JUVENILE WELFARE BOARD

FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS

As of and For the Year Ended September 30, 2018

JUVENILE WELFARE BOARD

TABLE OF CONTENTS

Cherry Bekaert LLP
CPAs & Advisors

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, 2018, and the related notes to 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 of 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, 2018 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.

Other Matters

Prior Year Information

We have previously audited JWB's 2017 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 April 5, 2018. In our opinion, the summarized information presented herein as of and for the year ended September 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 37 through 41, 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, on page 42, 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 March 7, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JWB's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JWB's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
March 7, 2019

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, 2018 and 2017. Please read it in conjunction with the financial statements which begin on page 11.

FINANCIAL HIGHLIGHTS

Fiscal year ending September 30, 2018 concludes the Juvenile Welfare Board's seventy second year of funding services that support children and families through programs in Pinellas County. The Juvenile Welfare Board invests in partnerships, innovation and advocacy to strengthen Pinellas County children and families. JWB has identified and invests annually in four strategic focus areas: School Readiness, School Success, the Prevention of Child Abuse and Neglect, and Strengthening Community. The goal of the School Readiness portfolio is to have all children enter kindergarten ready to learn. The goal of School Success is that children maintain or show improvement in grades, attendance, and behavior, and will achieve promotion to the next grade. The goal for the Prevention of Child Abuse & Neglect is for children to thrive in safe and healthy environments. Strengthening Community's goal is that children will benefit from collective neighborhood initiatives driven by empowered community leaders. In FY 18, JWB investments were $8,983,643, $16,014,848, $20,644,884, and $7,072,160, respectively, in these focus areas.

JWB partners with other agencies on three collective impact initiatives: Childhood Hunger, Grade-Level Reading, and Preventable Childhood Death. In FY 18 JWB spent $47,000 on Childhood Hunger, $94,000 on Grade-level Reading, and $88,000 on Preventable Childhood Death.

In FY 18 JWB's total net position increased by $1,445,139 (6.0%) over the prior fiscal year. The governmental activities include JWB and 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 0.47% of JWB's net position.

JWB's governmental activities total expenses of $61,795,831 reflected an increase over the prior year by $3,921,195 (6.8%). Total revenues increased by $4,670,065 (8%). Property tax revenue increased approximately $4.4 million (7.6%).

In FY 18, JWB's revenues increased more than the increase in its expenditures. As a result, the General Fund saw a net increase of $1,870,697. The Special Revenue Fund, PCMS, experienced a net decrease of $4,169, resulting from general operating expenses.

The General Fund expenditures budget was unspent by $9,642,440. This lapse resulted from approximately $613 thousand in administration, net of the capital amount of $72 thousand), $4.1 million in children and families programming, and $4.9 million in non-administration expenses.

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 the 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 meets the criteria of a blended component unit with JWB, and is thus 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 (Statement of Net Position and Statement of Activities) report JWB's net position and the changes thereof.

The value of Pinellas County properties increased by 7.97% for FY 18. The .8981 millage rate adopted yielded $64,124,634 in total ad valorem revenues, an increase of $4,640,851.

JWB derives nearly all of its revenues from property taxes, but does receive amounts from interest revenue as well as rental income from 2-1-1 Tampa Bay Cares for space leased in the building JWB occupies. Interest revenue has steadily increased over the last couple of years. In FY 18, interest revenue increased $330,948 or 110% over the prior fiscal year.

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, 2018, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately $25 million. This is an increase of $1,445,139 over the prior year.

	Governmental Activities	
	2018	**2017**
Current and other assets	$ 31,792,785	$ 30,337,068
Capital assets/ long term note receivable	3,552,192	3,854,290
Total Assets	35,344,977	34,191,358
Deferred outflow of resources		
Deferred amount related to pensions	1,425,296	1,371,919
Total Deferred Outflow of Resources	1,425,296	1,371,919
Other liabilities	6,783,690	7,287,538
Long-term liabilities	4,146,234	4,002,255
Total Liabilities	10,929,924	11,289,793
Deferred inflow of resources		
Deferred amount related to pensions	464,030	342,304
Total Deferred Inflow of Resources	464,030	342,304
Net assets:		
Net investment in capital assets	3,545,498	3,749,885
Unrestricted	21,830,821	20,181,295
Total Net Assets	$ 25,376,319	$ 23,931,180

Current assets increased by $1,455,717 in FY 2018. Receivables decreased because of the reduction in note receivable from St. Petersburg College based on the payments received during the year. Capital assets decreased; there were more removals than additions of furniture, equipment and building improvements, net of depreciation for the period. The net investment in capital assets (buildings, improvements, capitalized software, and furniture and equipment) and note receivable represents 14% of JWB's total net position. Total liabilities decreased by $359,869. The decrease in accounts payable offset the increase in the net pension liability of retirement plans. A decrease occurred in the long-term portion of accrued absences. Net investments in capital assets are $204,387 less than the prior year. It is reduced by leases payable and also includes the retirement and addition of equipment. The unrestricted net position increased by 8.2% from prior fiscal year.

The following schedule reflects the condensed Statement of Activities compared to the prior year. As of September 30, 2018, revenues exceeded expenses by 1,445,139, an increase of 107.6% over the prior year.

	Governmental Activities	
	2018	**2017**
Revenues:		
Program revenues:		
Charges for services	$ 21,081	$ 21,539
Contributions	203,759	244,808
General revenues:		
Property taxes	62,367,295	57,972,153
Investment income	632,677	301,729
Miscellaneous	16,158	30,676
Total Revenues	63,240,970	58,570,905
Expenses:		
Administration	8,035,560	7,687,492
Children & family programs	53,760,271	50,187,144
Total Expenses	61,795,831	57,874,636
Increase in net position	1,445,139	696,269
Net Position -Beginning of Year	23,931,180	23,234,911
Net Assets – End of Year	$ 25,376,319	$ 23,931,180

The total revenue for governmental activities increased by $4,670,065 (8.0%) from FY 17. Property taxes are the main source of income for JWB at 98.6% of total revenues. Investment income is the next highest source of revenue. Total expenses increased by 6.8% over the prior year due to the increase in expenditures in administration and children and family programs.

Governmental Activities

Property taxes remain the main revenue source for JWB. Other sources of revenue such as contributions are the next highest source of revenue, with miscellaneous revenue being the smallest percentage at .03%.

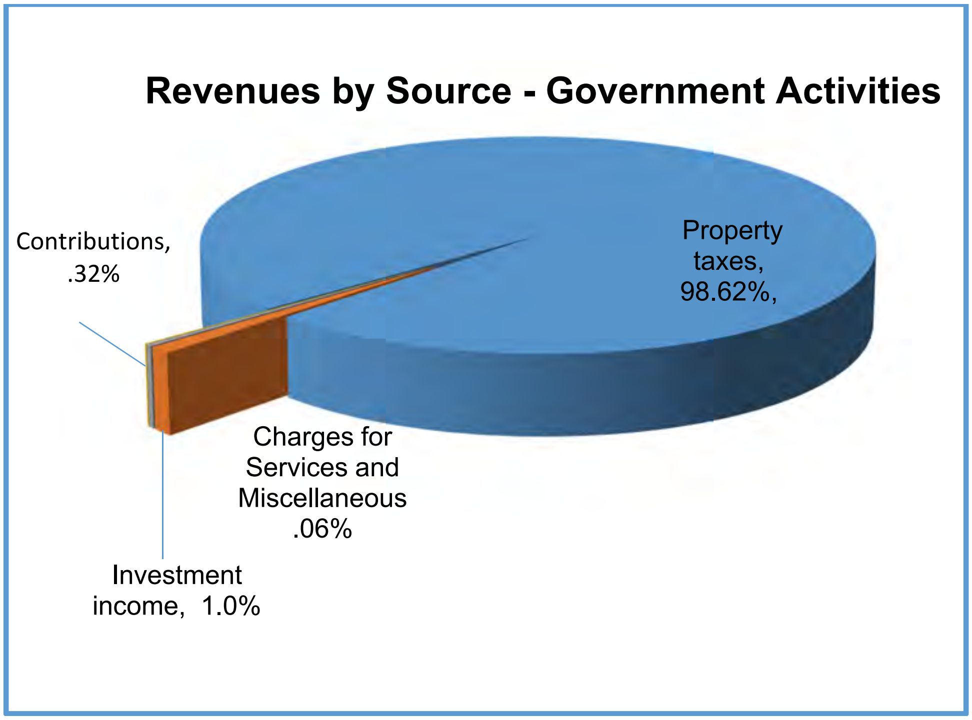
The current property tax valuation for FY 18 was $74 billion, which is an overall increase of 7.97% over FY 17, and it is currently projected that property tax revenue will continue to increase in future years.

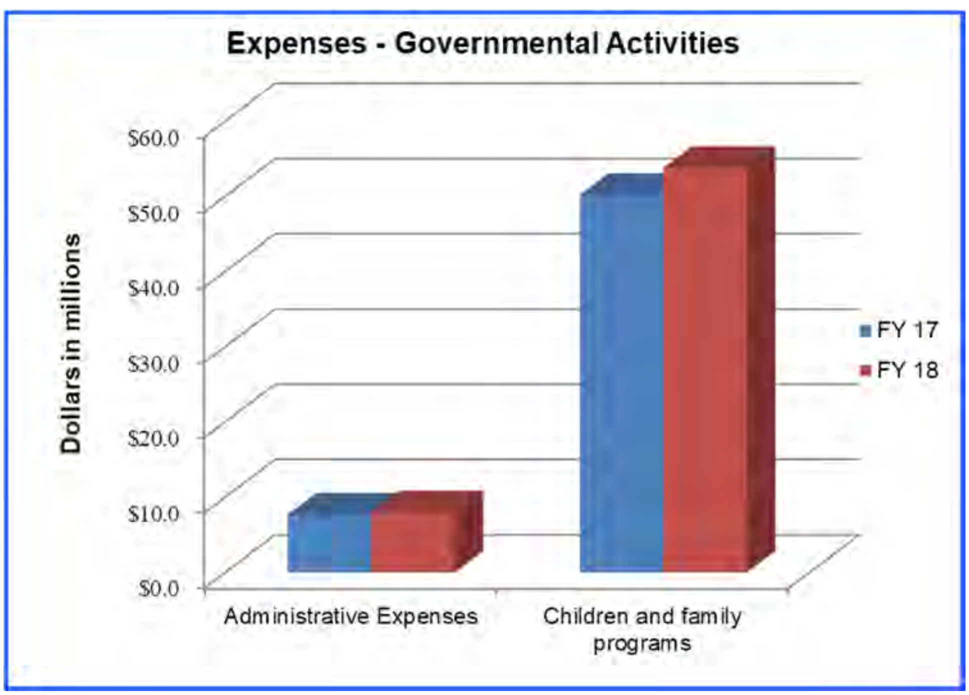
For FY 18, the budget reflects a millage rate of .8981 mills, which is the same rate as the prior year. The overall initial operating budget was $70 million, an increase of 11.6% over the amended budget for FY 17.

Contributions decreased from approximately $245 thousand to approximately $204 thousand.

JWB investment revenue increased from $301,729 to $632,677, or approximately 109.7%.

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





The total expense of the governmental activities increased by approximately $3.9 million over the prior year.

Administrative expense increased 4.5% and the children and family program expense increased by approximately $3.6 million.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

General Fund

At the end of FY 18, JWB's General Fund balance was approximately $24.6 million (an increase of $1,870,697). The fund balance consists of assigned funds in the amount of $5,983,113 and $18,628,724 in unassigned funds.

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

There is a minimal fund balance for PCMS, which originally was assumed under the transition to JWB in FY 10. Increased revenue activity from the fiscal year ended September 30, 2012 requires PCMS activity to be recognized in the Special Revenue Fund (see Note 2 for further discussion). The Special Revenue Fund balance at September 30, 2018 is $118,676. This is a reduction of $4,169 from the prior year and is effectuated through a transfer from the General Fund.

Budgetary Highlights

The Children and family program budget for FY18 reflects an increase of $532 thousand over FY17. This increase is attributed to, and also proportional to, the increase in ad valorem revenue. The final budget for each Strategic Focus area within Children and Family Programs reflects an increase from the original budget due to a reallocation of $6.5 million that was initially identified for Future Programming.

The shortfall in spending for the Children and Family Programs of $4.1 million represents a lapse of approximately 6%. This percentage is in line with the historical average. This spending lapse was primarily attributed to staffing vacancies for funded programs, and slower spending patterns due to delayed implementation of certain new and expanded programs.

The administrative budget for FY18 reflects an increase of $309 thousand over FY17. This is an increase of 5%, and is less than proportional compared to the increase in Children and Family Programs. The unexpended amount of $6685 thousand represents 9% of the administrative budget, and is proportional to the historical spending trend.

The non-administration budget of $9.3 million represents an increase of $6.7M over FY17. This segment of the budget includes property appraiser and tax collector fees, information technology and other capital projects, Contingency, and the unallocated Future Programming funds. The unspent amount, $4.9 million is primarily attributed to delayed capital project implementation and the lapse in unallocated Future Programming funds.

Capital Assets

JWB's capital assets for the governmental activities is approximately $3.55 million, net of accumulated depreciation. This represents a $209,059 decrease, net of depreciation, from September 30, 2017. The chart below includes land, buildings, improvements, and equipment with the accumulated depreciation deducted.

	Governmental Activities	
	2018	**2017**
Capital lease - St. Petersburg College	$ 3,067,707	$ 3,169,054
Furniture, fixtures, and equipment	478,074	581,158
Capital lease - Equipment	6,411	11,039
Total	$ 3,552,192	$ 3,761,251

The decrease in capital assets occurred from the net effect of additions and decreases in capital leases and furniture, fixtures, and equipment.

Long-term Liability Administration

As of September 30, 2018, the Juvenile Welfare Board had approximately $4.1 million in long- term liabilities. Of that amount $3.8 million is net pension liability. See Note 8-Long term liabilities. The remainder is the long-term portion of both compensated balances, other liability and capital leases for equipment. The chart below shows the balances of the long-term liabilities:

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Compensated absences	$ 347,703	$ -	$ 25,687	$ 322,016	$ 84,488
Capital Leases - Equipment	11,366	-	4,672	6,694	4,439
Other liability	-	2,514	-	2,514	-
Net pension liability	3,643,186	171,824	-	3,815,010	34,143
Total	$ 4,002,255	$ 174,338	$ 30,359	$ 4,146,234	$ 123,070

Economic Factors

The dollar volume on single family homes increased 19.6% from $284.6M in September 2017 compared to $340.5M in September 2018. The Median sales price for a single family home increased 3.2% from last year. The median sales price in 2017 was $248 thousand and in 2018 was $256 thousand. Property tax revenue continues to increase and in the fiscal year ended September 30, 2018, JWB recognized an increase from the prior year of 7.6% and additional Ad Valorem revenue of $4.4M. JWB has maintained a flat mileage rate of .8981 since 2013. Also, interest rates have continued to increase and JWB saw an increase in interest revenue of $331 thousand from the FY 17 to FY 18.

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, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

	Governmental Activities	
	2018	**2017**
ASSETS		
Cash and cash equivalents	$ 13,634,571	$ 16,164,293
Investments	17,164,705	13,280,215
Due from other governments	639,423	526,694
Due from other agencies	145,497	110,673
Receivables	1,088	5,289
Other assets	114,462	67,168
Note receivable:		
Due within one year	93,039	182,736
Due in more than one year	-	93,039
Capital assets, net of accumulated depreciation	3,552,192	3,761,251
Total Assets	35,344,977	34,191,358
Deferred outflow of resources		
Deferred Actuarial Losses - Pensions	1,425,296	1,371,919
Total Deferred Outflow of Resources	1,425,296	1,371,919
LIABILITIES		
Payable to agencies	6,053,331	6,244,729
Accounts payable	592,450	884,788
Other payables	50,196	68,068
Accrued salary and benefits	87,713	89,953
Long-term liabilities:		
Due within one year	123,070	143,299
Due in more than one year	4,023,164	3,858,956
Total Liabilities	10,929,924	11,289,793
Deferred inflow of resources		
Deferred Actuarial Gains - Pensions	464,030	342,304
Total Deferred Inflow of Resources	464,030	342,304
NET POSITION		
Net investment in capital assets	3,545,498	3,749,885
Unrestricted	21,830,821	20,181,295
Total Net Position	$ 25,376,319	$ 23,931,180

JUVENILE WELFARE BOARD

STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

		Program Revenues		2018 Net (Expense) Revenue and Changes in Net Position	2017 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	$ 8,035,560	$ 21,081	$ -	$ (8,014,479)	$ (7,665,953)
Children and family programs	53,760,271	-	203,759	(53,556,512)	(49,942,336)
Total Primary Government	$ 61,795,831	$ 21,081	$ 203,759	(61,570,991)	(57,608,289)
	General Revenues:				
	Property taxes			62,367,295	57,972,153
	Investment income, net			632,677	301,729
	Miscellaneous			16,158	30,676
	Total General Revenues			63,016,130	58,304,558
	Change in net position			1,445,139	696,269
	Net position - beginning of year			23,931,180	23,234,911
	Net position – end of year			$ 25,376,319	$ 23,931,180

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

JUVENILE WELFARE BOARD
BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

	Major Fund	Non-Major Fund		
ASSETS	**General Fund**	**Special Revenue Fund**	**2018**	**2017**
Cash and Cash Equivalents	$ 13,517,895	$ 116,676	$ 13,634,571	$ 16,164,293
Investments	17,164,705	-	17,164,705	13,280,215
Due from other governments	358,841	-	358,841	248,111
Due from other agencies	145,497	-	145,497	110,673
Receivables	1,088	-	1,088	5,289
Other receivables	114,462	-	114,462	67,168
Due From Other Funds	(89,031)	89,031		
Due from other funds	-	-	-	-
Notes Receivable:				
Due within one year	93,039	-	93,039	182,736
Due in more than one year	-	-	-	93,039
Total Assets	$ 31,306,496	$ 205,707	$ 31,512,203	$ 30,151,524
LIABILITIES AND FUND BALANCE				
Liabilities:				
Payable to agencies	$ 6,053,331	$ -	$ 6,053,331	$ 6,244,729
Accounts payable	503,419	87,031	590,450	884,788
Other payables	50,196	-	50,196	68,068
Accrued salary and benefits	87,713	-	87,713	89,953
Total Liabilities	6,694,659	87,031	6,781,690	7,287,538
Fund Balance:				
Non-spendable	-	-	-	93,039
Assigned	5,983,113	118,676	6,101,789	5,329,315
Unassigned	18,628,724	-	18,628,724	17,441,632
Total Fund Balance	24,611,837	118,676	24,730,513	22,863,986
Total Liabilities and Fund Balance	$ 31,306,496	$ 205,707	$ 31,512,203	$ 30,151,524

JUVENILE WELFARE BOARD

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

SEPTEMBER 30, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

	2018	2017
Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balance – governmental fund	$ 24,730,513	$ 22,863,986
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund	3,552,192	3,761,251
Accounts receivable shown in governmental activities were not financial resources, therefore, were not reported in the governmental funds	278,582	278,583
Deferred outflows and inflows of resources related to pension are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pension	1,425,296	1,371,919
Deferred inflows of resources related to pension	(464,030)	(342,304)
Some long-term liabilities that are not due and payable in the current period activities consist of:		
Capital leases	(6,694)	(11,366)
Other liability	(2,514)	-
Compensated absences	(322,016)	(347,703)
Net pension liability	(3,815,010)	(3,643,186)
Net position of governmental activities	$ 25,376,319	$ 23,931,180

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, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

	General Fund	Special Revenue Fund	2018	2017
Revenues:				
Property taxes, net of fees	$ 62,367,295	$ -	$ 62,367,295	$ 57,972,153
Fees	21,081	-	21,081	21,539
Grant and contribution revenue	203,359	400	203,759	231,974
Investment income, net	632,512	165	632,677	301,729
Other	16,158	-	16,158	30,676
Total Revenues	63,240,405	565	63,240,970	58,558,071
Expenditures:				
Administration	7,541,880	-	7,541,880	7,208,070
Children and family programs	52,715,536	1,044,735	53,760,271	50,187,144
Capital outlay	72,292	-	72,292	315,337
Total Expenditures	60,329,708	1,044,735	61,374,443	57,710,551
Excess of Revenues over (under) expenditures	2,910,697	(1,044,170)	1,866,527	847,520
Other Financing Sources:				
Transfers in (out)	(1,040,000)	1,040,000	-	-
Total Other Financing Sources	(1,040,000)	1,040,000	-	-
Excess of revenues over (under) expenditures and other financing sources	1,870,697	(4,169)	1,866,527	847,520
Fund balance – beginning of year	22,741,140	122,846	22,863,986	22,016,466
Fund balance – end of year	$ 24,611,837	$ 118,677	$ 24,730,513	$ 22,863,986

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, 2018
(WITH SUMMARIZED FINANCIAL INFORMATION FOR 2017)

	2018	2017
Amounts reported for governmental activities in the statement of net position are different because:		
Net change in fund balance	$ 1,866,527	$ 847,520
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	$72,292	315,336
Depreciation expense	(281,351)	(213,701)
Revenues shown in governmental activities were not financial resources, therefore, were not reported in the governmental funds	-	12,835
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	25,686	(42,235)
Lease expense	4,672	4,524
Other expense	(2,514)	-
Pension expense	(240,173)	(225,010)
Change in net position in governmental activities	$ 1,445,139	$ 699,269

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. 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. Accordingly, such information should be read in conjunction with JWB's financial statements for the year ended September 30, 2017, 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. These statements distinguish between governmental activities, normally financed through taxes, intergovernmental revenues and other non-exchange activities.

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

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) 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.

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 60 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.
- The annual budget serves as the legal authorization for expenditures. All unexpended appropriations lapse at fiscal year-end.

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

- 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.
- 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 buildings, improvements, capitalized software, and furniture fixtures and equipment and are reported in the governmental activities of the government-wide financial statements. As per Florida 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 acquisition 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
Capitalized software	5 years
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. 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 net position reports a 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 four items that qualify for reporting in this category, which all related to pensions.

In addition to liabilities, the statement of net position reports 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 three items that qualify for reporting in this category, which all 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. Assigning fund balance is expressed by JWB Board or the Chief Executive Officer 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 $11,652,746 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 and contributions.

Property Taxes - Florida laws restrict millage rate increases that a government may levy. There are multiple exemptions for most homeowners, a 4% 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 or separation. 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, 2018:

Deposits with commercial banks (book balance)	$ 1,702,667
Money market	11,931,304
Petty cash	600
Book balance	$ 13,634,571
Bank balance of deposits in commercial banks	$ 13,789,486

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, 2018 JWB investments include short-term investments in two money market accounts which are recorded at amortized cost. The BB&T Money Market Fund and Regions Trust Cash Sweep fund yield rates as of that date were .15% and 1.63%, 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 Chief Financial Officer 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.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- Net Asset Value ("NAV") - Investment in Florida Local Government Investment Trust ("FLGIT") represents $8,922,846 in pooled investment programs. No specific investments are assigned to JWB, rather the value of JWB's investment is equal to the total fund net asset value times the number of units as a percentage of total units outstanding. Any dividends or interest of the programs are reinvested. FLGIT has a Standard & Poor's rating of AAAm at September 30, 2018 and is recorded at NAV. There are no withdraw restrictions or unfunded commitments related to this investment as of September 30, 2018.

- Amortized Cost - Florida PRIME is a 2a7-like pool, which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market funds. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAm at September 30, 2018 and is recorded at amortized cost.

Note 4—Investments (continued)

At September 30, 2018, JWB had the following investments:

	Maturities	Fair Value	Percentage
Investments measured at the NAV:			
Florida Local Government Investment Trust (FLGIT)	34 Day Average	$ 8,922,846	30.7%
		8,922,846	30.7%
Investments measured at amortized cost:			
Florida State Board of Administration (PRIME)	33 Day Average	8,241,859	28.3%
Money Market *	N/A	11,931,304	41.0%
		$ 29,096,009	100%

*Investment is reported as cash equivalents on the accompanying statement of net position

At fiscal year-end, JWB had $8,241,859 invested in the State Board of Administration ("SBA") in an account titled Florida PRIME. The PRIME fund's yield rate as of September 30, 2018 was 2.97%.

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.

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 & 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, 2018 is 33 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

Note 4—Investments (continued)

The WAM of the FLGIT is 34 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, 2018, 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 $89,031 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, 2018, there was $1,040,000 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 eight years. JWB imputed the interest on the mortgage receivable to be 2.42%.

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

Fiscal Years Ending September 30,	Principle	Imputed Interest	Total
2019	$ 93,039	$ 847	$ 93,886
	$ 93,039	$ 847	$ 93,886

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 ended 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 36 years.

Note 7—Capital assets (continued)

Capital asset activity for the year ended September 30, 2018 was as follows:

	Governmental Activities			
	October 1, 2017	**Additions and Transfers In**	**Disposals and Transfers Out**	**September 30, 2018**
Capital assets being depreciated:				
Furniture, fixtures, and equipment	$ 1,062,152	$72,292	$94,269	$ 1,040,175
Capital lease - equipment	20,290	-	-	20,290
Capital lease - St. Petersburg College	4,031,972	-	-	4,031,972
Total capital assets	5,114,414	72,292	94,269	5,092,437
Less accumulated depreciation:				
Furniture, fixtures, and equipment	480,994	175,376	94,269	562,101
Capital lease - equipment	9,251	4,628	-	13,879
Capital lease - St. Petersburg College	862,918	101,347	-	964,265
Total accumulated depreciation	1,353,163	281,351	94,269	1,540,245
Capital assets, net	$ 3,761,251	$ (209,059)	$ -	$ 3,552,192

Depreciation was charged to the following functions:	
General government	
Administration	$ 281,351

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, which have been determined to be capital leases.

Note 8—Long-term liabilities (continued)

The following is a schedule of changes in long-term liabilities for fiscal year ended September 30, 2018.

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Compensated absences	$ 347,703	$ -	$ 25,687	$ 322,016	$ 84,488
Capital Leases - Equipment	11,366	-	4,672	6,694	4,439
Other liability	-	2,514	-	2,514	-
Net pension liability	3,643,186	171,824	-	3,815,010	34,143
Total	$ 4,002,255	$ 174,338	$ 30,359	$ 4,146,234	$ 123,070

The future minimum lease obligations and the net present value of the capital leases of September 30, 2017, were as follows:

Years Ending September 30,	
2019	$ 4,618
2020	2,306
Total minimum lease payments	6,924
Less: amount representing interest	(230)
Present value of minimum lease payments	$ 6,694

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, 2018 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 2018 levy was based was $74 billion. There was an amount of $410,713 of property taxes receivable from the Tax Collector at September 30, 2018.

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 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 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 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 Pension 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 3% 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 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Pension 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 3% 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, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018, respectively, were as follows: Regular--7.92% and 8.26%; Special Risk Administrative Support—34.63% and 34.98%; Special Risk—23.27% and 24.50%; Senior Management Service—22.71% and 24.06%; Elected Officers'—39.64% and 40.77%; and DROP participants—13.26% and 14.03%. These employer contribution rates include a 1.66% HIS Plan subsidy for the periods October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018.

JWB's contributions to the Pension Plan totaled $240,810 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, JWB reported a liability of $2,508,218 for its proportionate share of the net pension liability as of September 30, 2018. 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, 2018, JWB's proportionate share was 0.008327275% which was an increase of 0.000355873% from its proportionate share of 0.007971402% measured as of September 30, 2017.

Note 11—Retirement (continued)

For the fiscal year ended September 30, 2018, JWB recognized pension expense of $213,303. 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	$ 212,485	$ 7,713
Change of Assumptions	819,564	-
Net difference between projected and actual earnings on Pension Plan investments	-	193,790
Changes in proportion and differences between JWB's pension plan contribution and proportionate share of contributions	102,261	72,494
JWB's Pension Plan contribution subsequent to the measurement date	67,885	-
	$ 1,202,195	$ 273,997

The deferred outflows of resources related to the Pension Plan, totaling $67,885 resulting from JWB's contributions to the Pension Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2019 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
2019	$ 326,439
2020	224,257
2021	35,271
2022	150,881
2023	102,428
Thereafter	21,037
	$ 860,313

Actuarial Assumptions - The total pension liability in the July 1, 2018 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	7.00%, net of pension plan investment expense, including inflation

Note 11—Retirement (continued)

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

The actuarial assumptions used in the July 1, 2018 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%	2.9%	2.9%	1.8%
Fixed income	18.0%	4.4%	4.3%	4.0%
Global equity	54.0%	7.6%	6.3%	17.0%
Real estate	11.0%	6.6%	6.0%	11.3%
Private equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
	100%			
Assumed Inflation-Mean		2.6%		1.9%

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. 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 7.00%, 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 (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Decrease 8.00%
JWB's proportionate share of the net pension liability	$ 4,577,604	$ 2,508,218	$ 789,472

Note 11—Retirement (continued)

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, 2018, JWB reported no payables for the outstanding amount of contributions to the Pension Plan required for the fiscal year ended September 30, 2018.

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, 2018, 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, 2018, the HIS contribution for the period October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 was 1.66%, 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.

JWB's contributions to the HIS Plan totaled $66,887 for the fiscal year ended September 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2018, JWB reported a net pension liability of $1,306,792 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, 2018, JWB's proportionate share was 0.012346732% which was an increase of 0.000326123% from its proportionate share of 0.012020609% measured as of September 30, 2017.

Note 11—Retirement (continued)

For the fiscal year ended September 30, 2018, JWB recognized pension expense of $26,060. 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	$ 20,006	$ 2,220
Change of Assumptions	145,331	138,165
Net difference between projected and actual earnings on Pension Plan investments	789	-
Changes in proportion and differences between JWB's pension plan contribution and proportionate share of contributions	39,086	49,648
JWB's Pension Plan contribution subsequent to the measurement date	17,889	-
	$ 223,101	$ 190,033

The deferred outflows of resources related to the HIS Plan, totaling $17,889 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 ending September 30, 2019. 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
2019	$ 16,511
2020	16,445
2021	11,082
2022	1,351
2023	(18,962)
Thereafter	(11,248)
	$ 15,179

Note 11—Retirement (continued)

Actuarial Assumptions - The total pension liability in the July 1, 2018, 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	3.87%

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

The actuarial assumptions used in the July 1, 2018 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 3.87%. 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.

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 3.87%, 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 (2.87%) or one percentage point higher (4.87%) than the current rate:

	1% Decrease 2.87%	Current Discount Rate 3.87%	1% Decrease 4.87%
JWB's proportionate share of the net pension liability	$ 1,488,359	$ 1,306,792	$ 1,155,445

HIS 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 HIS Plan - At September 30, 2018, 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.

Note 11—Retirement (continued)

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 0.06% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2018-19 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class—6.20%, Special Risk Administrative Support class—32.91%, Special Risk class—21.55%, Senior Management Service class—20.99%, and County Elected Officers class—43.78%.

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 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2018, 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 $122,240 for the fiscal year ended September 30, 2018.

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.

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.

Note 12—Fund balance (continued)

Committed - amounts that are constrained to specific purposes by formal action of JWB Board. JWB has no committed fund balance at September 30, 2018.

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 2019 Budget Resolution by the Board in September 2018 appropriated the amount of $5,975,695 from the fiscal 2018 year fund balance for expenditures authorized in excess of anticipated revenue during fiscal year 2019.

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, 2018, the amount assigned is $7,418.

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

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 $11,652,746. The remaining unassigned fund balance $6,975,978.

Note 13—Subsequent events

Management has evaluated subsequent events from October 1, 2018 to the date the financial statements were available to be issued in connection with the preparation of these financial statements.

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, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property taxes, net	$ 64,124,634	$ 62,775,646	$ 62,367,295	$ (408,351)
Fees	21,111	21,111	21,081	(30)
Grant and contribution revenue	320,580	320,580	203,359	(117,221)
Investment income, net	250,000	250,000	632,512	382,512
Other	-	-	16,158	16,158
Total Revenues	64,716,325	63,367,337	63,240,405	(126,932)
Expenditures:				
Current:				
Administration	7,684,318	7,684,318	6,999,155	685,163
Grants and Other Contracts				
Children and family programs:				
School Readiness	9,292,676	11,050,258	8,983,643	2,066,615
School Success	15,906,448	16,779,236	16,014,848	764,388
Prevention of Child Abuse and Neglect	21,003,899	21,601,156	20,644,885	956,271
Strengthening Communities	6,695,197	7,378,573	7,072,160	306,413
Non admin	9,333,938	5,478,607	542,725	4,935,882
Capital outlay	-	-	72,292	(72,292)
Total Expenditures	69,916,476	69,972,148	60,329,708	9,642,440
Net change in fund balance	$ (5,200,151)	$ (6,604,811)	2,910,697	$ 9,515,508
Other Financing Sources:				
Transfers out			(1,040,000)	
Excess of revenues over expenditures and other sources			1,870,697	
Fund balance – beginning of year			22,741,140	
Fund balance – end of year			$ 24,611,837	

JUVENILE WELFARE BOARD

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

LAST 10 FISCAL YEARS

	2018*	2017*	2016*	2015*	2014*
JWB's proportion of the net pension liability	0.0008%	0.0008%	0.0008%	0.0009%	0.0008%
JWB's proportionate share of the net pension liability	$ 2,508,218	$ 2,358,697	$2,020,729	$1,124,282	$ 548,929
JWB's covered-employed payroll	$ 2,114,779	$ 1,966,700	$2,008,263	$1,862,948	$1,782,311
JWB's proportionate share of the net pension liability (asset) as a percentage of its covered-payroll	119%	120%	101%	60%	31%
FRS Plan fiduciary net position as a percentage of the total pension liability	84%	84%	85%	92%	96%

* Represents the measurement date as of June 30

Note: Data was unavailable prior to 2014

JUVENILE WELFARE BOARD

SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM

LAST 10 FISCAL YEARS (September 30,)

	2018	2017	2016	2015	2014
Contractually required contribution	$ 240,810	$ 205,697	$ 215,802	$ 206,497	$ 248,389
Contribution in relation to the contractually required contribution	240,810	205,697	215,802	206,497	248,389
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
JWB's covered-employee payroll	$ 2,131,769	$ 1,965,631	$ 2,017,819	$ 1,949,293	$ 1,750,988
Contributions as a percentage of covered-employee payroll	11%	10%	11%	11%	14%

Note: Data was unavailable prior to 2014

JUVENILE WELFARE BOARD

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

LAST 10 FISCAL YEARS

	2018*	2017*	2016*	2015*	2014*
JWB's proportion of the net pension liability	0.012%	0.012%	0.013%	0.012%	0.012%
JWB's proportionate share of the net pension liability	$ 1,306,792	$ 1,285,299	$ 1,467,315	$ 1,264,180	$ 1,167,904
JWB's covered-employed payroll	$ 3,928,293	$ 3,731,209	$ 3,790,812	$ 3,677,369	$ 3,110,865
JWB's proportionate share of the net pension liability (asset) as a percentage of its covered-payroll	33%	34%	39%	34%	38%
FRS Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

* Represents the measurement date as of June 30

Note: Data was unavailable prior to 2014

JUVENILE WELFARE BOARD

SCHEDULE OF CONTRIBUTIONS - HEALTH INSURANCE SUBSIDY PENSION PLAN

LAST 10 FISCAL YEARS (September 30,)

	2018	2017	2016	2015	2014
Contractually required contribution	$ 66,887	$ 64,396	$ 66,340	$ 51,073	$ 53,933
Contribution in relation to the contractually required contribution	66,887	64,396	66,340	51,073	53,933
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
JWB's covered-employee payroll	$ 3,935,667	$ 3,802,413	$ 3,898,322	$ 3,708,773	$ 3,687,321
Contributions as a percentage of covered-employee payroll	1.7%	1.7%	1.7%	1.4%	1.5%

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 SPILL

YEAR ENDED SEPTEMBER 30, 2018

Source	Balance as of the 2016-17 Fiscal Year	Amount Received In the 2017-18 Fiscal Year	Amount Expensed In the 2017-18 Fiscal Year	Balance as of the 2017-18 Fiscal Year
British Petroleum:	$108,113	$1,081	$0	$109,194
Agreement No Not Applicable				

Note: This does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. JWB did nto 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, 2018, and the related notes to the financial statements, which collectively comprise JWB's basic financial statements, and have issued our report thereon dated March 7, 2019.

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
March 7, 2019

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, 2018, and have issued our report thereon dated March 7, 2019.

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 Reporting Requirements

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 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 7, 2019, 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 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 and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not JWB has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that 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 for JWB. It is management's responsibility to monitor the JWB's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note 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
March 7, 2019

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

We have examined the Juvenile Welfare Board of Pinellas County (“JWB") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management of JWB is responsible for JWB’s compliance with the specified requirements. Our responsibility is to express an opinion on JWB’s compliance with the specified requirements based on our examination.

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

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

In our opinion, JWB complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.

Cherry Bekaert LLP

Tampa, Florida
March 7, 2019