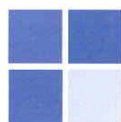


TRIUMPH GULF COAST, INC.
PANAMA CITY, FLORIDA
FINANCIAL STATEMENTS
FOR THE MONTH AND SIX MONTHS ENDED
JUNE 30, 2018 AND 2017



Tipton, Marler, Garner & Chastain
The CPA Group



To the Board of Directors
Triumph Gulf Coast, Inc.
Panama City, Florida

Independent Accountant's Compilation Report

Management is responsible for the accompanying financial statements of Triumph Gulf Coast, Inc., which comprise the statement of financial position as of June 30, 2018 and 2017, and the related statement of activity for the month and six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform and procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary budgets and schedule of committed funds information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary budget information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Panama City, Florida
July 16, 2018

Triumph Gulf Coast, Inc
Statement of Financial Position
As of June 30, 2018 and 2017

	Total	
	As of Jun 30, 2018	As of Jun 30, 2017 (PY)
ASSETS		
Current Assets		
Bank Accounts		
First Nat'l Bank NWFL- MM	182,400.59	175,003.76
First Nat'l Bank NWFL-Checking	60,415.07	25,000.00
Florida Prime	299,664,193.00	299,897,082.54
Total Bank Accounts	\$ 299,907,008.66	\$ 300,097,086.30
Total Current Assets	\$ 299,907,008.66	\$ 300,097,086.30
Other Assets		
Prepaid Expenses	5,232.72	-
Total Other Assets	\$ 5,232.72	\$ -
TOTAL ASSETS	\$ 299,912,241.38	\$ 300,097,086.30
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)	12,447.00	-
Total Accounts Payable	\$ 12,447.00	\$ -
Credit Cards		
FBNWFL Mastercard	14.99	-
Total Credit Cards	\$ 14.99	\$ -
Other Current Liabilities		
Interest Payable to Trust	520,183.36	97,111.30
Payroll Liabilities		
Federal Taxes (941/944)	2,381.24	-
Total Payroll Liabilities	\$ 2,381.24	\$ -
Total Other Current Liabilities	\$ 522,564.60	\$ 97,111.30
Total Current Liabilities	\$ 535,026.59	\$ 97,111.30
Total Liabilities	\$ 535,026.59	\$ 97,111.30
Equity		
Designated to Individual Counties		
Bay	15,000,000.00	15,000,000.00
Escambia	15,000,000.00	15,000,000.00
Franklin	15,000,000.00	15,000,000.00
Gulf	15,000,000.00	15,000,000.00
Okaloosa	15,000,000.00	15,000,000.00
Santa Rosa	15,000,000.00	15,000,000.00
Wakulla	15,000,000.00	15,000,000.00
Walton	15,000,000.00	15,000,000.00
Total Designated to Individual Counties	\$ 120,000,000.00	\$ 120,000,000.00
Undesignated	179,664,908.80	(120,000,000.00)
Net Revenue	(287,694.01)	299,999,975.00
Total Equity	\$ 299,377,214.79	\$ 299,999,975.00
TOTAL LIABILITIES AND EQUITY	\$ 299,912,241.38	\$ 300,097,086.30

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity
For the Month Ended June 30, 2018 and 2017

	Total	
	Jun 2018	Jun 2017 (PY)
Revenue		
Settlement Revenue	-	300,000,000.00
Total Revenue	\$ -	\$ 300,000,000.00
Gross Profit	\$ -	\$ 300,000,000.00
Expenditures		
Administrative		
Accounting & Auditing	21,749.00	-
Advertising & Marketing	400.00	-
Computer	669.89	-
Economic Advisor	9,424.28	-
Grants Evaluation Costs	4,500.00	-
Insurance	1,308.16	-
Legal & Professional Services	8,333.33	-
Office Space Rent	1,000.00	-
Payroll Expenses		
Executive Director	7,458.33	-
Taxes	570.56	-
Total Payroll Expenses	\$ 8,028.89	\$ -
Phone, technology, meeting expenses	164.99	-
Program Administration	8,571.20	-
Travel & Per Diem for Board	502.45	-
Website	300.00	-
Wire Fees	-	25.00
Total Administrative	\$ 64,952.19	\$ 25.00
Total Expenditures	\$ 64,952.19	\$ 25.00
Net Operating Revenue	\$ (64,952.19)	\$ 299,999,975.00
Net Revenue	\$ (64,952.19)	\$ 299,999,975.00

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity
For the Six Months Ended
June 30, 2018 and 2017

	Total	
	Jan - Jun, 2018	Jan - Jun, 2017 (PY)
Revenue		
Settlement Revenue	-	300,000,000.00
Total Revenue	\$ -	\$ 300,000,000.00
Gross Profit	\$ -	\$ 300,000,000.00
Expenditures		
Administrative		
Accounting & Auditing	44,185.50	-
Advertising & Marketing	2,830.00	-
Computer	(145.64)	-
Economic Advisor	56,545.68	-
Economic Advisor Software/tools	8,500.00	-
Grants Evaluation Costs	7,500.00	-
Insurance	7,848.96	-
Legal & Professional Services	49,999.98	-
Office Space Rent	5,000.00	-
Office Supplies	5,303.59	-
Payroll Expenses		
Executive Director	44,749.98	-
Taxes	3,423.37	-
Total Payroll Expenses	\$ 48,173.35	\$ -
Phone, technology, meeting expenses	944.95	-
Program Administration	45,237.14	-
Taxes & Licenses	(206.25)	-
Travel & Per Diem for Board	502.45	-
Travel & Per Diem for Staff	5,164.30	-
Website	300.00	-
Wire Fees	10.00	25.00
Total Administrative	\$ 287,694.01	\$ 25.00
Total Expenditures	\$ 287,694.01	\$ 25.00
Net Operating Revenue	\$ (287,694.01)	\$ 299,999,975.00
Net Revenue	\$ (287,694.01)	\$ 299,999,975.00

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Month Ended June 30, 2018

	<u>Undesignated</u>	<u>TOTAL</u>
Revenue		
Total Revenue	-	-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		
Accounting & Auditing	21,749.00	21,749.00
Advertising & Marketing	400.00	400.00
Computer	669.89	669.89
Economic Advisor	9,424.28	9,424.28
Grants Evaluation Costs	4,500.00	4,500.00
Insurance	1,308.16	1,308.16
Legal & Professional Services	8,333.33	8,333.33
Office Space Rent	1,000.00	1,000.00
Payroll Expenses		
Executive Director	7,458.33	7,458.33
Taxes	570.56	570.56
Total Payroll Expenses	\$ 8,028.89	\$ 8,028.89
Phone, technology, meeting expenses	164.99	164.99
Program Administration	8,571.20	8,571.20
Travel & Per Diem for Board	502.45	502.45
Website	300.00	300.00
Total Administrative	\$ 64,952.19	\$ 64,952.19
Total Expenditures	\$ 64,952.19	\$ 64,952.19
Net Operating Revenue	\$ (64,952.19)	\$ (64,952.19)
Net Revenue	\$ (64,952.19)	\$ (64,952.19)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Month Ended June 30, 2017

	<u>Bay</u>	<u>Escambia</u>	<u>Franklin</u>	<u>Gulf</u>	<u>Okaloosa</u>
Revenue					
Settlement Revenue	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00
Total Revenue	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Gross Profit	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Expenditures					
Administrative					
Wire Fees	-	-	-	-	-
Total Administrative	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Operating Revenue	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Net Revenue	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Month Ended June 30, 2017

<u>Santa Rosa</u>	<u>Wakulla</u>	<u>Walton</u>	<u>Undesignated</u>	<u>TOTAL</u>
15,000,000.00	15,000,000.00	15,000,000.00	180,000,000.00	300,000,000.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 180,000,000.00	\$ 300,000,000.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 180,000,000.00	\$ 300,000,000.00
-	-	-	25.00	25.00
\$ -	\$ -	\$ -	\$ 25.00	\$ 25.00
\$ -	\$ -	\$ -	\$ 25.00	\$ 25.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,999,975.00	\$ 299,999,975.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,999,975.00	\$ 299,999,975.00

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Six Months Ended June 30, 2018

	Undesignated	TOTAL
Revenue		
Total Revenue		-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		
Accounting & Auditing	44,185.50	44,185.50
Advertising & Marketing	2,830.00	2,830.00
Computer	(145.64)	(145.64)
Economic Advisor	56,545.68	56,545.68
Economic Advisor Software/tools	8,500.00	8,500.00
Grants Evaluation Costs	7,500.00	7,500.00
Insurance	7,848.96	7,848.96
Legal & Professional Services	49,999.98	49,999.98
Office Space Rent	5,000.00	5,000.00
Office Supplies	5,303.59	5,303.59
Payroll Expenses		
Executive Director	44,749.98	44,749.98
Taxes	3,423.37	3,423.37
Total Payroll Expenses	\$ 48,173.35	\$ 48,173.35
Phone, technology, meeting expenses	944.95	944.95
Program Administration	45,237.14	45,237.14
Taxes & Licenses	(206.25)	(206.25)
Travel & Per Diem for Board	502.45	502.45
Travel & Per Diem for Staff	5,164.30	5,164.30
Website	300.00	300.00
Wire Fees	10.00	10.00
Total Administrative	\$ 287,694.01	\$ 287,694.01
Total Expenditures	\$ 287,694.01	\$ 287,694.01
Net Operating Revenue	\$ (287,694.01)	\$ (287,694.01)
Net Revenue	\$ (287,694.01)	\$ (287,694.01)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Six Months Ended June 30, 2017

	<u>Bay</u>	<u>Escambia</u>	<u>Franklin</u>	<u>Gulf</u>	<u>Okaloosa</u>
Revenue					
Settlement Revenue	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00
Total Revenue	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Gross Profit	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Expenditures					
Administrative					
Wire Fees					
Total Administrative	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Operating Revenue	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>	<u>\$ 15,000,000.00</u>
Net Revenue	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>	<u><u>\$ 15,000,000.00</u></u>

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Six Months Ended June 30, 2017

<u>Santa Rosa</u>	<u>Wakulla</u>	<u>Walton</u>	<u>Undesignated</u>	<u>TOTAL</u>
15,000,000.00	15,000,000.00	15,000,000.00	180,000,000.00	300,000,000.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 180,000,000.00	\$ 300,000,000.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 180,000,000.00	\$ 300,000,000.00
			25.00	25.00
\$ -	\$ -	\$ -	\$ 25.00	\$ 25.00
\$ -	\$ -	\$ -	\$ 25.00	\$ 25.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,999,975.00	\$ 299,999,975.00
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,999,975.00	\$ 299,999,975.00

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Budget vs. Actuals: 2018 Admin - FY18 P&L Classes
For the Month Ended June 30, 2018

	Total		
	Actual	Budget	Over Budget
Revenue			
Total Revenue	-	-	-
Gross Profit	\$ -	\$ -	\$ -
Expenditures			
Administrative			
Accounting & Auditing	21,749.00	5,050.00	16,699.00
Advertising & Marketing	400.00	400.00	-
Computer	669.89	800.00	(130.11)
Economic Advisor	9,424.28	9,583.33	(159.05)
Economic Advisor Software/tools	-	1,250.00	(1,250.00)
Grants Evaluation Costs	4,500.00	8,333.33	(3,833.33)
Insurance	1,308.16	1,725.00	(416.84)
Legal & Professional Services	8,333.33	10,416.67	(2,083.34)
Office Space Rent	1,000.00	2,500.00	(1,500.00)
Office Supplies	-	416.67	(416.67)
Payroll Expenses			
Executive Director	7,458.33	7,458.33	-
Taxes	570.56	1,141.17	(570.61)
Total Payroll Expenses	\$ 8,028.89	\$ 8,599.50	\$ (570.61)
Phone, technology, meeting expenses	164.99	625.00	(460.01)
Program Administration	8,571.20	12,500.00	(3,928.80)
Travel & Per Diem for Board	502.45	83.33	419.12
Travel & Per Diem for Staff	-	1,500.00	(1,500.00)
Website	300.00	416.67	(116.67)
Wire Fees	-	25.00	(25.00)
Total Administrative	\$ 64,952.19	\$ 64,224.50	\$ 727.69
Total Expenditures	\$ 64,952.19	\$ 64,224.50	\$ 727.69
Net Operating Revenue	\$ (64,952.19)	\$ (64,224.50)	\$ (727.69)
Net Revenue	\$ (64,952.19)	\$ (64,224.50)	\$ (727.69)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Budget vs. Actuals: 2018 Admin - FY18 P&L Classes
For the Six Months Ended June 30, 2018

	Total		
	Actual	Budget	Over Budget
Revenue			
Total Revenue			-
Gross Profit	\$ -	\$ -	\$ -
Expenditures			
Administrative			
Accounting & Auditing	44,185.50	30,300.00	13,885.50
Advertising & Marketing	2,830.00	2,400.00	430.00
Computer	(145.64)	4,800.00	(4,945.64)
Economic Advisor	56,545.68	57,499.98	(954.30)
Economic Advisor Software/tools	8,500.00	7,500.00	1,000.00
Grants Evaluation Costs	7,500.00	49,999.98	(42,499.98)
Insurance	7,848.96	10,350.00	(2,501.04)
Legal & Professional Services	49,999.98	62,500.02	(12,500.04)
Office Space Rent	5,000.00	15,000.00	(10,000.00)
Office Supplies	5,303.59	2,500.02	2,803.57
Payroll Expenses			
Executive Director	44,749.98	44,749.98	-
Taxes	3,423.37	6,847.02	(3,423.65)
Total Payroll Expenses	\$ 48,173.35	\$ 51,597.00	\$ (3,423.65)
Phone, technology, meeting expenses	944.95	3,750.00	(2,805.05)
Program Administration	45,237.14	75,000.00	(29,762.86)
Taxes & Licenses	(206.25)		(206.25)
Travel & Per Diem for Board	502.45	499.98	2.47
Travel & Per Diem for Staff	5,164.30	9,000.00	(3,835.70)
Website	300.00	2,500.02	(2,200.02)
Wire Fees	10.00	150.00	(140.00)
Total Administrative	\$ 287,694.01	\$ 385,347.00	\$ (97,652.99)
Total Expenditures	\$ 287,694.01	\$ 385,347.00	\$ (97,652.99)
Net Operating Revenue	\$ (287,694.01)	\$ (385,347.00)	\$ 97,652.99
Net Revenue	\$ (287,694.01)	\$ (385,347.00)	\$ 97,652.99

See Accountant's Compilation Report

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of June 30, 2018

Project Number	Contract	Bay	Escambia	Franklin	Gulf
#49 Panama City Port Authority - 04/27/2018	X	10,000,000.00			
#29 Wakulla County School Board-Career & Tech-06/12/18					
#43 Okaloosa Co- Hwy 90 Sewer-06/12/18					
#5 Escambia Co school Board- Workforce Education-06/12/18			3,012,709.00		
Net Operating Revenue		\$ 10,000,000.00	\$ 3,012,709.00	\$ 0.00	\$ 0.00

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of June 30, 2018

Okaloosa	Santa Rosa	Wakulla	Walton	TOTAL
				10,000,000.00
				3,926,867.00
1,500,000.00				1,500,000.00
				3,012,709.00
\$ 1,500,000.00	\$ 0.00	\$ 3,926,867.00	\$ 0.00	\$ 18,439,576.00