and administers programs or pass through funding to other 501(c)(3) organizations in the core service areas of parent support and skills training; family literacy services, economic development activities, child development activities, outreach and other activities to benefit low-income families and children in Pinellas County, Florida.

Note 2—Summary of significant accounting policies and practices

The accounting policies and practices of the Juvenile Welfare Board conform to accounting principles generally accepted in the United States of America applicable to governmental units. The following is a summary of the more significant policies and practices:

Reporting Entity and Its Operations - The financial reporting entity consists of the primary government and any organizations for which the primary government is financially accountable in accordance with the provisions of Statement No. 61 of the Governmental Accounting Standards Board ("GASB"), *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34,* the ("Statement"). Component units are defined by the Statement as legally separate organizations for which the elected officials of the primary government appoint the majority of the organization's board and in which a financial benefit and burden relationship between the primary government and the organization exist. There is one component unit included in the JWB reporting entity, PCMS.

PCMS is a separate 501(c)(3) not-for-profit corporation, which is reported as a blended component unit, specifically a special revenue fund, of JWB. Based on the criteria with respect to the determination of component units, PCMS has been included as a blended component unit and is accounted for as a special revenue fund. The governing body of PCMS is substantively the same as the governing body of the primary government. PCMS provides services entirely, or almost entirely, to the benefit of JWB even though it does not provide services directly to it. JWB management retains the operational responsibility of PCMS activities.

The Juvenile Welfare Board is an independent taxing entity governed by an eleven-member board. Five members are appointed by statute, and six are appointed by the Governor of Florida. JWB has complete authority to hire management and all other employees. It is empowered by Florida Statute to levy ad valorem taxes against property tax owners in Pinellas County and is independent of the County. JWB is a primary government and is not a component unit of the County.

Basis of Presentation - The basic financial statements include certain prior-year summarized information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. In addition, the prior year summarized information does not include the effects of GASB Statements No. 68 and 71 and thus are not comparative to the current year amounts. Accordingly, such information should be read in conjunction with JWB's financial statements for the year ended September 30, 2014, from which the summarized information was derived.

Government-Wide Financial Statements - The statement of net position and the statement of activities report information on the primary government. Eliminations have been made to reduce the effect of inter-fund activities

Note 2—Summary of significant accounting policies and practices (continued)

These statements distinguish between governmental activities, normally financed through taxes, intergovernmental revenues and other non-exchange activities.

The statement of activities presents comparison of direct expenses and program revenues for each function of JWB’s governmental activities. Direct expenses are those associated with a specific function or program. Program revenues include: (1) charges for services paid to JWB for goods or services and (2) operating grants and contributions for the support of a particular program. General revenues include property taxes and other revenue not classified as program revenue.

Fund Financial Statements - The fund financial statements provide information about all of JWB's funds. A separate financial statement is presented for the governmental category. Separate columns are presented for each major individual governmental fund.

The General Fund is the general operating fund of JWB and is used to account for all of its financial resources and operating activities. The Special Revenue Fund is the general operating fund of PCMS.

Measurement Focus and Basis of Accounting - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the fiscal year for which taxes are levied. Grants are recognized in the fiscal year in which all eligibility requirements are met.

Governmental fund financial statements are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. JWB uses the modified accrual basis of accounting for their general and special revenue funds. Under the modified accrual basis of accounting, revenue is recognized when measurable and available. Revenues are considered available when they are collected within the current period or within sixty days after year end. Expenditures are recorded when the fund liability is incurred, except for compensated absences that are recognized when due.

Unearned revenue occurs when assets are recognized before revenue recognition has been satisfied. JWB recognizes revenue when all eligibility requirements are met.

Budget Process and Legal Compliance - JWB uses the following procedures in establishing the budgetary data reflected in the financial statements:

- Before August 1, the Executive Director submits to the Board a proposed departmental and program budget for the fiscal year commencing October 1. The budget includes proposed expenditures and the means of financing them. There is a separately issued budget report used for the budgetary control process.
- Two formal public hearings are held to obtain taxpayers' comments.
- *Florida Statutes,* Chapters 120 and 200 govern the preparation, adoption, and administration of JWB's annual budget.
- Before October 1, the budget is legally enacted through passage of a resolution by the Board and delivered to the Board of County Commissioners of Pinellas County.
- Budgetary control is maintained at the program level. The Executive Director or designee is authorized to transfer any unencumbered appropriated balance or portion thereof between general classifications of expenditures within a program.
- The Board may, by resolution, accept a receipt from a source not anticipated, and transfer from contingency or an appropriated balance or portion thereof to a program.

Note 2—Summary of significant accounting policies and practices (continued)

- The annual budget serves as the legal authorization for expenditures. All unexpended appropriations lapse at fiscal year-end.
- The budget presented for general fund in these financial statements has been prepared on the modified accrual basis of accounting. Expenditures for Tax Collector and Property Appraiser fees are budgeted as non-operating but for financial statement purposes are offset against the related property tax revenues. Certain technology fees are also budgeted as non-operating but for financial statement purposes are included as administration expenditures.
- Supplemental budget appropriations are sometimes necessary during the year. Board action authorizes any increases during a fiscal year.

PCMS has no legal requirement to adopt a budget and therefore the requirement to present budget information is eliminated.

Cash and Investments - Cash and equivalents are defined as short-term, highly liquid debt instruments that are both readily convertible to known amounts of cash and have original maturities of three months or less. JWB's investment strategy is to invest funds in options which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of JWB and which conform to all state statutes governing the investment of public funds. Earnings are recorded as interest income and all investments are stated at fair value.

Prepaid Items - Prepaid items reflect payments to vendors for costs applicable to future accounting periods. They are reported as they are consumed.

Capital Assets - Capital assets include property and equipment and are reported in the governmental activities of the government-wide financial statements. As per Florida State Statutes, assets are capitalized at cost where historical records are available and at an estimated historical cost where no historical records exist. Gifts or contributions are recorded at estimated fair value at the date of donation. Capital assets greater than $1,000 are tracked and recorded in a fixed asset system.

Maintenance, repairs and minor renovations are not capitalized. Expenditures that materially increase values or extend useful lives are capitalized.

Depreciation is provided using the straight-line method over the following estimated lives:

Property classification	Estimated useful life
Buildings	40 years
Improvements	Remaining life of the building
Furniture, fixtures and equipment	3-7 years

Depreciation expense is included in the government-wide financial statements.

Liabilities - It is JWB's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick-pay benefits, which will be paid to employees upon separation from JWB service. The general fund records expenditures for compensated absences as they become due and payable. The estimated liability for all accrued vacation and sick leave benefits is recorded in the government-wide financial statements.

JWB possesses capital leases for equipment and building leasehold improvements. The general fund records expenditures for the leases as they become due and payable. The estimated liability for all leases is recorded in the government-wide financial statements.

Note 2—Summary of significant accounting policies and practices (continued)

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial net position reports separate section for deferred outflow of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. JWB has one item that qualifies for reporting in this category, which is related to pensions.

In addition to liabilities, the statement of financial net position and a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. JWB has one item that qualifies for reporting in this category, which is related to pensions.

Pensions - In the government-wide statement of net position, pension liabilities are recognized for JWB's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fund Balance - Designations of general fund balances represent tentative plans for future use of financial resources. In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise the limitations on the funds. The fund balance is reported in five components – non-spendable, restricted, committed, assigned and unassigned.

Non-spendable includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually bound. **Restricted** consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law. **Committed** consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of JWB. **Assigned** consists of amounts that are constrained by JWB's intent to be used for specific purposes, but are neither restricted nor committed. JWB for assigning fund balance is expressed by JWB Board or the Executive Director as established in the Board's Policy. **Unassigned** represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund.

JWB fund balance policy creates an emergency reserve to be maintained at a minimum of two months of the budgeted operating expenditures of the immediate succeeding fiscal year for any unexpected emergency events. The maximum calculated reserve of $8,635,023 is part of the unassigned fund balance at year end.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted funds are considered to be spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, amounts are spent first out of committed funds, then assigned funds and finally unassigned funds unless the Board has provided otherwise in its committed or assignment actions.

Note 2—Summary of significant accounting policies and practices (continued)

Net Position - The net position of the government-wide funds is categorized as net investment in capital assets, which is reduced by accumulated depreciation and any outstanding balances of any borrowing for an acquisition. The net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by grantors or laws or regulations of other governments. The balance of the net position is reported as unrestricted. In order to report net position as restricted and unrestricted in the government-wide financial statements, the restricted net position would first be used before using unrestricted net position.

Program Revenues - Amounts reported include grants for various programs, donations, and contributions.

Property Taxes - Florida laws restrict millage rate increases that a government may levy. There are multiple exemptions for most homeowners, a four percent discount is also allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent April 1 of each year. Delinquent property tax certificates are sold to the public beginning June 1, at which time a lien attaches to the property. By fiscal year end, virtually all property taxes are collected either directly or through tax certificate sales. Property tax revenues are recorded based on the amount of receipts reported by the County Tax Collector.

Use of Estimates - Management of JWB has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Compensated Absences - Employees are granted a specific number of paid vacation and sick leave days. They are permitted to accumulate a maximum of 240 hours of vacation. Sick leave can be accumulated to a maximum of 520 hours, but are only reimbursed for a percentage of unused sick leave upon retirement. The costs of vacation and sick leave benefits are budgeted and expended in the general fund when payments are made.

Leases - JWB has entered into several lease agreements for copier equipment and for building improvements, which have been determined to be capital leases. The costs of the leases are budgeted and expended in the general fund when payments are made.

Note 3—Cash and cash equivalents

The bank and book balances were as follows at September 30, 2015:

Deposits with commercial banks (book balance)	$ 11,495,309
Petty cash	600
Book balance	$ 11,495,909
Bank balance of deposits in commercial banks	$ 11,661,354

Note 3—Cash and cash equivalents (continued)

Deposits are maintained with commercial banks, which are organized under the laws of the State of Florida and the laws of the United States, and are insured by the Federal Deposit Insurance Corporation to legal limits. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida Qualified Public Depositories ("QPD") to deposit eligible collateral with the Treasurer or another banking institution. In the event of a failure of one of the institutions holding public funds, the remaining public depositories would be responsible for covering any losses. JWB's bank balances are held in QPDs.

At September 30, 2015, JWB investments include short-term investments in two money market accounts. The BB&T Money Market Fund and Regions Trust Cash Sweep fund yield rates as of that date were .15% and .06%, respectively. Earnings from money market accounts are maintained in the General Fund. JWB maintains a cash sweep account for the checking accounts of the governmental funds. The deposits at year end are considered insured and collateralized for custodial credit risk purposes.

Note 4—Investments

The investment policy, as adopted in 1995, authorizes the Finance Director or designee as the Investment Officer of JWB and is responsible for investment of surplus funds in accordance with Section 218.415, Florida Statutes. The investment policy was revised in February 2002, December 2006, February 2008, November 2009, September 2012 and again in September 2013. The investment policy formally established guidelines and authorized JWB to invest in the following: Florida Local Government Surplus Funds Trust Fund, any intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act of 1969, U.S. Treasury Obligations, U.S. Federal Agency Obligations, U.S. Government-sponsored Enterprises, Non-Negotiable Interest Bearing Savings Accounts, Demand Deposit Accounts, Time Certificates of Deposit, Repurchase Agreements, Commercial Paper, and Money Market Funds.

At September 30, 2015, JWB had the following investments:

	Fair Value	Percentage
Florida State Board of Administration (PRIME)	$ 12,079,059	95.1%
Florida Local Government Investment Trust (FLGIT)	616,115	4.9%
Total	$ 12,695,174	100%

As of September 30, 2015 investments consist of amounts placed within Securities and Exchange Commission Rule 2a7-like external investment pools which are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost, with the State Board of Administration ("SBA") and the Florida Local Government Investment Trust ("FLGIT") investment pools created by Section 218.405 and 218.407, Florida Statutes.

At fiscal year-end, JWB had $12,079,059 invested in the SBA in an account titled Florida PRIME. The PRIME fund's yield rate as of that date was .25%.

The FLGIT investment is a money market product created in January 2009 to provide a fiscally conservative diversification option for Florida local governments. The fund is governed by the same board and advisory committee that oversee the Investment Trust. The fund features same day transactions.

Note 4—Investments (continued)

Custodial Credit Risk - Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debts. The risk is usually measured by the assignment of a rating by a nationally recognized statistical rating organization. JWB's investment policy stipulates that all investments are acquired in accordance with the rules of the Department of Insurance Division of Treasury which establishes procedures for the administration of the *Florida Security for Deposits Act*, which is encompassed in Chapter 280, Florida Statutes. JWB's investment policy lists the authorized investment types as well as the minimum allowable credit rating for each investment type. Investments in money market funds must have a rating of AAAm or AAAg from Standard & Poors or better at the time of purchase.

The Florida PRIME and FLGIT are rated by Standard and Poors. The current rating for each is AAAm. These ratings are the highest creditworthiness rates given by the national agencies. In addition, investments into all these funds are within the SEC rule 2a-7 guideline.

Interest Rate Risk - To maintain liquidity and limit exposure to fair value losses, JWB's investment policy limits operating funds to maturities of three years or less. JWB currently does not have material investment balances with long-term maturities that may be subject to significant fair value losses arising from increasing interest rates. Investments are expected to be prudent and to minimize default risk.

The weighted average days to maturity (“WAM”) of the Florida PRIME at September 30, 2015, is 29 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

The weighted average maturity of the FLGIT is 42 days. The portfolio is extremely liquid with the majority of the investments in U.S. Government Securities (U.S. Treasuries, agencies, and repos) with the remainder in short term corporate bonds, commercial paper, and certificates of deposit.

Concentration Risk - JWB's investment policy establishes guidelines for the maximum limit for diversification as follows: the local government surplus funds Trust Fund or any intergovernmental investment pool 75%; U.S. Treasury Obligations 75%; U.S. Federal Agency Obligations 75%; U.S. Government-sponsored Enterprises 75%; Non-Negotiable Interest Bearing Savings Accounts, Demand Deposit Accounts or Time Certificates of Deposit 100%; Repurchase Agreements 50%; Commercial Paper 50%; and Money Market Funds 75%. As of September 30, 2015, all JWB investments were in compliance with JWB's investment policy and did not exceed portfolio allocation.

Note 5—Interfund balances and transfers

Interfund balances in receivables and payables relate to the General Fund cash accounts receiving income and paying expenditures on behalf of the Special Revenue Fund. At fiscal year-end, there was $85,414 in interfund receivables and payables.

Interfund transfers include amounts transferred from the General Fund to the Special Revenue Fund for the activities of the fund. As of September 30, 2015, there was $1,040,068 in interfund revenue and expenditures.

Note 6—Note receivable

In March 2011, JWB completed the sale of the Pinellas Park Building. The building was sold directly to a third party at a market price of $2,500,000, with JWB providing a private interest-free mortgage over 8 years. JWB imputed the interest on the mortgage receivable to be 2.42%.

Note 6—Note receivable (continued)

The principle and imputed interest of the mortgage is receivable in the following amounts:

Fiscal Years Ending September 30,	Principle	Imputed Interest	Total
2016	$ 130,188	$ 10,640	$ 140,828
2017	177,296	10,473	187,769
2018	181,635	6,135	187,770
2019	139,138	1,691	140,829
	$ 628,257	$ 28,939	$ 657,196

Note 7—Capital assets

JWB entered into a lease agreement with St. Petersburg College (the “College”) whereby JWB leases a building for administrative office space. The lease term is for 99 years which commenced in December 2008 upon occupancy. JWB paid $3,800,240 to the St. Petersburg College Foundation (the “Foundation”) which was used for the modifications and improvements to the leased premises. During the fiscal year ending September 30, 2012, JWB paid $231,247 for further improvements. The amount capitalized is being amortized over the life of the leasehold improvements which is approximately thirty-six years.

Capital asset activity for the year ended September 30, 2015 was as follows:

	Governmental Activities			
	October 1, 2014	Additions and Transfers In	Disposals and Transfers Out	September 30, 2015
Capital assets being depreciated:				
Furniture, fixtures, and equipment	$ 761,444	$ 34,792	$ 166,596	$ 629,640
Capital lease - equipment	76,831	-	10,718	66,113
Capital lease - St. Petersburg College	4,013,683	-	-	4,013,683
Total capital assets	4,851,958	34,792	177,314	4,709,436
Less accumulated depreciation:				
Furniture, fixtures, and equipment	656,065	49,587	150,255	555,397
Capital lease - equipment	50,922	12,955	10,718	53,159
Capital lease - St. Petersburg College	560,224	100,775	-	660,999
Total accumulated depreciation	1,267,211	163,317	160,973	1,269,555
Capital assets, net	$ 3,584,747	$ (128,525)	$ 16,341	$ 3,439,881

Depreciation was charged to the following functions:	
General government	
Administration	$ 163,317

Note 8—Long-term liabilities

As a benefit, JWB offers annual leave, sick leave, and pension plans to its employees. JWB has entered into several lease agreements for copier equipment and for building improvements, which have been determined to be capital leases.

The following is a schedule of changes in long-term liabilities for fiscal year ended September 30, 2015.

	Beginning Balance Restated	Increases	Decreases	Ending Balance	Due in One Year
Compensated absences	$ 319,203	$ 13,428	$ 18,206	$ 314,425	$ 103,663
Capital Leases - Equipment	28,161	-	13,898	14,263	10,201
Leasehold Improvements - St. Petersburg College	6,247	-	6,247	-	-
Net pension liability	1,716,833	671,629	-	2,388,462	-
Total	$2,070,444	$ 685,057	$ 38,351	$ 2,717,150	$ 113,864

The future minimum lease obligations and the net present value of the capital leases of September 30, 2015, were as follows:

Years Ending September 30,	
2016	$ 10,601
2017	1,547
2018	1,547
2019	1,160
Total minimum lease payments	14,855
Less: amount representing interest	(592)
Present value of minimum lease payments	$ 14,263

Note 9—Property tax revenue

JWB is a special taxing district, which is authorized to levy an ad valorem tax. The millage rate shall not exceed $1.00 for each $1,000 of assessed valuation of all properties within Pinellas County. For the year ended September 30, 2015, a rate of 0.8981 mills was assessed.

Property taxes attach an enforceable lien on property as of April 1. Property taxes are levied on October 1 and become payable on November 1 of each year. A declining discount is allowed when taxes are paid during the following months: November -4%, December -3%, January -2%, and February -1%. Taxes become delinquent on April 1 of each year and tax certificates, for the full amount of any unpaid taxes, must be sold no later than June 1 of each year. The Pinellas County Property Appraiser and the Pinellas County Tax Collector administer the assessment and collection of taxes. The assessed value upon which the fiscal year 2015 levy was based was $60 billion. There was an amount of $376,667 of property taxes receivable from the Tax Collector at September 30, 2015.

Note 10—Risk management

JWB is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. JWB purchases commercial insurance for general liability, workers compensation, and health insurance. There have been no significant reductions in insurance coverage and settled amounts have not exceeded insurance coverage for the past three years.

Note 11—Retirement

Florida Retirement System

General Information - All of JWB's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000, or from the Website: www.dms.myflorida.com/workforce_operations/retirement/publications.

Plan Description - The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

Note 11—Retirement (continued)

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of- living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively, were as follows: Regular--7.37% and 7.26%; Special Risk Administrative Support--42.07% and 32.95%; Special Risk--19.82% and 22.04%; Senior Management Service--21.14% and 21.43%; Elected Officers'--43.24% and 42.27%; and DROP participants--12.28% and 12.88%. These employer contribution rates include 1.20% and 1.26% HIS Plan subsidy for the periods October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively.

JWB's contributions to the Pension Plan totaled $206,497 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2015, JWB reported a liability of $1,124,282 for its proportionate share of the net pension liability as of September 30, 2015. The net pension liability for each fiscal year was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. JWB's proportionate share of the net pension liability was based on JWB's contributions relative to the same fiscal year contributions of all participating members of the Board. At September 30, 2015, JWB's proportionate share was 0.0087043% which was a decrease of 0.0002924% from its proportionate share of 0.0089967% measured as of September 30, 2014.

Note 11—Retirement (continued)

For the fiscal year ended September 30, 2015, JWB recognized pension benefit of $95,877. In addition, JWB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 118,691	$ 26,665
Change of assumptions	74,622	-
Net difference between projected and actual earnings on Pension Plan investments	396,003	664,463
Changes in proportion and differences between JWB's pension plan contributions and proportionate share of contributions	122,788	-
JWB's Pension Plan contributions subsequent to the measurement date	45,602	-
Total	$ 757,706	$ 691,128

The deferred outflows of resources related to the Pension Plan, totaling $45,602 resulting from JWB’s contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2016	$ (69,449)
2017	(69,449)
2018	(69,449)
2019	152,038
2020	45,231
Thereafter	32,054

Note 11—Retirement (continued)

Actuarial Assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.65%, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, tables.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.1%	1.7%
Fixed income	18.0%	4.8%	4.7%	4.7%
Global equity	53.0%	8.5%	7.2%	17.7%
Real estate (property)	10.0%	6.8%	6.2%	12.0%
Private equity	6.0%	11.9%	8.2%	30.0%
Strategic investments	12.0%	6.7%	6.1%	11.4%
	100.0%			
Assumed Inflation - Mean		2.6%		1.9%

(1) As outlined in the Pension Plan's investment policy

Note 11—Retirement (continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.65%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of JWB's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what JWB's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65%) or one percentage point higher (8.65%) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
JWB's proportionate share of the net pension liability (asset)	$ 2,913,269	$ 1,124,282	$ (364,449)

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, JWB reported no payables for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2015.

HIS Pension Plan

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.20% and 1.26%, respectively. JWB contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Note 11—Retirement (continued)

JWB’s contributions to the HIS Plan totaled $51,073 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2015, JWB reported a net pension liability of $1,264,180 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability for each fiscal year was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. JWB’s proportionate share of the net pension liability was based on JWB’s contributions relative to the same fiscal year contributions of all participating members of the Board. At September 30, 2015, JWB’s proportionate share was 0.0123958% which was a decrease of 0.0000948% from its proportionate share of 0.0124906% measured as of September 30, 2014.

For the fiscal year ended September 30, 2015, JWB recognized pension expense of $39,486. In addition JWB reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	$ 99,457	$ -
Net difference between projected and actual earnings on HIS Plan investments	684	-
Changes in proportion and differences between JWB's HIS Plan contributions and proportionate share of contributions	-	20,023
JWB's HIS Plan contributions subsequent to the measurement date	14,832	-
Total	$ 114,973	$ 20,023

Note 11—Retirement (continued)

The deferred outflows of resources related to the HIS Plan, totaling $14,832 resulting from JWB's contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Years Ending September 30,	Amount
2016	$ 14,539
2017	14,539
2018	14,539
2019	14,400
2020	14,334
Thereafter	7,767

Actuarial Assumptions - The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	3.80 %

Mortality rates were based on the Generational RP-2000 with Projected Scale BB, tables.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 3.80%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Note 11—Retirement (continued)

Sensitivity of JWB's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents JWB's proportionate share of the net pension liability calculated using the discount rate of 3.80 percent, as well as what JWB's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current rate:

	1% Decrease (2.80%)	Current Discount Rate (3.80%)	1% Increase (4.80%)
JWB's proportionate share of the net pension liability	$ 1,440,475	$ 1,264,180	$ 1,117,177

Pension Plan Fiduciary Net Position - Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, JWB reported no payables for the outstanding amount of contributions to the HIS Plan.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. JWB employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2014-15 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class--6.30%, Special Risk Administrative Support class--7.95%, Special Risk class--14.00%, Senior Management Service class--7.67% and County Elected Officers class--11.34%.

Note 11—Retirement (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to JWB.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

JWB's Investment Plan pension expense totaled $105,465 for the fiscal year ended September 30, 2015.

Note 12—Fund balance

Non-spendable - amounts that are not in spendable form or are legally or contractually required to be maintained intact. The long term amount of notes receivable are considered to not be in spendable form for JWB. The amount of $498,069 is non-spendable since it is not expected to be converted to cash.

Restricted - amounts that are constrained to specific purposes by external providers, imposed by law through constitutional provisions or by enabling legislation. JWB does not have any restricted fund balance.

Committed - amounts that are constrained to specific purposes by formal action of JWB Board. JWB has no committed fund balance at September 30, 2015.

Assigned - amounts JWB intends to use for a specific purpose but are neither restricted nor committed. JWB has no assigned fund balance.

1) The fiscal 2016 Budget Resolution by the Board in September 2015 appropriated the amount of $2,323,482 from the fiscal 2015 year fund balance for expenditures authorized in excess of anticipated revenue during fiscal year 2016.

2) The H. Browning Spence Education Award was created in memory of the former JWB Deputy Director and dedicated to providing support to children transitioning from foster care at age 18. In 2013, the Board voted that contributions be recognized as assigned in the General Fund balance for purposes of the H. Browning Spence Education Award Fund. As of September 30, 2015, the amount assigned is $4,729.

Note 12—Fund balance (continued)

Unassigned - amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund. The Board adopted a fund balance policy for unanticipated emergencies and cash flow of approximately two months of the budgeted expenditures. This minimum amount is $8,635,023. The remaining unassigned fund balance is $7,432,381.

PCMS receives and administers federal, state and local grants and other funds. The net position is unassigned.

Note 13—Change in accounting principle

JWB participates in the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy (HIS) defined benefit plan administered by Florida Division of Retirement. As a participating employer, JWB implemented Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No 27,* and GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68,* which requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. The beginning net position of JWB was decreased by $2,283,325. JWB's proportionate share of the net pension liabilities at October 1, 2014 totaled $1,716,833.

	Net Position October 1, 2014
Beginning net position, as previously reported	$ 21,252,484
Prior period restatement - Implementation of No. GASB 68 and 71	
Net pension liability, October 1, 2014	(1,716,833)
Deferred outflows related to pensions, October 1, 2014	398,283
Deferred inflows related to pensions, October 1, 2014	(964,775)
Total prior period restatement	(2,283,325)
Beginning net position, as restated	$ 18,969,159

The implementation of GASB 68 Statement No. 68 and No.71 improves financial reporting by state and local government for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenditures.

Note 14—Subsequent events

Management has evaluated subsequent events from October 1, 2015 to May 4, 2016 in connection with the preparation of these financial statements which is the date the financial statements were available to be issued. There are no subsequent events to disclose.

REQUIRED SUPPLEMENTARY INFORMATION

JUVENILE WELFARE BOARD

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – GENERAL FUND (BUDGETARY BASIS)

YEAR ENDED SEPTEMBER 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes, net	$ 51,079,322	$ 51,079,322	$ 50,660,045	$ (419,277)
Fees	22,000	22,000	20,893	(1,107)
Intergovernmental	216,375	216,375	55,603	(160,772)
Grant and contribution revenue	7,722,126	7,722,126	7,910,023	187,897
Investment income, net	58,000	58,000	88,481	30,481
Other	-	-	186,348	186,348
Total Revenues	59,097,823	59,097,823	58,921,393	(176,430)
Expenditures:				
Current:				
Administration	7,377,600	7,377,600	6,908,369	469,231
Grants and Other Contracts	7,059,372	7,059,372	6,937,337	122,035
Children and family programs:				
School Readiness	8,646,238	8,850,224	6,554,558	2,295,666
School Success	16,082,708	17,349,386	16,430,134	919,252
Prevention of Child Abuse and Neglect	19,703,594	20,550,953	18,000,820	2,550,133
Nonoperating	4,755,774	2,425,743	847,061	1,578,682
Capital outlay	-	-	34,792	(34,792)
Total Expenditures	63,625,286	63,613,278	55,713,071	7,900,207
Net change in fund balance	$ (4,527,463)	$ (4,515,455)	3,208,322	$ 7,723,777
Other Financing Sources:				
Transfers out			(1,040,068)	
Excess of revenues over expenditures and other sources			2,168,253	
Fund balance – beginning of year			17,646,791	
Fund balance – end of year			$ 19,815,044	

JUVENILE WELFARE BOARD

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – FLORIDA RETIREMENT SYSTEM PENSION PLAN

LAST 10 FISCAL YEARS

	2015*	2014*
JWB's proportion of the net pension liability	0.009%	0.009%
JWB's proportionate share of the net pension liability	$ 1,124,282	$ 548,929
JWB's covered-employee payroll	$ 1,862,948	$ 1,782,311
JWB's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	60%	31%
FRS Plan fiduciary net position as a percentage of the total pension liability	92%	96%

* Represents the measurement date, of June 30, 2015.

Note: Data was unavailable prior to 2014.

JUVENILE WELFARE BOARD

SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM

LAST 10 FISCAL YEARS

	2015	2014
Contractually required contribution	$ 145,092	$ 124,481
Contributions in relation to the contractually required contribution	145,092	124,481
Contribution deficiency (excess)	$ -	$ -
JWB's covered-employee payroll	$ 1,949,293	$ 1,750,988
Contributions as a percentage of covered-employee payroll	7%	7%

Note: Data was unavailable prior to 2014.

JUVENILE WELFARE BOARD

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – HEALTH INSURANCE SUBSIDY PESNION PLAN

LAST 10 FISCAL YEARS

	2015*	**2014***
JWB's proportion of the net pension liability	0.012%	0.012%
JWB's proportionate share of the net pension liability	$ 1,264,180	$ 1,167,904
JWB's covered-employee payroll	$ 1,862,948	$ 1,782,311
JWB's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	68%	66%
FRS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%

* Represents the measurement date, of June 30, 2015.

Note: Data was unavailable prior to 2014.

JUVENILE WELFARE BOARD

SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN

LAST 10 FISCAL YEARS

	2015	2014
Contractually required contribution	$ 26,548	$ 21,258
Contributions in relation to the contractually required contribution	26,548	21,258
Contribution deficiency (excess)	$ -	$ -
JWB's covered-employee payroll	$ 1,949,293	$ 1,750,988
Contributions as a percentage of covered-employee payroll	1.4%	1.2%

Note: Data was unavailable prior to 2014.

OTHER SUPPLEMENTARY INFORMATION

JUVENILE WELFARE BOARD

SCHEDULE OF RECEIPTS AND EXPENDITURES OF FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL

YEAR ENDED SEPTEMBER 30, 2015

Source	Amount Received in the 2014-15 Fiscal Year	Amount Expended in the 2014-15 Fiscal Year
British Petroleum:		
Agreement No. Not Applicable	$105,983	$ -

Note: This does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. JWB did not receive funds that were considered Federal funds or State financial assistance related to the Deepwater Horizon Oil Spill.

COMPLIANCE REPORTS

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Auditor 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*

Members of the Board
Juvenile Welfare Board of Pinellas County

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, the general fund, and the aggregate remaining fund information of the Juvenile Welfare Board of Pinellas County ("JWB") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise JWB's basic financial statements, and have issued our report thereon dated May 4, 2016. That report recognizes that JWB implemented new accounting policies effective October 1, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JWB's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JWB's internal control. Accordingly, we do not express an opinion on the effectiveness of JWB's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Cherry Bekaert LLP

Tampa, Florida
May 4, 2016

Cherry Bekaert LLP
CPAs & Advisors

Independent Auditor's Management Letter

Members of the Board
Juvenile Welfare Board of Pinellas County

Report on the Financial Statements

We have audited the financial statements of the Juvenile Welfare Board of Pinellas County ("JWB"), as of and for the year ended September 30, 2015, and have issued our report thereon dated May 4, 2016.

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 Auditor General*.

Other Reports

We have issued our Report of Independent Auditor 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* and Report on Independent Accountant on Compliance with Local Government Investment Policies. Disclosures in those reports, which are dated May 4, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition

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

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor JWB's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, requires that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for JWB for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Deepwater Horizon Oil Spill

Section 10.556(10)(3), *Rules of the Auditor General*, requires a determination of JWB's compliance with federal and state laws, rules, regulations, contracts or grant agreements related to the receipt and expenditure of funds related to the Deepwater Horizon Oil Spill. JWB's Deepwater Horizon Oil Spill funds received are unrestricted and, therefore, do not have related compliance requirements.

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 statement amounts that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550*, Rules of the Auditor General*. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
May 4, 2016

Cherry Bekaert LLP
CPAs & Advisors

Report of Independent Accountant on
Compliance with Local Government Investment Policies

Members of the Board
Juvenile Welfare Board of Pinellas County

Report on Compliance

We have examined the Juvenile Welfare Board of Pinellas County's ("JWB") compliance with the local government investment policy requirements of Sections 218.415, *Florida Statutes*, during the year ended September 30, 2015. Management is responsible for JWB's compliance with those requirements. Our responsibility is to express an opinion on JWB's compliance based on our examination.

Scope

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about JWB's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on JWB's compliance with specified requirements.

Opinion

In our opinion, JWB complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

Cherry Bekaert LLP

Tampa, Florida
May 4, 2016