



Board of Directors Meeting

November 29, 2012

Monthly Board Financial and Investment Report

Item II.B.

Recommended Action: Approve the Monthly Financial and Investment Report as presented.

Issue: JWB Report on Budget and Investments

Program: Provider services are presented in aggregate in the report.

Budget Impact: FY 2012/13 Budget

FINANCIAL HIGHLIGHTS

October 31, 2012

Prepared by SUE WALTERICK, Finance Director

- **Total Assets** decreased 3.2% to \$20.0M from the prior year.
 - Cash and Investments** are similar to last year and includes \$136k in PCMS assets.
 - Receivables.** Due from Governments includes the amount due from the Carrera grant. The total of \$795k in Due from Agencies includes an amount due from the Neighborhood Family Centers as a result of payroll and payment activity. Other receivables include \$450k, primarily the St. Petersburg College annual amount due for the 68th Street building.
 - Notes receivable** represents the full amount owed by St. Petersburg College for the building.
- **Liabilities:**
 - Payables** represents an increase due to timing of the payments.
 - Accrued Liabilities** includes the salary and fringe accrual of \$179k and the annual leave/sick leave accrual for staff.
- **Fund Equity:**
 - The **Short-Term Disability** fund was eliminated by the Board, which opted to contract with a third party carrier. The **Sick Leave Pool** was dissolved by Board Action last summer.
 - Fiscal Year expenditures** includes funds allocated for program services in the FY 12/13 budget.
 - The **Program Stabilization** fund has increased from \$9.6M to \$10.5M as a result of lapsed funds and the hospital donation. However all expenses have not been entirely recorded yet for Fiscal Year 11/12.
 - The **Undesignated JWB** fund is the remainder of revenues over expenditures. Tax Revenue will begin to be received in late November and will increase the balance. This number reflects the spending pace of the administration and agency payments over the year.
- **Revenues and Expenses:**
 - Property tax revenue** transfers begin in November.
 - Intergovernmental revenue** is budgeted for Medicaid, Carrera, Vita and the County funding for HHSCC.

(Continued)

Miscellaneous revenue is budgeted for the donation from All Children's Hospital and Bayfront Medical Center for the Intergovernmental Transfer Program.

Contracts and grants expenditure reflects spending in the Carrera program.

Reimbursements for **Children and Family Programs** have increased by 54% in comparison to last year. This is reflective of the accounts payable transaction timing.

PCMS now reflects the Family Services Pool payments which did not start up until last February.

- **Revenue maximization reimbursements:** No revenue has been collected yet in October. The budget for 12/13 is \$200,000. JWB funded programs participating in TCM for FY 12-13 include Healthy Families and Kinship Services Network. Suncoast is targeted to begin billing in January 2013 which will produce estimated revenue of \$350,000 for FY 13-14.
- **Contracts with Cherry, Bekaert & Holland (CBH) for up to \$55,000:** This is to complete the FY 11/12 independent audit. Please see the attached letter to the Board from CBH.
- **Advances:** No advances have been issued yet this year.
- **Interest income:** The year to date amount received is equitable to FY 11/12 for October. Staff is considering a proposal to reduce the projection for FY 12/13, as a result of current year's yield. There is \$13.5M currently invested in BB&T, Regions, the Florida Local Government Investment Trust (FLGIT) and Florida Prime. (See chart on the Investments page)

JUVENILE WELFARE BOARD
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
October 31, 2012

	Government Fund	PCMS Funds	TOTALS	
	<u>General</u>	<u>General</u>	<u>FY 12/13</u>	<u>FY 11/12</u>
ASSETS				
Interest Bearing Deposits	\$ 13,439,370	\$ 136,147	\$ 13,575,517	\$ 13,339,875
Due from Other Governments	322,228	99,333	421,561	201,363
Due from Other Agencies	794,285		794,285	1,560,450
Other Receivables	450,768		450,768	442,602
Deposits	22,661		22,661	29,033
Furniture, Fixtures & Equipment	4,828,635	9,653	4,838,288	4,628,270
Accumulated Depreciation	(853,321)	(7,679)	(861,000)	(774,122)
Note Receivable - Long Term	1,004,951		1,004,951	1,493,562
TOTAL ASSETS	<u>20,009,577</u>	<u>237,454</u>	<u>20,247,031</u>	<u>20,921,033</u>
LIABILITIES				
Vouchers & Accounts Payable	117,158	69,020	186,178	71,203
Other Payables	265,535		265,535	90,638
Accrued Liabilities	570,448	2,127	572,575	503,863
TOTAL LIABILITIES	<u>953,141</u>	<u>71,147</u>	<u>1,024,288</u>	<u>665,704</u>
FUND EQUITY				
Investment in Fixed Assets	3,930,769	(230)	3,930,539	3,550,977
Retained Earnings		166,700	166,700	148,822
Fund Equity Unreserved				
Designated-Disability				420,344
Designated-Sick Leave Pool				41,120
Designated-F/Y Expenditure	4,555,120		4,555,120	6,010,539
Designated Program Stabilization*	12,247,588		12,247,588	9,621,253
Undesignated JWB**	(1,677,041)	(163)	(1,677,204)	462,274
TOTAL FUND EQUITY	<u>19,056,436</u>	<u>166,307</u>	<u>19,222,743</u>	<u>20,255,329</u>
TOTAL LIAB.&FUND EQUITY	<u>\$ 20,009,577</u>	<u>\$ 237,454</u>	<u>\$ 20,247,031</u>	<u>\$ 20,921,033</u>

* Designated Program Stabilization = JWB is utilizing reserved fund balance dollars to maintain children's services. This is in response to the continuing decrease in Ad valorem revenue.

** Undesignated = Funds that are allocated for funded agencies through fiscal year end

JUVENILE WELFARE BOARD
INTERIM STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR PERIOD ENDING October 31, 2012

	FY 12/13		FY 11/12		Y.T.D. ACTUAL Difference
	ANNUAL BUDGET	Y.T.D. ACTUAL	ANNUAL BUDGET	Y.T.D. ACTUAL	
REVENUE					
Property Taxes	\$ 47,168,668	\$ -	\$ 44,738,232	\$ -	0
Fees	18,000		18,000	15,144	(15,144)
Intergovernmental	1,070,309		1,166,925	57,862	(57,862)
Interest on Investments	150,000	776	150,000	4,821	(4,045)
Miscellaneous	12,092,500	1,098	3,522,000	1,750,000	(1,748,902)
SUBTOTAL REVENUE	60,499,477	1,874	49,595,157	1,827,827	(1,825,953)
Leased Employees		-		29,860	(29,860)
PCMS		55,175		-	55,175
TOTAL REVENUE	60,499,477	57,049	49,595,157	1,857,687	(1,800,638)
 EXPENDITURES					
Administration	6,231,642	235,121	6,176,378	394,874	(159,753)
Contracts and Grants	286,928	3,748	210,308	-	3,748
Children & Families Programs*	55,563,993	1,333,944	47,574,992	861,586	472,358
Non-Operating	1,488,574	101,236	1,241,851	101,991	(755)
SUBTOTAL EXPENDITURES	63,571,137	1,674,049	55,203,529	1,358,451	315,598
Leased Employees		4,866		29,860	(24,994)
PCMS		55,338		8,252	47,086
TOTAL EXPENDITURES	\$ 63,571,137	\$ 1,734,253	\$ 55,203,529	\$ 1,396,563	337,690
 OTHER FIN.SOURCES					
Operating Transfers from JWB				1,150	(1,150)
 EXCESS(Deficiency) of Revenue over Expenditures	(3,071,660)	(1,677,204)	(5,608,372)	462,274	(2,139,478)
 RETAINED EARNINGS		166,700		148,822	17,878
INVESTM.IN FIXED ASSETS		3,930,539		3,550,977	379,562
FUND EQUITY - JWB:					
UNRESERVED					
Disability		-		420,344	(420,344)
Sick Leave Pool		-		41,120	(41,120)
F/Y Expenditure		4,555,120		6,010,539	(1,455,419)
Designated Program Stabilization**		12,247,588		9,621,253	2,626,335
TOTAL FUND EQUITY		\$ 19,222,743		20,255,329	(1,032,586)

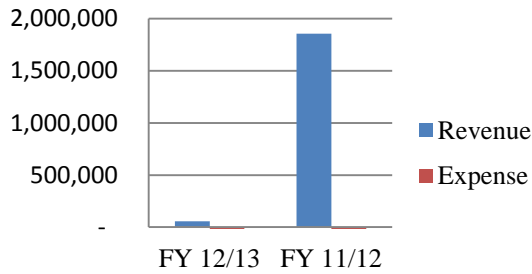
* JWB receives the majority of tax revenues in December and January. Agency reimbursement requests throughout the year average between \$3m-6m monthly. The reimbursement requests for September have been up to \$10m.

**Due to declining Ad valorem revenues, JWB is utilizing reserved fund balance dollars to maintain children's services through the economic downturn.

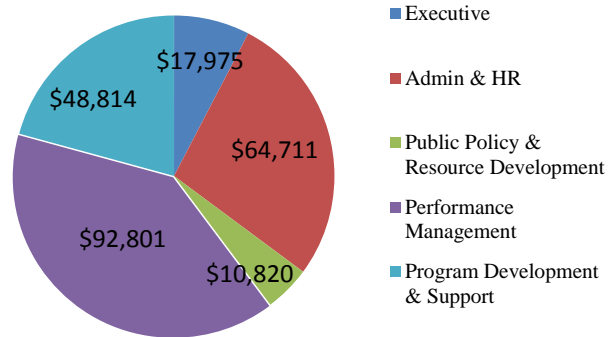
JUVENILE WELFARE BOARD

October 31, 2012

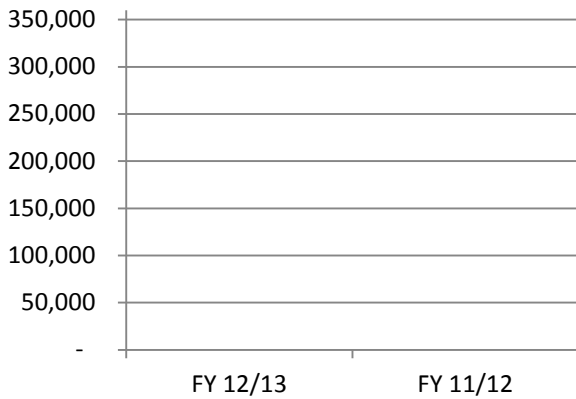
**JWB Revenue and Expense
Year to Date Comparison by
Fiscal Year**



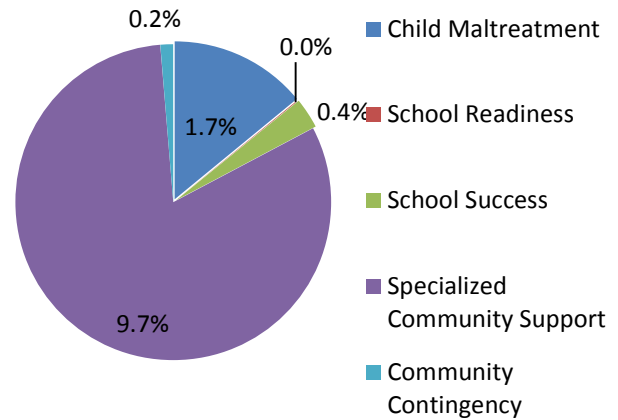
**JWB Administration Expense
Year to Date**



**Revenue Maximization
Nothing in October**



**Program Expense
Percent Spent YTD in each Focus Area**



AGENCY ADVANCES

<u>DATE Issued</u>	<u>AGENCY</u>	<u>Advance Amount</u>	<u>YTD Returned</u>	<u>Amount Outstanding</u>	<u>Most Recent Payment</u>
	None	-	-	-	

TOTAL: - - -

CONTRACTS SIGNED THIS MONTH

	<u>Name</u>	<u>Amount</u>	<u>Description</u>	<u>Department</u>
10/01/12	Cherry, Bekaert & Holland	\$ 55,000.00	FY 11/12 audit	PM/FIN

BUDGET TRANSFERS APPROVED THIS MONTH

	<u>Name</u>	<u>Amount</u>	<u>Description</u>	<u>Department</u>
	See Board Action in November			

**JUVENILE WELFARE BOARD
INVESTMENT REPORT
For Period Ending October 31, 2012**

BANK	ACCOUNT	AVERAGE RATE	ENDING BALANCE	YIELD
BB & T	Concentration Account	(1)	\$ 740,899.00	\$ -
	Market Investment Account	0.15%	4,152,114.10	679.12
REGIONS Florida Local Government Investment Trust	Investment Sweep Trust Account	0.15%	4,005,041.09	1,110.06
	Day to Day Fund Account	0.17%	4,003,272.72	664.67
FLORIDA PRIME	Investment Pool - FUND A	0.29%	395,001.13	97.14
	Investment Pool - FUND B	(2)	237,397.86	-
			\$ 13,533,725.90	\$ 2,550.99

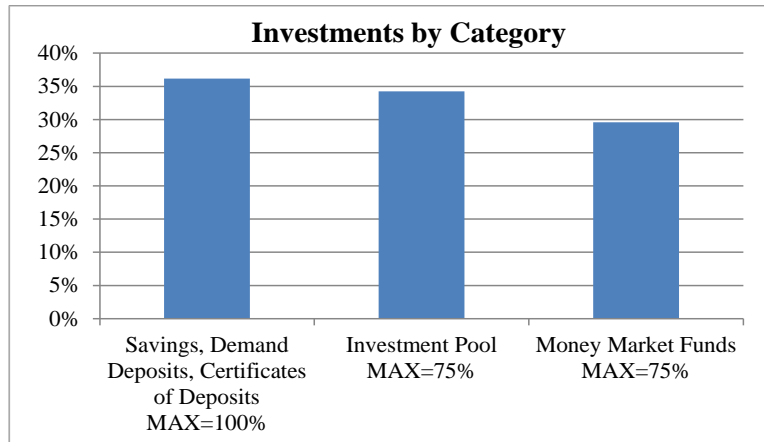
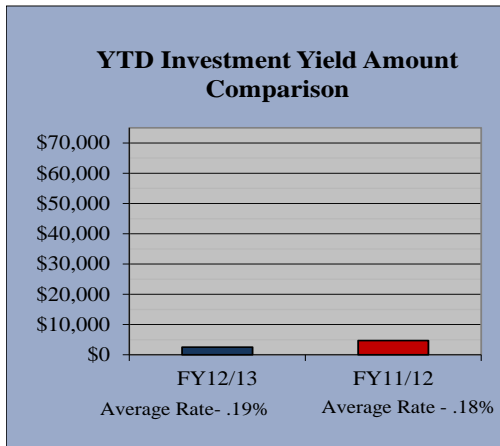
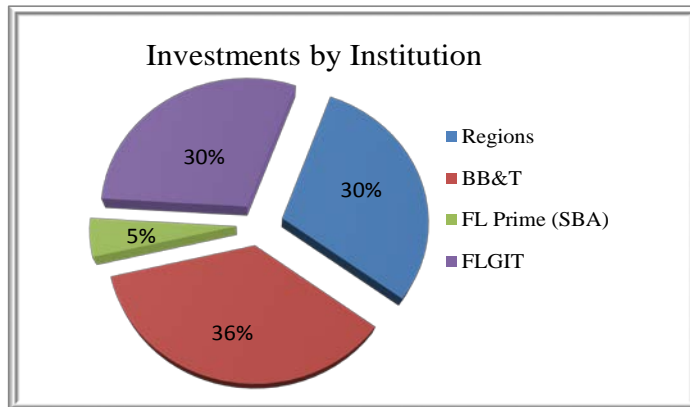
⁽¹⁾ This is the main operating account. The expense is offset by earnings credits. There is no interest paid in this account.

⁽²⁾ The Florida Prime, formerly Florida State Board of Administration (SBA), does not publish rates of return for Fund B. The investment objective for Fund B is to maximize the present value of distributions to participants net of fees; thus weight is given to the realized value of security sales and to the speed with which monies are distributed (liquidity). As cash becomes available in Fund B, it is distributed among participant accounts in Fund A, according to each participant's pro rata share of Fund B. JWB's original investment remaining in the pool in November 2007 was \$1.5M.

BUDGET COMPARISON

	Year To Date BUDGET	Year To Date ACTUAL⁽³⁾	% Actual to YTD Budget	Over/(Under) YTD Budget
	\$150,000.00	\$ 12,500.00	20%	\$ (9,949.01)

⁽³⁾ Includes interest adjustments for the month not reflected in the interim statements.





Cherry, Bekaert & Holland, L.L.P.
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July 9, 2012

The Board of Directors
Juvenile Welfare Board of Pinellas County
14155 58th Street North
Clearwater, Florida 33760

Members of the Board of Directors:

We are engaged to audit the basic financial statements of the governmental activities and general fund of the Juvenile Welfare Board of Pinellas County ("JWB") for the year ended September 30, 2012. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under Auditing Standards Generally Accepted in the United States of America and OMB Circular A-133

As stated in our engagement letter dated July 9, 2012, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we will consider JWB's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We will also consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether JWB's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 is not an objective of our audit. Also in accordance with OMB Circular A-133, we will examine, on a test basis, evidence about JWB's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on JWB's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on JWB's compliance with those requirements.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will communicate our significant findings at the conclusion of the audit. We will also communicate any internal control related matters that are required to be communicated under professional standards.

Preliminary fieldwork is scheduled the week of September 10, 2012 and final fieldwork is scheduled for December 10, 2012.

This information is intended solely for the use of the Board of Directors and management of JWB and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

CHERRY, BEKAERT & HOLLAND, L.L.P.

Cherry, Behaert & Holland, L.L.P.