

TRIUMPH GULF COAST, INC.
PANAMA CITY, FLORIDA
FINANCIAL STATEMENTS
FOR THE MONTH AND NINE MONTHS ENDED
SEPTEMBER 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 statements of financial position as of September 30, 2018 and 2017, and the related statements of activity for the month and nine 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 information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Panama City, Florida
October 19, 2018

Triumph Gulf Coast, Inc
Statements of Financial Position
As of September 30, 2018 and 2017

	Total	
	As of Sept 30, 2018	As of Sept 30, 2017 (PY)
ASSETS		
Current Assets		
Bank Accounts		
First Nat'l Bank NWFL- MM	53,604.30	125,436.29
First Nat'l Bank NWFL-Checking	61,057.84	33,473.60
Florida Prime	304,104,932.50	300,135,827.84
Total Bank Accounts	\$ 304,219,594.64	\$ 300,294,737.73
Total Current Assets	\$ 304,219,594.64	\$ 300,294,737.73
Other Assets		
Prepaid Expenses	1,308.24	
Total Other Assets	\$ 1,308.24	\$ -
TOTAL ASSETS	\$ 304,220,902.88	\$ 300,294,737.73
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)	7,269.00	
Total Accounts Payable	\$ 7,269.00	\$ -
Credit Cards		
FBNWFL Mastercard	29.98	
Total Credit Cards	\$ 29.98	\$ -
Other Current Liabilities		
Interest Payable to Trust	741,579.91	335,889.59
Payroll Liabilities		
Federal Taxes (941/944)	2,381.24	2,602.70
Total Payroll Liabilities	\$ 2,381.24	\$ 2,602.70
Total Other Current Liabilities	\$ 743,961.15	\$ 338,492.29
Total Current Liabilities	\$ 751,260.13	\$ 338,492.29
Total Liabilities	\$ 751,260.13	\$ 338,492.29
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	14,820,000.00	15,000,000.00
Walton	15,000,000.00	15,000,000.00
Total Designated to Individual Counties	\$ 119,820,000.00	\$ 120,000,000.00
Undesignated	179,844,908.80	(120,000,000.00)
Net Revenue	3,804,733.95	299,956,245.44
Total Equity	\$ 303,469,642.75	\$ 299,956,245.44
TOTAL LIABILITIES AND EQUITY	\$ 304,220,902.88	\$ 300,294,737.73

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statements of Activity
For the Months Ended September 30, 2018 and 2017

	Total	
	Sept 2018	Sept 2017 (PY)
Revenue		
Total Revenue		
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		
Accounting & Auditing	7,269.00	
Advertising & Marketing		400.00
Computer	754.39	
Economic Advisor	9,424.28	
Grants Evaluation Costs	4,500.00	
Insurance	1,308.16	
Legal & Professional Services	8,333.33	8,333.33
Office Space Rent	1,000.00	
Payroll Expenses		
Executive Director	7,458.33	7,458.33
Taxes	570.56	570.57
Total Payroll Expenses	\$ 8,028.89	\$ 8,028.90
Phone, technology, meeting expenses	104.98	
Program Administration	8,076.20	
Special Legal Services	6,760.00	
Website	400.00	(0.51)
Total Administrative	\$ 55,959.23	\$ 16,761.72
Total Expenditures	\$ 55,959.23	\$ 16,761.72
Net Operating Revenue	\$ (55,959.23)	\$ (16,761.72)
Net Revenue	\$ (55,959.23)	\$ (16,761.72)

Triumph Gulf Coast, Inc
Statements of Activity
For the Nine Months Ended
September 30, 2018 and 2017

	Total	
	Jan - Sept, 2018	Jan - Sept, 2017 (PY)
Revenue		
Interest Income	4,419,277.00	
Settlement Revenue		300,000,000.00
Total Revenue	\$ 4,419,277.00	\$ 300,000,000.00
Gross Profit	\$ 4,419,277.00	\$ 300,000,000.00
Expenditures		
Administrative		
Accounting & Auditing	65,281.50	
Advertising & Marketing	3,230.00	3,840.00
Computer	1,948.53	
Economic Advisor	84,818.52	
Economic Advisor Software/tools	8,500.00	
Grants Evaluation Costs	13,500.00	
Insurance	11,773.44	
Legal & Professional Services	74,999.97	8,333.33
Office Space Rent	8,000.00	
Office Supplies	5,303.59	181.80
Payroll Expenses		
Executive Director	67,124.97	29,144.85
Taxes	5,135.06	2,229.58
Total Payroll Expenses	\$ 72,260.03	\$ 31,374.43
Phone, technology, meeting expenses	1,229.91	
Program Administration	69,465.74	
Special Legal Services	6,760.00	
Taxes & Licenses	(206.25)	
Travel & Per Diem for Board	547.66	
Travel & Per Diem for Staff	6,005.41	
Website	1,100.00	
Wire Fees	25.00	25.00
Total Administrative	\$ 434,543.05	\$ 43,754.56
Funds Distributed	180,000.00	
Total Expenditures	\$ 614,543.05	\$ 43,754.56
Net Operating Revenue	\$ 3,804,733.95	\$ 299,956,245.44
Net Revenue	\$ 3,804,733.95	\$ 299,956,245.44

See Accountant's Compilation Report

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

	Undesignated	TOTAL
Revenue		
Total Revenue	-	-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		-
Accounting & Auditing	7,269.00	7,269.00
Computer	754.39	754.39
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	104.98	104.98
Program Administration	8,076.20	8,076.20
Special Legal Services	6,760.00	6,760.00
Website	400.00	400.00
Total Administrative	\$ 55,959.23	\$ 55,959.23
Total Expenditures	\$ 55,959.23	\$ 55,959.23
Net Operating Revenue	\$ (55,959.23)	\$ (55,959.23)
Net Revenue	\$ (55,959.23)	\$ (55,959.23)

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

	<u>Wakulla</u>	<u>Undesignated</u>	<u>TOTAL</u>
Revenue			
Interest Income		4,419,277.00	4,419,277.00
Total Revenue	\$ -	\$ 4,419,277.00	\$ 4,419,277.00
Gross Profit	\$ -	\$ 4,419,277.00	\$ 4,419,277.00
Expenditures			
Administrative			-
Accounting & Auditing		65,281.50	65,281.50
Advertising & Marketing		3,230.00	3,230.00
Computer		1,948.53	1,948.53
Economic Advisor		84,818.52	84,818.52
Economic Advisor Software/tools		8,500.00	8,500.00
Grants Evaluation Costs		13,500.00	13,500.00
Insurance		11,773.44	11,773.44
Legal & Professional Services		74,999.97	74,999.97
Office Space Rent		8,000.00	8,000.00
Office Supplies		5,303.59	5,303.59
Payroll Expenses			-
Executive Director		67,124.97	67,124.97
Taxes		5,135.06	5,135.06
Total Payroll Expenses	\$ -	\$ 72,260.03	\$ 72,260.03
Phone, technology, meeting expenses		1,229.91	1,229.91
Program Administration		69,465.74	69,465.74
Special Legal Services		6,760.00	6,760.00
Taxes & Licenses		(206.25)	(206.25)
Travel & Per Diem for Board		547.66	547.66
Travel & Per Diem for Staff		6,005.41	6,005.41
Website		1,100.00	1,100.00
Wire Fees		25.00	25.00
Total Administrative	\$ -	\$ 434,543.05	\$ 434,543.05
Funds Distributed	180,000.00		180,000.00
Total Expenditures	\$ 180,000.00	\$ 434,543.05	\$ 614,543.05
Net Operating Revenue	\$ (180,000.00)	\$ 3,984,733.95	\$ 3,804,733.95
Net Revenue	\$ (180,000.00)	\$ 3,984,733.95	\$ 3,804,733.95

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

	<u>Bay</u>	<u>Escambia</u>	<u>Franklin</u>	<u>Gulf</u>
Revenue				
Settlement Revenue	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>
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>
Expenditures				
Administrative				
Advertising & Marketing				
Legal & Professional Services				
Office Supplies				
Payroll Expenses				
Executive Director				
Taxes				
Total Payroll Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Website				
Wire Fees				
Total Administrative	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<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>
Net 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>

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

<u>Okaloosa</u>	<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	15,000,000.00	180,000,000.00	300,000,000.00
\$ 15,000,000.00	\$ 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	\$ 15,000,000.00	\$ 180,000,000.00	\$ 300,000,000.00
					\$ -
				3,840.00	3,840.00
				8,333.33	8,333.33
				181.80	181.80
					-
				29,144.85	29,144.85
				2,229.58	2,229.58
\$ -	\$ -	\$ -	\$ -	\$ 31,374.43	\$ 31,374.43
					-
				25.00	25.00
\$ -	\$ -	\$ -	\$ -	\$ 43,754.56	\$ 43,754.56
\$ -	\$ -	\$ -	\$ -	\$ 43,754.56	\$ 43,754.56
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,956,245.44	\$ 299,956,245.44
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,956,245.44	\$ 299,956,245.44

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

	Total		
	Actual	Budget	Over Budget
Revenue			
Total Revenue			-
Gross Profit	\$ -	\$ -	\$ -
Expenditures			
Administrative			-
Accounting & Auditing	7,269.00	5,050.00	2,219.00
Advertising & Marketing		400.00	(400.00)
Computer	754.39	800.00	(45.61)
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	104.98	625.00	(520.02)
Program Administration	8,076.20	12,500.00	(4,423.80)
Special Legal Services	6,760.00		6,760.00
Travel & Per Diem for Board		83.33	(83.33)
Travel & Per Diem for Staff		1,500.00	(1,500.00)
Website	400.00	416.67	(16.67)
Wire Fees		25.00	(25.00)
Total Administrative	\$ 55,959.23	\$ 64,224.50	\$ (8,265.27)
Total Expenditures	\$ 55,959.23	\$ 64,224.50	\$ (8,265.27)
Net Operating Revenue	\$ (55,959.23)	\$ (64,224.50)	\$ 8,265.27
Net Revenue	\$ (55,959.23)	\$ (64,224.50)	\$ 8,265.27

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

	Actual	Total Budget	Over Budget
Revenue			
Interest Income	4,419,277.00		4,419,277.00
Total Revenue	\$ 4,419,277.00	\$ -	\$ 4,419,277.00
Gross Profit	\$ 4,419,277.00	\$ -	\$ 4,419,277.00
Expenditures			
Administrative			
Accounting & Auditing	65,281.50	45,450.00	19,831.50
Advertising & Marketing	3,230.00	3,600.00	(370.00)
Computer	1,948.53	7,200.00	(5,251.47)
Economic Advisor	84,818.52	86,249.97	(1,431.45)
Economic Advisor Software/tools	8,500.00	11,250.00	(2,750.00)
Grants Evaluation Costs	13,500.00	74,999.97	(61,499.97)
Insurance	11,773.44	15,525.00	(3,751.56)
Legal & Professional Services	74,999.97	93,750.03	(18,750.06)
Office Space Rent	8,000.00	22,500.00	(14,500.00)
Office Supplies	5,303.59	3,750.03	1,553.56
Payroll Expenses			-
Executive Director	67,124.97	67,124.97	-
Taxes	5,135.06	10,270.53	(5,135.47)
Total Payroll Expenses	\$ 72,260.03	\$ 77,395.50	\$ (5,135.47)
Phone, technology, meeting expenses	1,229.91	5,625.00	(4,395.09)
Program Administration	69,465.74	112,500.00	(43,034.26)
Special Legal Services	6,760.00		6,760.00
Taxes & Licenses	(206.25)		(206.25)
Travel & Per Diem for Board	547.66	749.97	(202.31)
Travel & Per Diem for Staff	6,005.41	13,500.00	(7,494.59)
Website	1,100.00	3,750.03	(2,650.03)
Wire Fees	25.00	225.00	(200.00)
Total Administrative	\$ 434,543.05	\$ 578,020.50	\$ (143,477.45)
Funds Distributed	180,000.00		180,000.00
Total Expenditures	\$ 614,543.05	\$ 578,020.50	\$ 36,522.55
Net Operating Revenue	\$ 3,804,733.95	\$ (578,020.50)	\$ 4,382,754.45
Net Revenue	\$ 3,804,733.95	\$ (578,020.50)	\$ 4,382,754.45

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

Project Number	Completion Date	Contract	Bay	Escambia	Franklin
#49 Panama City Port Authority - 04/27/2018	12/31/2020	X	10,000,000.00		
#29 Wakulla County School Board- Career & Tech-06/12/18	11/30/2021	X			
#43 Okaloosa Co- Hwy 90 Sewer- 06/12/18	12/30/2020	X			
#5 Escambia Co School Board- Workforce Education-06/12/18	2019			3,012,709.00	
#143 Bay County School Board HVAC	8/31/2019	x	614,000.00		
#72 Whiting Aviation					
Total Committed			\$ 10,614,000.00	\$ 3,012,709.00	\$ -
Disbursements					
Total Outstanding Committed Funds			\$ 10,614,000.00	\$ 3,012,709.00	\$ -

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

<u>Gulf</u>	<u>Okaloosa</u>	<u>Santa Rosa</u>	<u>Wakulla</u>	<u>Walton</u>	<u>TOTAL</u>
					10,000,000.00
			3,926,867.00		3,926,867.00
	1,500,000.00				1,500,000.00
					3,012,709.00
					614,000.00
		8,523,655.00			8,523,655.00
<u>\$ -</u>	<u>\$ 1,500,000.00</u>	<u>\$ 8,523,655.00</u>	<u>\$ 3,926,867.00</u>	<u>\$ -</u>	<u>\$ 27,577,231.00</u>
			\$ (180,000.00)		\$ (180,000.00)
<u>\$ -</u>	<u>\$ 1,500,000.00</u>	<u>\$ 8,523,655.00</u>	<u>\$ 3,746,867.00</u>	<u>\$ -</u>	<u>\$ 27,397,231.00</u>



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