

TRIUMPH GULF COAST, INC.
PANAMA CITY, FLORIDA
FINANCIAL STATEMENTS
FOR THE MONTH AND TWELVE MONTHS ENDED
DECEMBER 31, 2018 AND 2017





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 December 31, 2018 and 2017, and the related statements of activity for the month and twelve 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.

Tipton, Marler, Garner & Chastain

Panama City, Florida
January 10, 2019

Triumph Gulf Coast, Inc
Statements of Financial Position
As of December 31, 2018 and 2017

	Total	
	As of Dec 31, 2018	As of Dec 31, 2017 (PY)
ASSETS		
Current Assets		
Bank Accounts		
First Nat'l Bank NWFL- MM	210,307.50	275,661.42
First Nat'l Bank NWFL-Checking	50,014.35	25,837.49
Florida Prime	303,659,107.36	299,916,620.32
Total Bank Accounts	\$ 303,919,429.21	\$ 300,218,119.23
Total Current Assets	\$ 303,919,429.21	\$ 300,218,119.23
Other Assets		
Prepaid Expenses	14,390.00	22,505.96
Total Other Assets	\$ 14,390.00	\$ 22,505.96
TOTAL ASSETS	\$ 303,933,819.21	\$ 300,240,625.19
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)	8,525.00	4,851.50
Total Accounts Payable	\$ 8,525.00	\$ 4,851.50
Credit Cards		
FNBWFL Mastercard	110.99	-
Total Credit Cards	\$ 110.99	\$ -
Other Current Liabilities		
Expenses Payable	1,247.88	201,525.29
Interest Payable to Trust	660,799.81	366,736.90
Payroll Liabilities		
Federal Taxes (941/944)	2,381.26	2,602.70
Total Payroll Liabilities	\$ 2,381.26	\$ 2,602.70
Total Other Current Liabilities	\$ 664,428.95	\$ 570,864.89
Total Current Liabilities	\$ 673,064.94	\$ 575,716.39
Total Liabilities	\$ 673,064.94	\$ 575,716.39
Equity		
Designated to Individual Counties		
Bay	14,946,533.20	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	\$ 119,766,533.20	\$ 120,000,000.00
Undesignated	179,898,375.60	(120,000,000.00)
Net Revenue	3,595,845.47	299,664,908.80
Total Equity	\$ 303,260,754.27	\$ 299,664,908.80
TOTAL LIABILITIES AND EQUITY	\$ 303,933,819.21	\$ 300,240,625.19

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statements of Activity
For the Months Ended December 31, 2018 and 2017

	Total	
	Dec 2018	Dec 2017 (PY)
Revenue		
Total Revenue	-	-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		
Accounting & Auditing	8,525.00	10,784.50
Computer	822.05	797.89
Economic Advisor	9,424.28	3,298.50
Insurance	1,308.00	1,308.32
Legal & Professional Services	8,333.33	98,668.33
Office Space Rent	1,000.00	-
Payroll Expenses		
Executive Director	7,458.33	7,458.33
Taxes	570.57	570.57
Total Payroll Expenses	\$ 8,028.90	\$ 8,028.90
Phone, technology, meeting expenses	185.99	-
Program Administration	8,076.20	-
Special Legal Services	8,333.33	-
Travel & Per Diem for Board	109.82	130.83
Travel & Per Diem for Staff	2,222.13	4,571.74
Website	400.00	620.00
Wire Fees	-	-
Total Administrative	\$ 56,769.03	\$ 128,209.01
Total Expenditures	\$ 56,769.03	\$ 128,209.01
Net Operating Revenue	\$ (56,769.03)	\$ (128,209.01)
Other Expenditures		
Contract Labor - ED	-	100,780.78
Total Other Expenditures	\$ -	\$ 100,780.78
Net Other Revenue	\$ -	\$ (100,780.78)
Net Revenue	\$ (56,769.03)	\$ (228,989.79)

Triumph Gulf Coast, Inc
Statements of Activity
For the Year Ended December 31, 2018 and 2017

	Total	
	Jan - Dec 2018	Jan - Dec 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	89,936.50	26,434.50
Advertising & Marketing	3,230.00	4,640.00
Computer	4,366.36	6,343.76
Economic Advisor	113,091.36	3,298.50
Economic Advisor Software/tools	8,500.00	-
Grants Evaluation Costs	13,500.00	-
Insurance	14,389.68	2,616.32
Legal & Professional Services	99,999.96	123,668.32
Office Space Rent	11,000.00	-
Office Supplies	5,303.59	1,491.80
Payroll Expenses		
Executive Director	89,499.96	51,519.84
Taxes	6,846.75	3,941.27
Total Payroll Expenses	\$ 96,346.71	\$ 55,461.11
Phone, technology, meeting expenses	1,772.89	-
Program Administration	93,694.34	-
Special Legal Services	23,426.66	-
Taxes & Licenses	(206.25)	850.00
Travel & Per Diem for Board	727.53	130.83
Travel & Per Diem for Staff	8,560.40	6,970.28
Website	2,300.00	2,380.00
Wire Fees	25.00	25.00
Total Administrative	\$ 589,964.73	\$ 234,310.42
Funds Distributed	233,466.80	-
Total Expenditures	\$ 823,431.53	\$ 234,310.42
Net Operating Revenue	\$ 3,595,845.47	\$ 299,765,689.58
Other Expenditures		
Contract Labor - ED	-	100,780.78
Total Other Expenditures	\$ -	\$ 100,780.78
Net Other Revenue	\$ -	\$ (100,780.78)
Net Revenue	\$ 3,595,845.47	\$ 299,664,908.80

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Month Ended December 31, 2018

	<u>Undesignated</u>	<u>TOTAL</u>
Revenue		
Total Revenue	-	-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative	-	-
Accounting & Auditing	8,525.00	8,525.00
Computer	822.05	822.05
Economic Advisor	9,424.28	9,424.28
Insurance	1,308.00	1,308.00
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	570.57	570.57
Total Payroll Expenses	\$ 8,028.90	\$ 8,028.90
Phone, technology, meeting expenses	185.99	185.99
Program Administration	8,076.20	8,076.20
Special Legal Services	8,333.33	8,333.33
Travel & Per Diem for Board	109.82	109.82
Travel & Per Diem for Staff	2,222.13	2,222.13
Website	400.00	400.00
Wire Fees	-	-
Total Administrative	\$ 56,769.03	\$ 56,769.03
Total Expenditures	\$ 56,769.03	\$ 56,769.03
Net Operating Revenue	\$ (56,769.03)	\$ (56,769.03)
Net Revenue	\$ (56,769.03)	\$ (56,769.03)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Year Ended December 31, 2018

	<u>Bay</u>	<u>Wakulla</u>	<u>Undesignated</u>	<u>TOTAL</u>
Revenue				
Interest Income	-	-	4,419,277.00	4,419,277.00
Total Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,419,277.00</u>	<u>\$ 4,419,277.00</u>
Gross Profit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,419,277.00</u>	<u>\$ 4,419,277.00</u>
Expenditures				
Administrative				
Accounting & Auditing			89,936.50	89,936.50
Advertising & Marketing			3,230.00	3,230.00
Computer			4,366.36	4,366.36
Economic Advisor			113,091.36	113,091.36
Economic Advisor Software/tools			8,500.00	8,500.00
Grants Evaluation Costs			13,500.00	13,500.00
Insurance			14,389.68	14,389.68
Legal & Professional Services			99,999.96	99,999.96
Office Space Rent			11,000.00	11,000.00
Office Supplies			5,303.59	5,303.59
Payroll Expenses				
Executive Director			89,499.96	89,499.96
Taxes			6,846.75	6,846.75
Total Payroll Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,346.71</u>	<u>\$ 96,346.71</u>
Phone, technology, meeting expenses			1,772.89	1,772.89
Program Administration			93,694.34	93,694.34
Special Legal Services			23,426.66	23,426.66
Taxes & Licenses			(206.25)	(206.25)
Travel & Per Diem for Board			727.53	727.53
Travel & Per Diem for Staff			8,560.40	8,560.40
Website			2,300.00	2,300.00
Wire Fees			25.00	25.00
Total Administrative	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 589,964.73</u>	<u>\$ 589,964.73</u>
Funds Distributed	53,466.80	180,000.00	-	233,466.80
Total Expenditures	<u>\$ 53,466.80</u>	<u>\$ 180,000.00</u>	<u>\$ 589,964.73</u>	<u>\$ 823,431.53</u>
Net Operating Revenue	<u>\$ (53,466.80)</u>	<u>\$ (180,000.00)</u>	<u>\$ 3,829,312.27</u>	<u>\$ 3,595,845.47</u>
Net Revenue	<u>\$ (53,466.80)</u>	<u>\$ (180,000.00)</u>	<u>\$ 3,829,312.27</u>	<u>\$ 3,595,845.47</u>

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Year Ended December 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				
Accounting & Auditing				
Advertising & Marketing				
Computer				
Economic Advisor				
Insurance				
Legal & Professional Services				
Office Supplies				
Payroll Expenses				
Executive Director				
Taxes				
Total Payroll Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Taxes & Licenses				
Travel & Per Diem for Board				
Travel & Per Diem for Staff				
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>
Other Expenditures				
Contract Labor - ED				
Total Other Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Other Revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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>

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Year Ended December 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
				-	-
				26,434.50	26,434.50
				4,640.00	4,640.00
				6,343.76	6,343.76
				3,298.50	3,298.50
				2,616.32	2,616.32
				123,668.32	123,668.32
				1,491.80	1,491.80
				-	-
				51,519.84	51,519.84
				3,941.27	3,941.27
\$ -	\$ -	\$ -	\$ -	\$ 55,461.11	\$ 55,461.11
				850.00	850.00
				130.83	130.83
				6,970.28	6,970.28
				2,380.00	2,380.00
				25.00	25.00
\$ -	\$ -	\$ -	\$ -	\$ 234,310.42	\$ 234,310.42
\$ -	\$ -	\$ -	\$ -	\$ 234,310.42	\$ 234,310.42
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,765,689.58	\$ 299,765,689.58
				100,780.78	100,780.78
\$ -	\$ -	\$ -	\$ -	\$ 100,780.78	\$ 100,780.78
\$ -	\$ -	\$ -	\$ -	\$ (100,780.78)	\$ (100,780.78)
\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 15,000,000.00	\$ 179,664,908.80	\$ 299,664,908.80

Triumph Gulf Coast, Inc
Budget vs. Actuals: 2018 Admin - FY18 P&L Classes
For the Month Ended December 31, 2018

	Total		
	Actual	Budget	Over Budget
Revenue			
Total Revenue	-	-	-
Gross Profit	\$ -	\$ -	\$ -
Expenditures			
Administrative			
Accounting & Auditing	8,525.00	5,050.00	3,475.00
Advertising & Marketing	-	400.00	(400.00)
Computer	822.05	800.00	22.05
Economic Advisor	9,424.28	9,583.37	(159.09)
Economic Advisor Software/tools	-	1,250.00	(1,250.00)
Grants Evaluation Costs	-	8,333.37	(8,333.37)
Insurance	1,308.00	1,725.00	(417.00)
Legal & Professional Services	8,333.33	10,416.63	(2,083.30)
Office Space Rent	1,000.00	2,500.00	(1,500.00)
Office Supplies	-	416.63	(416.63)
Payroll Expenses	-	-	-
Executive Director	7,458.33	7,458.37	(0.04)
Taxes	570.57	1,141.13	(570.56)
Total Payroll Expenses	\$ 8,028.90	\$ 8,599.50	\$ (570.60)
Phone, technology, meeting expenses	185.99	625.00	(439.01)
Program Administration	8,076.20	12,500.00	(4,423.80)
Special Legal Services	8,333.33	-	8,333.33
Travel & Per Diem for Board	109.82	83.37	26.45
Travel & Per Diem for Staff	2,222.13	1,500.00	722.13
Website	400.00	416.63	(16.63)
Wire Fees	-	25.00	(25.00)
Total Administrative	\$ 56,769.03	\$ 64,224.50	\$ (7,455.47)
Total Expenditures	\$ 56,769.03	\$ 64,224.50	\$ (7,455.47)
Net Operating Revenue	\$ (56,769.03)	\$ (64,224.50)	\$ 7,455.47
Net Revenue	\$ (56,769.03)	\$ (64,224.50)	\$ 7,455.47

Triumph Gulf Coast, Inc
Budget vs. Actuals: 2018 Admin - FY18 P&L Classes
For the Year Ended December 31, 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	89,936.50	60,600.00	29,336.50
Advertising & Marketing	3,230.00	4,800.00	(1,570.00)
Computer	4,366.36	9,600.00	(5,233.64)
Economic Advisor	113,091.36	115,000.00	(1,908.64)
Economic Advisor Software/tools	8,500.00	15,000.00	(6,500.00)
Grants Evaluation Costs	13,500.00	100,000.00	(86,500.00)
Insurance	14,389.68	20,700.00	(6,310.32)
Legal & Professional Services	99,999.96	125,000.00	(25,000.04)
Office Space Rent	11,000.00	30,000.00	(19,000.00)
Office Supplies	5,303.59	5,000.00	303.59
Payroll Expenses			
Executive Director	89,499.96	89,500.00	(0.04)
Taxes	6,846.75	13,694.00	(6,847.25)
Total Payroll Expenses	\$ 96,346.71	\$ 103,194.00	\$ (6,847.29)
Phone, technology, meeting expenses	1,772.89	7,500.00	(5,727.11)
Program Administration	93,694.34	150,000.00	(56,305.66)
Special Legal Services	23,426.66	-	23,426.66
Taxes & Licenses	(206.25)	-	(206.25)
Travel & Per Diem for Board	727.53	1,000.00	(272.47)
Travel & Per Diem for Staff	8,560.40	18,000.00	(9,439.60)
Website	2,300.00	5,000.00	(2,700.00)
Wire Fees	25.00	300.00	(275.00)
Total Administrative	\$ 589,964.73	\$ 770,694.00	\$ (180,729.27)
Funds Distributed	233,466.80	-	233,466.80
Total Expenditures	\$ 823,431.53	\$ 770,694.00	\$ 52,737.53
Net Operating Revenue	\$ 3,595,845.47	\$ (770,694.00)	\$ 4,366,539.47
Net Revenue	\$ 3,595,845.47	\$ (770,694.00)	\$ 4,366,539.47

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of December 31, 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 10/23/18	12/31/2021				
#120 City of Pensacola MRO Aviation	3/22/2019			56,000,000.00	
#153 – Gulf County School District					
#157 – Franklin County School District					2,327,322.00
Total Committed			\$ 10,614,000.00	\$ 59,012,709.00	\$ 2,327,322.00
Disbursements			(53,466.80)		
Total Outstanding Committed Funds			\$ 10,560,533.20	\$ 59,012,709.00	\$ 2,327,322.00

See Accountant's Compilation Report

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of December 31, 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
750,000.00					56,000,000.00
					750,000.00
					<u>2,327,322.00</u>
<u>\$ 750,000.00</u>	<u>\$ 1,500,000.00</u>	<u>\$ 8,523,655.00</u>	<u>\$ 3,926,867.00</u>	<u>\$ -</u>	<u>\$ 86,654,553.00</u>
			(180,000.00)		(233,466.80)
<u>\$ 750,000.00</u>	<u>\$ 1,500,000.00</u>	<u>\$ 8,523,655.00</u>	<u>\$ 3,746,867.00</u>	<u>\$ -</u>	<u>\$ 86,421,086.20</u>

See Accountant's Compilation Report



Tipton, Marler, Garner & Chastain
The CPA Group

*501 West 19th Street
Panama City, Florida 32405
(850) 769-9491*

*600 Grand Panama Blvd., Suite 360
Panama City Beach, Florida 32407
(850) 233-1360*

www.cpagroup.com