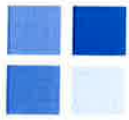


TRIUMPH GULF COAST, INC.
PANAMA CITY, FLORIDA
FINANCIAL STATEMENTS
FOR THE MONTH AND TWELVE MONTHS ENDED
DECEMBER 31, 2019 AND 2018



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 December 31, 2019 and 2018, 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 28, 2020

Triumph Gulf Coast, Inc
Statements of Financial Position
As of December 31, 2019 and 2018

	Total	
	As of Dec 31, 2019	As of Dec 31, 2018 (PY)
ASSETS		
Current Assets		
Bank Accounts		
First Nat'l Bank NWFL- MM	128,948.83	210,307.50
First Nat'l Bank NWFL-Checking	109,747.74	50,014.35
Florida Prime	360,895,536.58	303,659,107.36
Total Bank Accounts	\$ 361,134,233.15	\$ 303,919,429.21
Total Current Assets	\$ 361,134,233.15	\$ 303,919,429.21
Other Assets		
Prepaid Expenses	16,548.58	14,390.00
Total Other Assets	\$ 16,548.58	\$ 14,390.00
TOTAL ASSETS	\$ 361,150,781.73	\$ 303,933,819.21
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)	24,601.22	8,525.00
Total Accounts Payable	\$ 24,601.22	\$ 8,525.00
Credit Cards		
FBNWFL Mastercard	450.55	110.99
Total Credit Cards	\$ 450.55	\$ 110.99
Other Current Liabilities		
Expenses Payable	-	1,247.88
Interest Payable to Trust	560,539.57	660,799.81
Payroll Liabilities		
Federal Taxes (941/944)	2,516.24	2,381.26
Total Payroll Liabilities	\$ 2,516.24	\$ 2,381.26
Total Other Current Liabilities	\$ 563,055.81	\$ 664,428.95
Total Current Liabilities	\$ 588,107.58	\$ 673,064.94
Total Liabilities	\$ 588,107.58	\$ 673,064.94
Equity		
Designated		
Bay County	12,696,256.40	-
Escambia County	40,129,303.00	-
Total Designated	\$ 52,825,559.40	\$ -
Restricted for Individual Counties		
Bay	12,341,557.22	14,946,533.20
Escambia	18,200,000.00	15,000,000.00
Franklin	18,200,000.00	15,000,000.00
Gulf	17,994,412.43	15,000,000.00
Okaloosa	18,200,000.00	15,000,000.00
Santa Rosa	17,639,163.97	15,000,000.00
Wakulla	17,770,714.31	14,820,000.00
Walton	18,069,958.15	15,000,000.00
Total Restricted for Individual Counties	\$ 138,415,806.08	\$ 119,766,533.20
Undesignated	112,019,388.79	179,898,375.60
Net Revenue	57,301,919.88	3,595,845.47
Total Equity	\$ 360,562,674.15	\$ 303,260,754.27
TOTAL LIABILITIES AND EQUITY	\$ 361,150,781.73	\$ 303,933,819.21

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statements of Activity
For the Month Ended December 31, 2019 and 2018

	Total	
	Dec 2019	Dec 2018 (PY)
Revenue		
Total Revenue	-	-
Gross Profit	\$ -	\$ -
Expenditures		
Administrative		
Accounting & Auditing	10,245.00	8,525.00
Computer	816.55	822.05
Economic Advisor	9,424.28	9,424.28
Grants Evaluation Costs	24,119.00	-
Insurance	1,504.42	1,308.00
Legal & Professional Services	8,333.33	8,333.33
Office Space Rent	1,000.00	1,000.00
Office Supplies	254.01	-
Payroll Expenses		
Executive Director	7,831.25	7,458.33
Taxes	599.10	570.57
Total Payroll Expenses	\$ 8,430.35	\$ 8,028.90
Phone, technology, meeting expenses	187.99	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
Travel & Per Diem for Staff	1,570.12	2,222.13
Website	1,000.00	400.00
Total Administrative	\$ 83,294.58	\$ 56,769.03
Funds Distributed	806,716.29	-
Total Expenditures	\$ 890,010.87	\$ 56,769.03
Net Operating Revenue	\$ (890,010.87)	\$ (56,769.03)
Net Revenue	\$ (890,010.87)	\$ (56,769.03)

Triumph Gulf Coast, Inc
Statements of Activity
For the Twelve Months Ended December 31, 2019 and 2018

	Total	
	Jan - Dec 2019	Jan - Dec 2018 (PY)
Revenue		
Interest Income	-	4,419,277.00
Settlement Revenue	80,000,000.00	-
Total Revenue	\$ 80,000,000.00	\$ 4,419,277.00
Gross Profit	\$ 80,000,000.00	\$ 4,419,277.00
Expenditures		
Administrative		
Accounting & Auditing	112,206.50	89,936.50
Computer	9,798.40	4,366.36
Economic Advisor	113,091.36	113,091.36
Economic Advisor Software/tools	8,500.00	8,500.00
Grants Evaluation Costs	61,464.00	13,500.00
Insurance	15,894.42	14,389.68
Legal & Professional Services	99,999.96	99,999.96
Office Space Rent	12,000.00	11,000.00
Office Supplies	2,215.91	5,303.59
Payroll Expenses		
Executive Director	93,975.00	89,499.96
Taxes	7,189.09	6,846.75
Total Payroll Expenses	\$ 101,164.09	\$ 96,346.71
Phone, technology, meeting expenses	2,251.87	1,772.89
Program Administration	96,914.40	93,199.34
Special Legal Services	99,999.96	23,426.66
Taxes & Licenses	-	(206.25)
Travel & Per Diem for Board	596.20	727.53
Travel & Per Diem for Staff	3,835.93	9,055.40
Website	7,330.00	5,530.00
Wire Fees	90.00	25.00
Total Administrative	\$ 747,353.00	\$ 589,964.73
Funds Distributed	21,950,727.12	233,466.80
Total Expenditures	\$ 22,698,080.12	\$ 823,431.53
Net Operating Revenue	\$ 57,301,919.88	\$ 3,595,845.47
Net Revenue	\$ 57,301,919.88	\$ 3,595,845.47

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Month Ended December 31, 2019

	Bay	Gulf	Wakulla	Walton	Undesignated	TOTAL
Revenue						
Total Revenue	-	-	-	-	-	-
Gross Profit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures						
Administrative						
Accounting & Auditing					10,245.00	10,245.00
Computer					816.55	816.55
Economic Advisor					9,424.28	9,424.28
Grants Evaluation Costs					24,119.00	24,119.00
Insurance					1,504.42	1,504.42
Legal & Professional Services					8,333.33	8,333.33
Office Space Rent					1,000.00	1,000.00
Office Supplies					254.01	254.01
Payroll Expenses						
Executive Director					7,831.25	7,831.25
Taxes					599.10	599.10
Total Payroll Expenses	\$ -	\$ -	\$ -	\$ -	\$ 8,430.35	\$ 8,430.35
Phone, technology, meeting expenses					187.99	187.99
Program Administration					8,076.20	8,076.20
Special Legal Services					8,333.33	8,333.33
Travel & Per Diem for Staff					1,570.12	1,570.12
Website					1,000.00	1,000.00
Total Administrative	\$ -	\$ -	\$ -	\$ -	\$ 83,294.58	\$ 83,294.58
Funds Distributed	458,450.50	3,938.25	249,285.69	95,041.85	-	806,716.29
Total Expenditures	\$ 458,450.50	\$ 3,938.25	\$ 249,285.69	\$ 95,041.85	\$ 83,294.58	\$ 890,010.87
Net Operating Revenue	\$ (458,450.50)	\$ (3,938.25)	\$ (249,285.69)	\$ (95,041.85)	\$ (83,294.58)	\$ (890,010.87)
Net Revenue	\$ (458,450.50)	\$ (3,938.25)	\$ (249,285.69)	\$ (95,041.85)	\$ (83,294.58)	\$ (890,010.87)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Twelve Months Ended December 31, 2019

	<u>Bay</u>	<u>Escambia</u>	<u>Franklin</u>	<u>Gulf</u>
Revenue				
Settlement Revenue	3,200,000.00	3,200,000.00	3,200,000.00	3,200,000.00
Total Revenue	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00
Gross Profit	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00
Expenditures				
Administrative				
Accounting & Auditing				
Computer				
Depreciation Expense				
Economic Advisor				
Economic Advisor Software/tools				
Grants Evaluation Costs				
Insurance				
Legal & Professional Services				
Office Space Rent				
Office Supplies				
Payroll Expenses				
Executive Director				
Taxes				
Total Payroll Expenses	\$ -	\$ -	\$ -	\$ -
Phone, technology, meeting expenses				
Program Administration				
Special Legal Services				
Travel & Per Diem for Board				
Travel & Per Diem for Staff				
Website				
Wire Fees				
Total Administrative	\$ -	\$ -	\$ -	\$ -
Funds Distributed	5,804,975.98	-	-	205,587.57
Total Expenditures	\$ 5,804,975.98	\$ -	\$ -	\$ 205,587.57
Net Operating Revenue	\$ (2,604,975.98)	\$ 3,200,000.00	\$ 3,200,000.00	\$ 2,994,412.43
Net Revenue	\$ (2,604,975.98)	\$ 3,200,000.00	\$ 3,200,000.00	\$ 2,994,412.43

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Twelve Months Ended December 31, 2019

<u>Hurricane Relief</u>	<u>Okaloosa</u>	<u>Santa Rosa</u>	<u>Wakulla</u>	<u>Walton</u>	<u>Undesignated</u>	<u>TOTAL</u>
-	3,200,000.00	3,200,000.00	3,200,000.00	3,200,000.00	54,400,000.00	80,000,000.00
\$ -	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 54,400,000.00	\$ 80,000,000.00
\$ -	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 3,200,000.00	\$ 54,400,000.00	\$ 80,000,000.00
					112,206.50	112,206.50
					9,798.40	9,798.40
					-	-
					113,091.36	113,091.36
					8,500.00	8,500.00
					61,464.00	61,464.00
					15,894.42	15,894.42
					99,999.96	99,999.96
					12,000.00	12,000.00
					2,215.91	2,215.91
					93,975.00	93,975.00
					7,189.09	7,189.09
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,164.09	\$ 101,164.09
					2,251.87	2,251.87
					96,914.40	96,914.40
					99,999.96	99,999.96
					596.20	596.20
					3,835.93	3,835.93
					7,330.00	7,330.00
					90.00	90.00
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 747,353.00	\$ 747,353.00
15,000,000.00	-	560,836.03	249,285.69	130,041.85	-	21,950,727.12
\$ 15,000,000.00	\$ -	\$ 560,836.03	\$ 249,285.69	\$ 130,041.85	\$ 747,353.00	\$ 22,698,080.12
\$ (15,000,000.00)	\$ 3,200,000.00	\$ 2,639,163.97	\$ 2,950,714.31	\$ 3,069,958.15	\$ 53,652,647.00	\$ 57,301,919.88
\$ (15,000,000.00)	\$ 3,200,000.00	\$ 2,639,163.97	\$ 2,950,714.31	\$ 3,069,958.15	\$ 53,652,647.00	\$ 57,301,919.88

Triumph Gulf Coast, Inc
Statement of Activity by Class
For the Twelve Months 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
Computer			4,366.36	4,366.36
Depreciation Expense			-	-
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			93,199.34	93,199.34
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			9,055.40	9,055.40
Website			5,530.00	5,530.00
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
Budget vs. Actuals: 2019 Admin - FY19 P&L Classes
For the Month Ended December 31, 2019

	Total		
	Actual	Budget	Over Budget
Revenue			
Settlement Revenue	-	600,000.00	(600,000.00)
Total Revenue	\$ -	\$ 600,000.00	\$ (600,000.00)
Gross Profit	\$ -	\$ 600,000.00	\$ (600,000.00)
Expenditures			
Administrative			
Accounting & Auditing	10,245.00	9,166.63	1,078.37
Computer	816.55	526.87	289.68
Economic Advisor	9,424.28	9,424.25	0.03
Economic Advisor Software/tools	-	722.50	(722.50)
Grants Evaluation Costs	24,119.00	8,333.37	15,785.63
Insurance	1,504.42	1,334.13	170.29
Legal & Professional Services	8,333.33	8,333.37	(0.04)
Office Space Rent	1,000.00	1,000.00	-
Office Supplies	254.01	638.75	(384.74)
Payroll Expenses			
Executive Director	7,831.25	7,458.37	372.88
Taxes	599.10	1,177.87	(578.77)
Total Payroll Expenses	\$ 8,430.35	\$ 8,636.24	\$ (205.89)
Phone, technology, meeting expenses	187.99	166.63	21.36
Program Administration	8,076.20	12,242.87	(4,166.67)
Special Legal Services	8,333.33	8,333.37	(0.04)
Travel & Per Diem for Board	-	60.63	(60.63)
Travel & Per Diem for Staff	1,570.12	2,062.75	(492.63)
Website	1,000.00	862.75	137.25
Wire Fees	-	25.00	(25.00)
Total Administrative	\$ 83,294.58	\$ 71,870.11	\$ 11,424.47
Funds Distributed	806,716.29	-	806,716.29
Total Expenditures	\$ 890,010.87	\$ 71,870.11	\$ 818,140.76
Net Operating Revenue	\$ (890,010.87)	\$ 528,129.89	\$ (1,418,140.76)
Net Revenue	\$ (890,010.87)	\$ 528,129.89	\$ (1,418,140.76)

See Accountant's Compilation Report

Triumph Gulf Coast, Inc
Budget vs. Actuals: 2019 Admin - FY19 P&L Classes
For the Twelve Months Ended December 31, 2019

	Total		
	Actual	Budget	Over Budget
Revenue			
Settlement Revenue	80,000,000.00	600,000.00	79,400,000.00
Total Revenue	\$ 80,000,000.00	\$ 600,000.00	\$ 79,400,000.00
Gross Profit	\$ 80,000,000.00	\$ 600,000.00	\$ 79,400,000.00
Expenditures			
Administrative			
Accounting & Auditing	112,206.50	110,000.00	2,206.50
Computer	9,798.40	6,322.00	3,476.40
Depreciation Expense	-	-	-
Economic Advisor	113,091.36	113,091.00	0.36
Economic Advisor Software/tools	8,500.00	8,670.00	(170.00)
Grants Evaluation Costs	61,464.00	100,000.00	(38,536.00)
Insurance	15,894.42	16,010.00	(115.58)
Legal & Professional Services	99,999.96	100,000.00	(0.04)
Office Space Rent	12,000.00	12,000.00	-
Office Supplies	2,215.91	7,665.00	(5,449.09)
Payroll Expenses			
Executive Director	93,975.00	89,500.00	4,475.00
Taxes	7,189.09	14,134.00	(6,944.91)
Total Payroll Expenses	\$ 101,164.09	\$ 103,634.00	\$ (2,469.91)
Phone, technology, meeting expenses	2,251.87	2,000.00	251.87
Program Administration	96,914.40	146,914.00	(49,999.60)
Special Legal Services	99,999.96	100,000.00	(0.04)
Travel & Per Diem for Board	596.20	728.00	(131.80)
Travel & Per Diem for Staff	3,835.93	24,753.00	(20,917.07)
Website	7,330.00	10,353.00	(3,023.00)
Wire Fees	90.00	300.00	(210.00)
Total Administrative	\$ 747,353.00	\$ 862,440.00	\$ (115,087.00)
Funds Distributed	21,950,727.12	-	21,950,727.12
Total Expenditures	\$ 22,698,080.12	\$ 862,440.00	\$ 21,835,640.12
Net Operating Revenue	\$ 57,301,919.88	\$ (262,440.00)	\$ 57,564,359.88
Net Revenue	\$ 57,301,919.88	\$ (262,440.00)	\$ 57,564,359.88

See Accountant's Compilation Report

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of December 31, 2019

Project Number	Executed Contract	Bay	Escambia	Franklin
#5 Escambia Co School Board- Workforce Education			2,329,303	
#29 Wakulla County School Board-Career & Tech	X			
#43 Okaloosa Co- Hwy 90 Sewer	X			
#46 Okaloosa Co BOCC-Southwest Crestview Bypass	X			
#49 Panama City Port Authority	X	10,000,000		
#65 Bay Youth Summer Work Fund		48,301		
#69 FSU Marine Lab	X			7,998,678
#72 Whiting Aviation	X			
#98 Walton County Sheriff	X			
#120 City of Pensacola MRO Aviation	X		56,000,000	
#143 Bay County Schools Haney HVAC Program	X	847,955		
#148 Gulf County AgriScience	X			
#153 Gulf County School District	X			
#157 Franklin County School District	X			2,327,322
#180 Gulf County Welding Training	X			
#185 Panama City Industrial Complex	X	20,000,000		
#186 Gulf County BOCC Hurricane Michael Recovery Ad Valorem Request	X			
#187 Northwest Florida State College Training Center of Excellence	X			
#189 Bay County BOCC Hurricane Michael Recovery Ad Valorem Request	X			
#190 Walton Economic Development Alliance US 331 Infrastructure	X			
#198 Wakulla County School Board UAS/VSO Certification Program	X			
#200 Franklin County School District Career and Technical Training	X			1,215,000
Total Committed		30,896,256	58,329,303	11,541,000
Disbursements		(5,858,444)		
Total Outstanding Committed Funds		\$ 25,037,812	\$ 58,329,303	\$ 11,541,000
Outlays Dependent on Future Funding			\$ 10,000,000	

Triumph Gulf Coast, Inc.
Schedule of Committed Funds
As of December 31, 2019

<u>Gulf</u>	<u>Okaloosa</u>	<u>Santa Rosa</u>	<u>Wakulla</u>	<u>Walton</u>	<u>Hurricane Relief</u>	<u>TOTAL</u>
						2,329,303
			3,926,867			3,926,867
	1,500,000					1,500,000
	13,500,000					13,500,000
						10,000,000
						48,301
						7,998,678
		8,523,655				8,523,655
				2,217,965		2,217,965
						56,000,000
						847,955
125,000						125,000
750,000						750,000
						2,327,322
250,000						250,000
						20,000,000
					4,271,683	4,271,683
				2,763,716		2,763,716
					10,728,317	10,728,317
				1,742,407		1,742,407
			1,780,000			1,780,000
						1,215,000
<u>1,125,000</u>	<u>15,000,000</u>	<u>8,523,655</u>	<u>5,706,867</u>	<u>6,724,088</u>	<u>15,000,000</u>	<u>152,846,169</u>
<u>(205,587)</u>		<u>(560,836)</u>	<u>(429,286)</u>	<u>(130,042)</u>	<u>(15,000,000)</u>	<u>(22,184,194)</u>
<u>\$ 919,413</u>	<u>\$ 15,000,000</u>	<u>\$ 7,962,819</u>	<u>\$ 5,277,582</u>	<u>\$ 6,594,046</u>	<u>\$ -</u>	<u>\$ 130,661,975</u>
	<u>\$ 50,600,000</u>					<u>\$ 60,600,000</u>

See Accountant's Compilation Report



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