

Triumph Gulf Coast, Inc.
MyFloridaTriumph.com

June 29, 2020

The Honorable Ron DeSantis
Governor
Plaza Level, The Capitol
400 South Monroe Street
Tallahassee, Florida 32399

The Honorable Bill Galvano
President
The Florida Senate
409 The Capitol
404 South Monroe Street
Tallahassee, Florida 32399-1100

The Honorable Jose Oliva
Speaker
The Florida House of Representatives
420 The Capitol
402 South Monroe Street
Tallahassee, Florida 32399-1300

RE: Triumph Gulf Coast, Inc. Semi-Annual Report January 2020 – June 2020

Dear Governor DeSantis, President Galvano and Speaker Oliva:

Triumph Gulf Coast, Inc. continues to provide funding for high wage economic development projects and workforce training to support new opportunities across the eight counties that were disproportionately affected by the 2010 BP Deepwater Horizon disaster. The need to promote a wider and stronger economic base is the driving force behind the work of our organization. The need for such diversification has been driven home again over the last several months.

While Florida's economy has been significantly harmed by recent events no one could anticipate or control, coastal Northwest Florida has been disproportionately and uniquely tortured by three disasters: the Deepwater Horizon Oil Spill, then Hurricane Michael and now the Covid-19 pandemic.

Triumph Gulf Coast's Board of Directors knows that, regardless of the disaster that caused the loss, a family without a job, a young person without qualifications for employment and a community without an economic engine halts and hobbles economic recovery and progress.

In the 17 months since Triumph Gulf Coast approved its first project, our Board of Directors has committed more than \$266 million to 42 economic diversification and expansion projects in all eight counties in coastal Northwest Florida. (See Attachments A and B)

These projects include:

- \$54,400,000 for 24 workforce education and training programs in every county in the region preparing students from high school through retiring military for high demand jobs paying higher than average salaries.
- \$15 million to local governments and school districts to replace ad valorem property tax losses caused by Hurricane Michael.
- \$187,500,000 in public infrastructure projects building port capacity, a maritime industrial park, an aviation maintenance repair and overhaul campus, a major roadway expansion to support military bases and substantial industrial park improvements across the region.

Triumph only funds those projects that are priorities for local governments. Every application for funding approved by the Triumph Board of Directors has first been recommended by the board of county commissioners of the county where the project is to be located.

Taken together, the projects to which Triumph has already committed will:

- Create 5151 new direct and 9323 indirect jobs, usually paying at least 115% of the prevailing wage in that county.
- Prepare students from every county with 13,362 national industry certifications immediately qualifying them for good jobs that need to be filled now and in the next five years in our region. For Career/technical education projects, we expect an additional \$18.9 dollars in personal income for every Triumph dollar expended.
- Generate \$43 in economic activity and value for coastal Northwest Florida for every \$1 Triumph dollar expended for public infrastructure projects.

Triumph Gulf Coast is never the sole funding source for any project. Our Executive Director and small team of professional advisors work with applicants, sometimes for months, to create business plans that attract significant private and public funds for coastal rebuilding, recovery and diversification efforts. To date, Triumph projects have attracted more than \$650,000,000 in matching funds, a ratio of \$2.7 for every \$1 committed by Triumph Gulf Coast.

Contracts between Triumph Gulf Coast and applicants contain rigorous accountability provisions, including monitoring and oversight of ongoing projects, specific economic outcomes with deadlines and clawbacks of every Triumph dollar if contracts are not fulfilled.

Triumph Gulf Coast board members serve without pay, are subject to the highest ethical requirements and are not eligible for reappointment. Triumph's operations, including legal and professional fees and all other costs, cannot exceed $\frac{3}{4}$ of 1% of our funds. Triumph consistently operates below those allowable overhead limits.

Recently, Dr. Robert McClure, President of the James Madison Institute, made this statement in a nationally-published commentary on economic recovery strategies:

In the years since its formation, Triumph Gulf Coast has distributed close to \$250 million in relief directly to affected businesses and communities – and has done so as a model of efficiency and effectiveness.

The Triumph board expects to review more major projects over the next several months that have the potential to further substantially expand and strengthen our coastal economy. We are mindful of our responsibility to ensure that future Triumph initiatives must continue to help our region rebuild and diversify. We are grateful for the opportunity to serve our communities and our state.

Respectfully,

A handwritten signature in black ink, appearing to read 'Don Gaetz', with a long horizontal line extending to the right.

Don Gaetz, Chair

Cc: Cabinet Members
Senate President Designate Wilton Simpson
House Speaker Designate Chris Sprowls
Members of Northwest Florida Delegation
Representative Matt Gaetz, M.C.
Representative Neal Dunn, M.C.
Members of Triumph Gulf Coast Board
House and Senate Appropriations Chairs

ATTACHMENT A
TRIUMPH PROJECTS BY COUNTY
January 2020 – June 2020

BAY

The Panama City Port Authority has requested \$3,000,000 to undertake engineering and construction activities for improvements to their Intermodal Distribution Center (IDC) including an extension of Commerce Boulevard to provide access to the industrial sites, and the realignment and extension of water, sewer, and electrical service, and the construction of storm-water ponds and the improvement of forty-five acres of industrial property. The Port Authority notes that the proposed award will bring total seamless investments to ready the IDC property to a total of \$20 million, so that the Triumph award represents 15 percent of all improvements at the IDC. Of the specific activities within the IDC to be undertaken with the Triumph dollars, the Port Authority brings 34 percent match. The Port Authority expects to enable creation of between 175 and 375 new jobs due to the specific improvements to be funded. These jobs would be expected to pay wages of between \$56,191 (if typical of Bay County warehousing jobs) and \$80,123 (if typical of Bay County manufacturing jobs). Assuming that the Port Authority guarantees the lower of those two jobs figures (i.e., 175 jobs), then the cost per direct job to Triumph Gulf Coast will be \$17,143. This cost is competitive with other infrastructure programs approved for potential funding by the Board. It is expected that the increment to personal income in the region over both phases of the project will be as much as \$99.7 million over a 10 year job maintenance period following completion of the improvements and associated employment ramp-up. This represents \$33.2 in additional personal income per Triumph Gulf Coast dollar requested. **(Board directed staff to begin Term Sheet negotiations at Triumph Board Conference Call Meeting on June 18, 2020)**

Triumph Gulf Coast has entered into a Grant Award Agreement with the City of Panama City for \$20,000,000 for a major infrastructure improvement project at the Nelson Street port facility to assist Eastern Shipbuilding Group (ESG) to incentivize the continuation of the U.S. Coast Guard contract to construct vessels for its fleet. The proposal will create 900 new jobs in Bay County. **(Agreement executed on August 1, 2019)**. This Grant Award Agreement was amended to reflect adjustments made to the underlying agreement between Eastern Shipbuilding and the United States Coast Guard. The amendment does not change the amount of funding or the creation of 900 new jobs. **(Agreement amended on April 30, 2020.)**

ESCAMBIA

AMIKids Pensacola is requesting a \$408,000 Triumph grant to expand the workforce development training programs in construction and commercial driving. The programs are offered at their facility in West Pensacola and provide comprehensive integrated vocational training for justice-involved young adults (age 18-24) individualized to each participant's needs. The AMIKids Pensacola proposal is part of a suite of services provided by to justice-system involved youth. The Triumph Gulf Coasts funding request is to provide a number of certificate training programs to participants to help them discover their potential to transform their lives, strengthen the community, and break the cycle of failure and poverty. The program was first designed and implemented with funding from the US Department of Labor's Face Forward 3 Grant program in 2016 and most recently sustained again by US Department of Labor's Reentry grant program. Program services include evidence-informed interventions such as Intensive Case Management, Legal Services, Motivational Interviewing, Employer Engagement, Social Skills training, Mentoring, Financial Incentives for participants and Support Services such as assistance with child-care and transportation.

The AMIKids Workforce Development program was created in response to community needs. The local labor market needs skilled workers to carry out recovery-related construction and rehabilitation projects, and justice-involved individuals in the community need skills training to obtain living-wage jobs.

Many young people in Escambia County are disconnected from school and work. Lack of participation in post-secondary education, trade school, and the workforce puts these young adults at a higher risk for chronic unemployment, lower lifelong productivity and a lack of accumulated earning potential resulting in a large economic loss in earnings over the next ten years for the youth themselves, and the loss of potential tax revenues in their communities.

Past involvement with the justice system is a significant barrier to employment for the young adults served by AMIKids. Time spent in the justice system often means time taken away from pursuing training and educational opportunities. The program goal is to eliminate this barrier by providing training and job placement, ultimately resulting in reduced recidivism.

AMIKids Pensacola works with community stakeholders to ensure that the training program meets the needs of local employers, to support the economic recovery in Escambia County. The population served is ideally suited to pursue meaningful employment in construction trades and related jobs. A high school diploma coupled with nationally recognized industry certifications will provide graduates with good jobs and the construction industry with qualified employees which will positively impact Escambia County and the region.

This program model has proven to be effective across a variety of AMIkids programs in various locations. The AMIkids Pre-Apprenticeship/Apprenticeship Program uses evidence-informed interventions, and the model itself has been shown to reduce the risk of recidivism. In a 2018 study of independently validated recidivism data, the youth in the AMIkids Pre-Apprenticeship/Apprenticeship program who were placed in a job reoffended at a rate of just 6% compared to the 12-month recidivism rate of 14% across the program overall. Both recidivism rates are significantly lower than the state recidivism average of 33% (Bates & Corrigan, in review).

Job retention, employment status, and recidivism rate are tracked up to 2 years after program completion in order to assess the long term impact of the project. When a participant completes the program, he or she enters a 12-month follow up period. A Case Manager is responsible for case management during the follow up period and checks in with each participant to monitor employment retention and assist with removing barriers to success.

In addition to the above performance goals, AMIkids reports on Workforce Innovation and Opportunity Act (WIOA) performance indicators. These performance indicators are used to measure the effectiveness of federal workforce development programs under WIOA.

AMIkids Pensacola has received financial support and/or endorsements from Escambia County, Escambia County Sheriff's Department, CareerSource EscaRosa and more than a half dozen local construction companies.

This project will provide vocational training services in Construction, a fast-growing industry in which trained employees are highly sought-after. According to the U.S. Bureau of Labor Statistics, "Employment of construction and extraction occupations is projected to grow 11 percent from 2016 to 2026, faster than the average for all occupations, a gain of about 747,600 new jobs. Overall growth in the economy and population will increase demand for new buildings, roads, and other structures, which will create new jobs in construction and extraction occupations."

In Escambia County, the Construction industry is expected to grow by 11.4%, resulting in 1,000 new jobs. Participants in the AMIkids training program will be prepared to fill this employment gap, many of them in high-paying fields such as Carpentry and similar construction trades.

Participants in the program currently have the opportunity to earn the following certifications:

- High School Diploma
- NCCER (National Center for Construction Education and Research) Core Certification and OSHA 10

- NCCER Carpentry 1 Certification
- Commercial Driver's License (CDL)
- Florida SafeStaff Food Handler Certification

AMIkids, Inc., parent organization of AMIkids Pensacola, is sponsoring deliver NCCER training by the Florida Masonry Education and Apprentice Foundation, that affirms that AMIkids Pensacola Workforce Development program adequately prepares participants to transition into their Apprenticeship program in a variety of construction trades.

The program components work together to identify and remove the most significant barriers to a participant's success in obtaining and maintaining gainful employment. Current program funding is not sufficient to support NCCER Masonry training, in addition to the Core Curriculum and Carpentry. The Triumph grant would expand on the existing Core Certification, OSHA 10 and Carpentry Level 1 vocational training to include NCCER Masonry training.

The current program at AMIkids Pensacola began July 1, 2019 and is partially funded by a DOL grant (approximately 55% of program cost) through September 30, 2022. The program is designed for four cohorts of participants to attend the training program for 6 months each beginning October 1, 2019; March 1, 2020; October 1, 2020; and March 1, 2021.

It is expected that at least 85% (51 per year) of the young adults who complete the program will obtain employment; nearly all of these jobs will be in the construction field. The average wage earned is \$15-20 per hour once they receive their NCCER Core and OSHA certifications.

The award from Triumph would address the gap in funding, and allow funding for an additional staff member, a Participant Recruiter, who will increase the program's impact by reaching more young adults in Escambia County. This staff member will improve AMIkids ability to meet the outcomes described in this proposal.

It is expected that students will earn 60 certifications per year during each year of the program. In addition, the young adults in the program will have the opportunity to work toward their high school diploma or GED as part of the program. The program includes in depth career readiness training resulting in young adults in Escambia County who are prepared to compete for good paying jobs in the community.

Once a participant completes the AMIkids Job Readiness Curriculum, he or she will earn an internal certificate and leave the program with a job readiness portfolio that includes all of the tools needed to successfully find employment including resume, cover letter, reference letters, sample job applications, interview attire, vocational certificates, and tax credit information. Working with Florida Masonry ensures that the training provided

by AMIkids Pensacola meets the needs of industry employers and will prepare participants to enter a registered apprenticeship upon graduation.

Triumph Staff has identified 130 of these certificates to be delivered at a cost to Triumph of \$3,000 each for a total award of \$408,000. Matching funding will be provided by a U.S. Department of Labor grant through September 30, 2022 as well as Escambia County and additional private and public contributions. Those certifications that Triumph proposes to fund include NCCER Core plus OSHA 10, NCCER Carpentry 1, and Commercial Driver License (CDL). \$18,000 of the \$408,000 is to be provided up-front to fund a recruiter, while the remainder is to be paid on a per-cert-completed basis at a rate of \$3,000 per cert.

At a reimbursement rate of \$3,000 per certification, the discounted total increase in household incomes expected from the program will be \$25.6 per dollar of Triumph cost. **(Board voted to direct staff to begin Term Sheet negotiations on June 18,2020.)**

Pensacola State College (PSC) is requesting a Triumph Gulf Coast, Inc., CoVid-19 Infrastructure and Logistics Fast Track Training Grant of up to \$74,000. The project addresses the unmet need for Commercial Driver's License (CDL) drivers in the region. The program will provide training for Career and Technical Education (CTE) initiatives Commercial Drivers Licenses (CDL) to be offered at a location in Escambia. PSC's request of up to \$74,000 would cover up to 12 CTE CDL certificates.

The grant funds will serve PSC's service area of Escambia and Santa Rosa Counties. Beneficiaries of the project include residents of the service area, as well as local businesses seeking to hire qualified and credentialed truck drivers. The classroom component of the training currently takes place on the College's Warrington Campus in Escambia County. PSC's truck driving program was started in December 2019 with funding from the Florida Department of Economic Opportunity Job Growth Grant, a project created to diversify the local economy, historically heavily reliant on the tourism industry. Truck driving falls under Florida's Target Industry of Distribution and Logistics. It is also included on the Workforce Development Region 1 (Escambia and Santa Rosa Counties) Regional Targeted Occupations List.

PSC proposes to provide \$182,518 in college funds and a DEO Job Growth Grant Fund grant as match, bringing the total project value to up to \$256,518. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement was approved at Triumph Board Conference Call Meeting on June 18, 2020.)**

Triumph Gulf Coast voted to begin term sheet negotiations with the University of West Florida (UWF) for \$14,500,000 for cyber security, advanced manufacturing and supply chain logistics industry certifications. Through the Center for Cybersecurity, the Sea3D Additive Manufacturing Laboratory and the Hal Marcus College of Science and Engineering UWF proposes to produce a minimum of 3,220 industry certifications and provide career pathways to high paying jobs across the region. **(Board approved staff recommendation to move to Term Sheet negotiations on October 4, 2019. Negotiations are ongoing.)**

Triumph is in Grant Award Negotiations for a \$2,329,302 workforce education proposal presented by the Escambia County School District that would train skilled workers to fill new job opportunities associated with the MRO project. **(Grant Award Agreement in negotiation.)**

FRANKLIN

The Franklin BOCC requests a Triumph award to undertake improvements to the fuel delivery system at the Apalachicola Regional Airport. The proposal and subsequent communications with the applicant note the important role the airport played in search and rescue operations following Hurricane Michael as the only facility in the area that could provide fuel for search and rescue missions throughout the hurricane- impacted area. Further, other potential training opportunities that would enhance the continued viability of military training missions in Northwest Florida have been identified for the airport. While specific job creation commitments cannot be made in conjunction with these possible uses, the improvements to the airfield, particularly when coupled with the investments to be made by the Florida Department of Transportation could cause increase in utilization and thus direct benefits to the local economy.

The Triumph statute clearly envisioned the possibility of funding “grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters....”

Taken together, the enhanced emergency preparedness and the possible increase in military utilization could be responsible for badly needed economic impact to the three-county rural area that was so badly damaged by Hurricane Michael. This proposal from the Franklin BOCC clearly meets that criterion and the proposed improvements have now been shown by recent experience to be valuable in terms of both time and money saved. The project is clearly eligible for funding under the provisions enacted by the Legislature. **(Board directed staff to begin Grant Award Agreement negotiations at Triumph Board Conference Call Meeting on June 18, 2020)**

The Board voted to move to term sheet negotiations on a proposal from City of Apalachicola for improvements to the Scipio Creek Basin boat yard, landing docks, and the historic Popham house. This negotiation was placed on hold pending the City's assessment of hurricane damage. Triumph Gulf Coast is still waiting to resume negotiations based on that assessment. The Triumph request of \$1,100,000 represents 24.7 percent of total project cost of \$4,454,596 over the 15-year (2010 – 2025) implementation of the multi-facility Port of Apalachicola strategic plan. **(Term Sheet pending. Applicant has requested post-hurricane changes to original request)**

GULF

A Gulf Coast State College (GCSC) proposal for Triumph Gulf Coast funding over a six-year period will deliver at least 763 industry certifications at a cost of \$6,677 per certification awarded. The project will also update and keep current the emergency response teams across the eight disproportionately affected counties by: 1) acquiring a satellite mobile unit with all the support equipment (to serve as a communications source for present and future emergency needs of the region), and 2) to train and/or certify first responders, EOC personnel, public safety students from GCSC, as well as, volunteers on the use of this equipment, 3) ensure 723 participants take the applicable CAPE and/or Community Emergency Response Teams (CERT) courses and are employable, 4) maximize the potential of local drone companies that could provide coastal surveillance and minor rescue operations to individuals in risk of drowning throughout the panhandle (e.g. Life Guard), 5) continue to collaborate with FEMA and other regional partners in the development of the UVS DRT Pilot Program, and 6) to continue supporting research and development ventures such as Threat Trackers (a joint venture between the Naval Surface Warfare Center Panama City, GCSC, and military contractors using drone technology to support maritime and border security missions) 7) support and provide training to citizens in the community in the use of HAM Radio, FECD, and Pre/Post disaster safety training 8) continue to provide and sustain the FEMA Business Continuity training to the community.

The cost of \$6,677 per cert awarded is high by Triumph standards. However, the Triumph statute clearly envisioned the possibility of funding “grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program.” While GCSC is not a local government, the potential availability of the proposed equipment to be purchased by GCSC to support the program may have value for delivering the envisioned emergency services as well as the training that is described. Further, the Skyborne Technology match contribution of the SA-70 airship and equipment, listed in budget documents at \$2,375,000 may represent a conservative estimate of the value of this match given current market pricing (Skyborne owns some of the technology outright). The high cost per cert drives a relatively modest estimated increment to

regional family incomes of \$11.50 per dollar of Triumph award. However, the Board might wish to place a high value on the presence of this equipment in the community, and to recognize the conservative values used in evaluating Skyborne match, yielding a benefit to the project above and beyond the value conveyed by the industry certifications. **(Term Sheet was approved at Triumph Board Conference Call Meeting on June 18, 2020)**

Gulf Coast State College received a Triumph Gulf Coast Grant Award to implement a nursing simulation education and training center at its location serving Gulf and Franklin Counties. The Triumph funding will go primarily towards instructional staff expense during years one and two of the program (to cover staff at 100 percent during those years, and 50 percent during year 3), while GCSC proposes to fully fund staff expense in years four and beyond, and 50 percent in year 3. The balance of Triumph funds would be spent in the first year to remodel and equip two existing classrooms and to purchase a portable simulation classroom.

The College commits to 289 completers over a six-year period, with an additional one-year grace period if needed to attain that cumulative number of completers. The proposed cost of \$7,614 is expensive relative to other CTE projects that Triumph has funded. However, the need for healthcare technicians and professionals in the rural hurricane impacted counties warrants such an investment. Over a 20-year worklife window, the increment to personal income enabled by the training is expected to yield approximately \$10.1 dollars in discounted, inflation-adjusted earnings for every Triumph dollar expended. The particularly challenging circumstances that are present in Gulf and Franklin counties mean that these skills are particularly valuable. **(Grant Award Agreement executed on January 28, 2020.)**

Gulf Coast State College (GCSC) received a Triumph grant award to implement a Career/Technical Education (CTE) training program in unmanned aerial systems (UAS) intended to facilitate the transition of separating military into private sector employment in the growing UAS sector. The UAS Pilot Boot Camp will assist separating military members in a 16-week (depending on previous experience) "boot camp" employing on-line, face-to-face, and hands-on training and instruction in visual line of sight and beyond visual line of sight pilot qualifications. Face-to-face training will be provided at the GCSC Port St. Joe campus and at other locations as determined by need. In addition to exiting military personnel, the program will be available to military spouses and eligible high school students from the eight disproportionately affected counties who have completed appropriate basic certifications through local Triumph funded programs. The proposal notes that GCSC will provide the program again after the initial four-year period if market conditions warrant.

GCSC projects that 800 industry certifications in UAS (in addition to 100 FAA 107 certifications not to be funded by Triumph) will be earned by Boot Camp participants over a four-year period. This results in a cost per certification of \$3,792 to Triumph. Each student completing the program will have been awarded eight certifications (this includes the FAA 107 cert for which GCSC will not seek reimbursement due to its less intensive training). This cost per certification is competitive with others that Triumph has funded.

The Assistant Secretary of the Air Force has noted the importance of transition assistance for separating military and local support for military spouses. The proposed program provides training to individuals who are already familiar with many of the key concepts through their work in the military and thus provides a relatively quick way to augment labor supply in a key sector. It provides an additional pathway to regional employment for military spouses as well.

At a reimbursement rate of \$3,370 per certification, the discounted total increase in household incomes expected from the program will be \$20.3 per dollar of Triumph cost, which is competitive with other Triumph CTE awards. **(Grant Award Agreement was executed on June 19, 2020. Classes are underway as of June 15, 2020.)**

OKALOOSA

Northwest Florida State College (NWFSC) has requested a Triumph award to establish and implement an Aviation Center of Excellence focused on meeting demand for airframe and powerplant technicians and commercial pilots. The proposal specifies that by 2030, a minimum of 1,255 industry-recognized certifications will have been awarded.

The proposal specifies that NWFSC will renovate an existing 25,000 square foot building located on the Northwest corner of the Bob Sykes airfield in Crestview using Triumph Gulf Coast funds. In subsequent years from FY2020 until FY 2029, student tuition and fees are projected to provide a total of \$4,697,666 and CAPE funds are projected to provided \$310,500. On top of the funds, NWFSC commits to provide \$870,087 in funding over that same time.

Given the high number of contact hours per cert that are needed in these programs, the cost per cert is competitive with others that Triumph has funded. At a reimbursement rate of \$3,370 per certification, the discounted total increase in household incomes expected from the program will be \$11 per dollar of Triumph cost, which is high but still competitive with other Triumph CTE awards. **(Grant Award Agreement was approved at Triumph Board Conference Call Meeting on June 18, 2020)**

The Okaloosa County School Board (OCSB) proposal has been made for funding under the Triumph Hurricane Michael Skilled Labor Recovery Fund program. It describes a set of CTE initiatives and expansions in several programs to be offered by Okaloosa Technical College through its existing Building Trades and Construction Design Technology Program. Okaloosa's request of up to \$200,000 would cover up to 40 certificates to be offered through an Accelerated Certifications in Construction and Electrical Labor (ACCEL) program. The letter introducing the ACCEL program notes that these certificates will be OSHA 10, OSHA 30, as well CAPE industry certifications in carpentry, electrician, HVAC, plumbing, or welding.

The OCSB proposes to provide \$25,000 as match, bringing the total project value to \$225,000 if all funding is able to be drawn down at the maximum allowable rate of \$4,500 per certification. If that were to be the case, Triumph would be providing 93.5 percent of the total value of the project. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement was approved at Triumph Board Conference Call Meeting on June 18, 2020.)**

SANTA ROSA

The Santa Rosa County School Board (SRSD) has requested funding under the Triumph Hurricane Michael Skilled Labor Recovery Fund program. The proposal describes a set of CTE initiatives and expansions in HVAC and Pipefitting to be offered by Locklin Technical College on its Santa Rosa campus. SRSD's request of would cover 20 to 30 program participants attempting certificates including the HVAC Excellence Employment Ready exams, and the NCCER Pipefitting Level 1 Certifications. The Superintendent of Schools notes that the proposal blends a consistent, collaborative recruitment and outreach program utilizing highly qualified and certified instructors to provide direct hands on training in a technology rich, immersive environment.

The School Board proposes to provide \$37,770 in District Workforce Funds and School Board Operating funds as match. Up to 20 percent of students could earn two certifications during the funding period. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement was approved at Triumph Board Conference Call Meeting on June 18, 2020)**

The Santa Rosa County Board of County Commissioners has requested \$4,500,000 to complete infrastructure for the Blackwater Industrial Park for Project Runner, a confidential competitive economic development project. Additionally, the County has requested a \$3,500,000 grant over 10 years for property tax abatement for the same confidential competitive economic development project.

Project Runner has committed to create at least 400 new to Florida target sector jobs at an average annual wage of at least \$46,000 as well as capital investment by the company of at least \$50 million. The grants to Santa Rosa County would be part of a competitive incentive package that also includes property tax abatement and tax refunds from the county and state to win the project for the region. **(Board voted to move to Term Sheet negotiations, pending successful award of Project Runner to Santa Rosa County, on August 16, 2019. Santa Rosa County is still working with the entity to complete this project. Triumph negotiations will resume at the appropriate time.)**

WAKULLA

The Wakulla County School Board (WCSB), through its statutory relationship with Lively Technical College, requests a Triumph award of \$3,250,000 to support activities at the Lively Training Facility at Tallahassee Regional Airport. This program prepares students for employment as Aviation Maintenance General Technicians, and Aviation Powerplant Maintenance Technicians. A total of 1,132 certs to 300 students will be awarded over ten years of the program. There are six different classifications of industry certifications to be awarded, to include "A&P FAA Cert without Triumph funding, A&P FAA cert with funding, Space Tech Aerospace Technician with funding, and Ground School with funding.

Grant funding will be used to purchase equipment, electronics, and curriculum and to hire staff to support the increased enrollment and certifications along with transportation to the training site from Wakulla County. Maintenance, utility resources and all other fees for future use will be assumed by WCSB/Lively. **(Board directed staff to begin Grant Award Agreement negotiations at June 18, 2020 Triumph Board Conference Call Meeting)**

The Wakulla County School District (WCSD) proposal has been made for funding under the Triumph Hurricane Michael Skilled Labor Recovery Fund program. WCSD's request of up to \$200,000 would cover up to 40 CTE certificates including 17 - 20 students attaining NCCER Pipefitting Level 1 certificates, and 14 - 20 students attaining NCCER Pipefitting Level 2 certificates, each at \$4,500.

The WCSB proposes to provide \$10,000 in student tuition and District funds to cover instruction, support, and management as match, bringing the total project value to \$210,000 if the WCSD is able to draw down funds at the maximum allowable rate of \$4,500 per certification, along with the \$20,000 recruitment award (\$20,000 TGC recruitment award, \$10,000 WCSD match, \$4,500 x 40 certs = \$180,000, yielding \$210,000 total project value). The application notes that the costs for the instructor and

facility will be covered by Lively Technical College. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement was executed on June 19, 2020)**

Tallahassee Community College (TCC) is requesting a Triumph Gulf Coast, Inc., CoVid-19 Infrastructure and Logistics Fast Track Training Grant of up to \$276,500. The project will provide NCCER Masonry industry certifications and Commercial Drivers Licenses (CDL) in Wakulla County. TCC's request of up to \$276,500 would cover up to up to 14 students receiving up to 42 NCCER Certificates (OSHA, CORE and Level 1) in Masonry and up to 15 Certificates in Commercial Drivers Licenses (CDL) in the Triumph region.

Under this project the College will create two different programs in Wakulla County. The first program will be a Masonry program where students will earn up to three different certificates. The second program will be a Commercial Vehicle Driving program, where students will earn their CDL certification. The training identified is in demand locally, regionally and nationally and will offer individuals an opportunity to immediately connect with employment. The skills being taught are essential to our workforce thus reducing the risk that these individuals would be impacted due to economic emergencies such as COVID-19. The training has the potential for those who desire to return and receive additional training and credentials (i.e. stackable) to support their continued progression and promotion in the workforce.

TTC proposes to provide \$22,500 in college funds as match, bringing the total project value to up to 299,000. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement executed on June 26, 2020.)**

An earlier Triumph project has significantly expanded career-technical education in Wakulla County by providing digital tools certification to 4th – 8th graders. The Wakulla project has already resulted in more than 400 students earning national industry certifications in information technology and will result in HVAC and automotive maintenance certificate programs over the next five years of the program.

The Wakulla County School District has a history of excellence in creating meaningful industry-recognized career training for its students. The prototype project brings training to the elementary and middle schools that will mesh with advanced training at the high school levels. The HVAC and automotive training will create well-paying jobs in business areas with high needs for skilled labor. **(Agreement executed July 23, 2018. This**

agreement was amended on January 28, 2020 to reflect budget adjustments related to Hurricane Michael inflated construction costs. The amendment did not increase the amount of Triumph Gulf Coast funding nor reduce the required performance metrics.)

WALTON

The Walton County School Board (WCSD) proposal has been made for funding under the Triumph Hurricane Michael Skilled Labor Recovery Fund program. It describes a set of CTE initiatives and expansions in HVAC and Electricity to be offered by Emerald Coast Technical College on its Defuniak Springs campus. WCSD's request would cover up to 40 CTE certificates including 10 students attaining two certificates each in HVAC and Electricity.

WCSD proposes to provide \$245,000 in District funds to cover instruction, support, and management as match with up to 20 percent of students earning two certifications during the funding period. At a reimbursement rate of \$4,500 per certification, the discounted total increase in household incomes expected from the program will be \$17.1 per dollar of Triumph cost. **(Grant Award Agreement was executed on June 19, 2020.)**

Northwest Florida State College's grant award for \$2,763,716.00 for the Walton Works Training Center of Excellence at the College's Chautauqua Center in DeFuniak Springs creates a training hub in the northern part of Walton County, designated by the State of Florida as a Rural Area of Opportunity. The project will provide access to relevant training opportunities that are responsive to job demands and create a path to higher educational attainment and careers.

The Walton Works project targets five industry clusters that have high growth opportunities for Walton County and/or are identified in the Northwest Florida Forward, Florida Chamber of Commerce Foundation's Florida Jobs 2030, and West Florida Regional Planning Council's Comprehensive Economic Development Strategy (CEDS) 2018 reports. The programs proposed to be offered at the Walton Works Training Center of Excellence were strategically selected to produce workers with skills that are applicable across multiple occupations and transferrable to additional industry clusters identified as priorities by regional development entities.

The Walton Works Training Center will prepare students for 20 different occupations with an average wage of \$21.24/hr. Because the program will reach a large number of students in subject areas expected to see good job growth, and because the cost per student is low, it is reasonable to expect that the benefit/cost ratio for the program will

be exceptionally high. Substantial increases in wages can be expected for program completers relative to wages associated with a standard high school degree. Assuming relatively conservative average annual increments to completers, and modest increments to completion rates, the program will likely drive substantial increases in net new wages, both initially and over the students' work life window. Further, the program is projected to be self-sustaining based on the per-full time equivalent (FTE) increment to funding provided by the state. For this project, the gain in projected discounted personal income over the 2019 – 2038 period is \$67,849 per person, and the projected cost to Triumph is \$1,760 per person, for a ratio of \$39 dollars in personal income gain for every dollar of Triumph Gulf Coast cost. **(Agreement executed on August 16, 2019. Amended on May 5, 2020 due to Hurricane Michael related cost adjustments. No changes to amount of award or performance metrics.)**

Triumph Gulf Coast has approved a grant award to the Walton County Sheriff's Office for a training and certification program that will benefit both its inmates, with training in welding, HVAC repair and computer skills, and its employees with computer skills training. Both cohorts will benefit by earning certifications in skills that can provide advanced employment opportunities. **(Grant Award Approved March 15, 2019. Amended on March 3, 2020 due to Hurricane Michael related cost adjustments. No changes to amount of award or performance metrics.)**

MULTI COUNTY

Florida's Great Northwest received a Triumph Gulf Coast Grant Award to implement a research and marketing program targeted at diversification, enhancement, and recovery of the Triumph disproportionately affected counties. The grant award of \$440,000 represents 48.4 percent of total project costs of \$910,000.

FGNW and its research partners will provide a two-phase research effort to be followed by marketing that uses the outputs of this research. It is important to recognize that FGNW does not have this research capability in-house and has contracted with a vendor to provide that research. The initial phase of research uses publicly available data sources, including Florida Department of Economic Opportunity occupational forecasts, along with data on program completers available from the Integrated Postsecondary Education Data System (IPEDS) of the National Center for Education Statistics (NCES) to arrive at estimates of regional demand for particular occupations, regional supply of appropriately credentialed credential completers for those occupations, and prevailing wage rates.

A second phase of research that would be of great interest to Triumph would utilize the above information resources, but also data (appropriately de-identified) from the Florida Education Data Warehouse that is maintained by the State of Florida. It is

arguably the most comprehensive database that exists in terms of availability of curriculum details for all students enrolled in Florida public education at all levels, along with wage data going back to 1986 of people working in Florida and in states that are members of the Wage Record Interchange System (WRIS) and the State Wage Interchange (SWIS) systems. These data would allow statistical estimation of the incremental value to earnings of a particular type of educational credential. This information would allow Triumph to know approximately how much more (or less) one certificate is worth than another when assessing career and technical education training opportunities.

The marketing materials that will be constructed using these data will be valuable to families making curriculum choices, and to employers considering a potential relocation to our area. The marketing program will support Triumph efforts to help the region in its attempts to attract job-creating economic development projects that are competitive across a number of markets. Many of these projects that Triumph has funded have come with specific job creation guarantees that allow calculation of specific ROI numbers. However, the research and marketing funded here provides more general support across the region for these efforts.

There is not yet a performance history that allows calculation of ROI for such a Triumph effort. Instead, Triumph staff felt it was appropriate to use the ROI on Quick Action Closing Fund (QACF) expenditures to proxy for the ROI on this proposed project, as the programs have similar structure. Based on 2018 state revenue and personal income data, and assuming that marginal impacts are similar to average impacts, it takes \$41.22 on average in new Florida personal income to generate each new dollar of sales and use tax revenue. Applying the most recent EDR ROI on QACF dollars then yields the calculated return per Triumph dollar allocated to this project to be \$24.7 dollars in net new personal income for every dollar of Triumph spending on this project. The project meets the critical need of our region for these data-driven materials, and the need of the Triumph Board for a detailed understanding of the issues to be examined, and their value to our community more broadly. **(The Grant Award Agreement was executed on March 3, 2020.)**

ATTACHMENT B
(Document Attached)

Annual Reports of Grant Awardees
March 2020
Quarterly Reports of Grant Awardees
January – March 2020

ATTACHMENT C
(Document Attached)
List of all Pre-Applications and Applications
July 2017 – June 2020

ATTACHMENT D
(Document Attached)

2019 Financial Audit

Triumph Annual Grant Review

March 2020

Three Grant Awards were due for Annual Review in March under s. 288.8016, F.S. :

s. 288.8016, F.S. Triumph Gulf Coast, Inc.; duties.

(3) Monitor, review, and annually evaluate awardees and their projects or programs to determine whether an award should be continued, terminated, reduced, or increased.

Triumph Staff reviewed the information provided by the Grantees and recommends the Board accept a recommendation to continue to fund:

69 Florida State University, Apalachicola Bay System Initiative

The Florida State University's Apalachicola Bay System Initiative in Franklin County (ABSI) was awarded a grant for \$7,998,678. Triumph's Economic Advisor reviewed the program's progress towards its performance metrics and found The Florida State University (FSU) has timely submitted their Annual Report on Project #69, the Apalachicola Bay System Initiative. The annual report provides a summary timeline for the eight deliverables in this project. Five of those eight were to commence during the first year of the project.

For deliverable 1: "Assess temporal and spatial changes in oyster communities in Franklin County," TGC staff scores deliverable 1 progress as acceptable given the time required for project startup.

Deliverable 2: "Construct a pilot-scale oyster hatchery." The plans are to be operational before the fall 2020 spawning season. TGC staff scores deliverable 2 progress as acceptable.

Deliverable 3: "Bio-physical modeling," an appropriately qualified consultant has been retained and a contract entered into. That consultant, Dr. Leitman, has worked to calibrate existing models to the specifics of the ABSI geographies. A FAMU physical oceanographer has been retained to perform associated bio-physical modeling of the ABSI system. TGC staff score deliverable 3 progress as good.

Deliverable 4: "Monitoring of oyster communities and their environment," and the report describes the review of existing efforts in this area, as well as plans to deploy data-logging instruments. Field work started in August 2019. The team is waiting on an FWC Special Activity License to collect oysters. TGC staff score deliverable 4 progress as good.

Deliverable 5: "Oyster population genetic structure," which was only scheduled to begin in the last quarter of the first project year. It is behind schedule because of the severe depletion of subtidal oysters in Apalachicola Bay. It is hoped that the spring spawn may generate sufficient numbers of juveniles this summer to conduct the study, so that the new target start date is summer 2020. TGC staff score deliverable 5 progress as good.

Deliverables 6, 7, and 8 were not scheduled for activity during the first year of the project. Deliverable 9 is “targeted outreach to community,” which entails development of a community advisory board, and other activities. The project awarded a two-year contract to the Florida Conflict Resolution Consortium (FCRC) in May 2019 and it has begun its work. TGC staff score deliverable 9 progress as very good.

98 Walton County Sheriff Office, Vocational/Technical Training Program

The Walton County Sheriff’s Office was awarded a grant for \$2,217,965 to implement a vocational/technical training program. Triumph’s Education Advisor reviewed the program’s progress towards its performance metrics and found the Walton County Sheriff – Vocational / Technical Training Project (#98) is on schedule and maximizing the schedule they have developed for completion of the project goals. The progress on the project is commendable and serves the type of student population well as they migrate back into the community.

The project is scheduled to produce 502 CAPE certifications by December 2024 and is well on schedule to accomplish that goal.

Like similar Triumph projects, the program has suffered interruptions of continuous instruction by the regional and global episodic events, of recent times; Hurricane Michael and COVID-19. To date, the project has produced 69 CAPE Certifications in HVAC, Welding and Safeserv.

TGC staff view the progress on the WCSO project as good.

189 Bay County Board of Commissioners, Hurricane Michael Recovery

The Bay County Board of County Commissioners was awarded a grant of \$10,728,317 towards lost Ad Valorem Property Taxes following Hurricane Michael. The Triumph grant offset losses in the County, the cities of Panama City, Lynn Haven, Mexico Beach, Callaway, Springfield, and the Bay County School District. The County received the grant and appropriately disbursed it to the other entities. The funds were budgeted to fill gaps in ad valorem streams as a result of lowered taxable values due to Hurricane Michael. As a result, the County did not raise property taxes for citizens and business owners during the recovery phase of the hurricane.

Staff reviewed the report provided by the county, the Certified Tax Assessment Roll and confirmed that their audited financials were up-to-date.

2020 Q1 Quarterly Education Reports
January – March 2020

#98 - Wakulla County School Board – Career and Technical Education Center #143 - Bay County School District – Haney HVAC #148 - Gulf County School District Agri-Science Program Expansion #153 - Gulf County School District Unmanned Systems #157 - Franklin County School District – Career and Technical Training, Phase 1 #180 - Gulf County School District – Wewahitchka High School Welding Program #198 - Wakulla County School Board – UAV / VSO Certification Program #200 - Franklin County School District – Career and Technical Training, Phase 2

PROJECT: #29 - Wakulla County School Board – Career and Technical Education Center
QUARTERLY REPORT: January – March 2020 STATUS: On schedule, no recommendations

The Wakulla Career and Technical Education Center has exceeded scheduled frameworks and has already completed 874 CAPE certifications, more double the 410 contracted for. This was accomplished while dealing, although less impacted, with Hurricane Michael and the current COVID-19 health issues.

Exceptionally well organized and efficient.

PROJECT: #98 - Walton County Sheriff – Vocational / Technical Training Program ANNUAL REPORT: April 2019 – March 2020 QUARTERLY REPORT: January – March 2020 STATUS: On schedule, no recommendations

The Walton County Sheriff – Vocational / Technical Training Project (#98) is on schedule and maximizing the schedule they have developed for completion of the project goals. The monitoring of the project is commendable and serves the type of student population well as they migrate back into the community.

The project is scheduled to produce 502 CAPE certifications by December 2024 and is well on schedule to accomplish that goal.

Like similar Triumph projects, the program has suffered interruptions of continuous instruction by the regional and global episodic events, of recent times; Hurricane Michael and COVID-19.

To date, the project has produced 69 CAPE Certifications HVAC, Welding and Safeserv.

PROJECT: #143 - Bay County School District – Haney HVAC QUARTERLY REPORT: January – March 2020 STATUS: On schedule, with one recommendation

Haney Technical College has been significantly impacted by two episodic events: Hurricane Michael and COVID19. To Haney's credit, the college has successfully managed both situations in a positive, productive manner.

To date, Haney has produced approximately 247 CAPE HVAC certifications (31% of its summative number) and is on track to meet their 2023 target deadline per their contract with Triumph.

Triumph Staff recommended that Bay County School District / Haney Tech applying for an extension of their agreement to allow room to accommodate any future episodic event.

PROJECT: #148-Gulf County School District Agri-Science Program Expansion QUARTERLY REPORT: January – March 2020 STATUS: On schedule, with recommendations

Gulf schools have endured dramatic, episodic interruptions of their school calendars caused by Hurricane Michael and, currently, the COVID-19 health situation. Although students did begin classwork towards the CAPE certifications assigned to this project, the class was interrupted by the closing of school prior to the CAPE testing cycle scheduled for the class.

The program is scheduled to produce 90 CAPE certifications by May 31, 2022. Currently, the count stands at 0 CAPE certifications.

Gulf County School District may consider the following recommendations:

1. Testing of students that were interrupted from completing the 2019-2020 term should be held after a 5-15 hour review is afforded the students this summer.
2. Gulf schools should consider adding 5-15 hour summer reviews within the existing budget for this project.
3. Gulf schools should request an extension to the terminal \ summative date for completing of CAPE certifications. (extension was requested)
4. Records of student CAPE achievement to meet the terms of this project should be maintained for review, upon request.

PROJECT: #153-Gulf County School District Unmanned Systems QUARTERLY REPORT: January – March 2020 STATUS: On schedule, with recommendations

The Gulf County School District Unmanned Systems (#153) Unmanned Aerial Vehicle (UAV) training project is an ambitious effort to expand the scope of unmanned vehicle workers' skills in the regional workforce, partly in support of the Tyndall Air Force Base mission. The project projects 525 CAPE certifications in UAV training by May 31, 2024. To date, the project has 0 certifications because the students in class now were scheduled to test in May 2020 which is not feasible because of the disruption caused by the COVID-19 health situation.

Also, considering the lingering impact of Hurricane Michael in the area, the Gulf School District has achieved reasonable results in starting the project and will make up for lost time as they grow more familiar with the scope of the work and can recover from the disruptions.

Gulf County School District may consider the following recommendations:

1. Testing for students completing the coursework before the interruption of school instruction should complete a 5-15 hour review prior to CAPE testing.
2. The School District should consider adjusting the existing budget to accommodate 5-15 hour summer reviews, prior to testing, each summer until the project is completed.
3. The School District should consider requesting an extension of the project completion date to allow for any more episodic events. (extension was requested)

PROJECT: #157 - Franklin County School District – Career and Technical Training, Phase 1 QUARTERLY REPORT: January – March 2020 STATUS: On schedule, plans to test students

Franklin has made safe classroom adjustments and is now meeting in very small teacher led safe groups to allow students to continue working towards their certifications in several of CAPE certification programs.

The welding program enrolled 19 students this semester with 10 still attending modified classes. They anticipate sitting for certification exams this summer.

Towards this project, Franklin County schools have produced 427 of the 777 CAPE certifications due by 2024 that include certifications in welding and digital tools.

For the 2017-2018 school year, prior to Triumph's partnership, Franklin County schools had a total of 38 CAPE certifications. They have accomplished, and maintained, a measurable improvement in career and technical education.

PROJECT: #180 - Gulf County School District – Wewahitchka High School Welding Program
QUARTERLY REPORT: January – March 2020 STATUS: On schedule, with recommendations

The Gulf County School District – Wewahitchka High School Welding Program project (#180) expands an already existing welding program. The welding program had 35 students enrolled in the fall which were able to complete 120 hours of instruction before COVID19 disrupted the school year.

Gulf County School District may consider the following recommendations:

1. The final CAPE welding certification exams should be held after a 5-15 hour review to allow for the absent time from formal class caused by COVID19
2. Gulf county should consider budget adjustments within the existing totals to allow for summer sessions of 5-15 hours (several each summer) to keep the CAPE pass rate high and allow for any other episodic interruptions.

PROJECT: #198 - Wakulla County School Board – UAV / VSO Certification Program
QUARTERLY REPORT: January – March 2020 STATUS: On schedule, no recommendations

The Wakulla County School Board – UAV / VSO Certification Program (#198) officially began in January of 2020 after teacher training, equipment purchases, and establishment of a sustainability draft to carry the project beyond the completion date.

The project is scheduled to produce 350 CAPE VSO and Safety UAV CAPE certifications upon completion.

PROJECT: #200 - Franklin County School District – Career and Technical Training Phase 2
QUARTERLY REPORT: January – March 2020 STATUS: On schedule, plans to test students

The Unmanned Aerial Systems program had 46 students enrolled at the beginning of 2019-2020 term with 25 students on target to earn UAV certificates. Courses are continuing online with an anticipation that those students will gain certification during the summer. Visual line of sight assessments have also been delayed due to CoVid-19 school closures. The 12 students in that program will require individual assessments before sitting for the certification exam.

12 students working towards their EKG certification will have to be re-registered for next year. The 12 students enrolled in the CNA program are expected to take certification exams before the end of the 2020 summer. The 60 students enrolled in the non-CAPE Emergency Medical Response course will be transitioned to EKG and CNA CAPE certification classes for the 20202021 school term.

Attachment C - All filed applications through June 18, 2020

Pre-App #	APPLICANT	PROJECT	AMOUNT REQUESTED	COUNTY	Score	Application Received
Grants Awarded						
29	Wakulla County School Board	Career and Technical Education Center	\$ 3,926,867	Wakulla	A	2/12/18
49	Panama City Port Authority	PC Port Authority Eastern Terminal Dev.	\$ 10,000,000	Bay	A	2/23/18
120	City of Pensacola	Comm. Aircraft Maintenance Campus	\$ 66,000,000	Escambia	A	3/16/18
43	Okaloosa County	Hwy 90 East Water and Sewer Expansion	\$ 1,500,000	Okaloosa	A	3/22/18
143	Bay District Schools	HVAC	\$ 847,955	Bay	A	4/13/18
72	Santa Rosa County	Whiting Aviation Park	\$ 8,523,655	Santa Rosa	A	4/18/18
69	FSU Marine Lab	Apalachicola Bay System Initiative	\$ 7,998,678	Franklin	A	4/20/18
46	Okaloosa County	Southwest Crestview Bypass	\$ 64,100,000	Okaloosa	B	5/22/18
153	Gulf County School District	Unmanned Systems	\$ 750,000	Gulf	A	8/28/18
157	Franklin County School District	Franklin Environmental Career and Technical Tra	\$ 2,327,322	Franklin	A	10/8/18
148	Gulf District Schools	Agri-Science Program Expansion	\$ 125,000	Gulf	A	11/5/18
98	Walton County Sheriff	Vocational/Technical Training Program	\$ 2,217,965	Walton	A	11/19/18
180	Gulf County School District	WHS Welding Program	\$ 250,000	Gulf	A	1/8/19
185	City of Panama City	Panama City Industrial Complex	\$ 20,000,000	Bay	A	2/20/19
186	Gulf County Board of County Commission	Hurricane Michael Recovery Ad Valorem Reques	\$ 4,271,683	Gulf	A	3/7/19
187	Northwest Florida State College	Walton Works Training Center of Excellence	\$ 2,763,716	Walton	A	3/7/19
189	Bay County Board of County Commission	Hurricane Michael Recovery Ad Valorem Reques	\$ 10,728,317	Bay	A	3/19/19
190	Walton Economic Development Alliance	US 331 Infrastructure	\$ 1,742,407	Walton	A	3/28/19
198	Wakulla County School Board	UAS/VSO Certification Program	\$ 1,780,000	Wakulla	A	5/19/19
200	Franklin County School District	Career and Technical Training, Phase II	\$ 1,215,000	Franklin	A	5/24/19
213	Florida's Great Northwest (FGNW)	Education ROI Research and Marketing	\$ 440,000	ALL	A	11/25/19
207	Gulf Coast State College - Gulf/Franklin Campus	Nursing Simulation Center	\$ 2,200,358	Gulf	B+	12/4/19
210	Gulf Coast State College	UAS Pilot Boot Camp for Exiting Military	\$ 2,259,063	Gulf	B+	2/14/20
216	Northwest FL State College	Center of Aviation Excellence: Airframe & Power	\$ 7,064,665	Okaloosa	A	2/14/20
221	Locklin Technical College	Hurricane Michael Skilled Labor Recovery Fund	\$ 182,000	Santa Rosa	A	2/21/20
222	Okaloosa Technical College	Hurricane Michael Skilled Labor Recovery Fund	\$ 200,000	Okaloosa	A	2/21/20
223	Emerald Coast Technical College	Hurricane Michael Skilled Labor Recovery Fund	\$ 200,000	Walton	A	2/23/20
224	Wakulla County School Board/Lively Tech	Hurricane Michael Skilled Labor Recovery Fund	\$ 200,000	Wakulla	A	2/24/20
228	Pensacola State College	Infrastructure and Logistics Training Fund	\$ 74,000	Escambia	A	4/27/20
229	Tallahassee Community College	Infrastructure and Logistics Training Fund	\$ 276,500	Wakulla	A	4/28/20
Current Applications						
70	University of West Florida	Innovation Network Project	\$ 14,500,000	Escambia	A	3/7/18
5	Escambia Co. School Board	Workforce Education Director	\$ 2,329,303	Escambia	A	3/26/18
26	City of Apalachicola	Port of Apalachicola Improvements/Mgmt	\$ 1,100,000	Franklin	A	5/4/18
167	Tallahassee Community College	WEI Unmanned Vehicle Systems Center of Excel	\$ 1,959,382	Wakulla		11/29/18
177	Tallahassee Community College	WEI Marine Service Occupational Training Progr	\$ 1,500,000	Wakulla		12/13/18
154	Panacea Oyster Co-op	Wakulla Oyster and Aquaculture Expansion	\$ 19,241,000	Wakulla		2/1/19
161	Children's Home Society of Florida	Creating Tomorrow's Workforce with Weis	\$ 3,283,484	Escambia		6/28/19
191	Franklin County BOCC	Apalachicola Regional Airport Fuel System Upgra	\$ 1,059,000	Franklin	B	7/17/19
163	Santa Rosa County	Project Runner Ad Valorem Tax Reduction	\$ 3,500,000	Santa Rosa	A	7/26/19
205	Santa Rosa County BOCC	Project Runner Infrastructure	\$ 4,500,000	Santa Rosa	A	7/29/19
202	Gulf Coast State College - Gulf/Franklin Campus	Tech Center for Emergency Response and Comm	\$ 5,147,750	Gulf	B	8/7/19
209	Santa Rosa County BOCC	Project Lionheart	\$ 3,484,728	Santa Rosa	A	11/15/19
215	Wakulla County School Board	Wakulla/Lively Tech A&P Cert Program	\$ 3,250,000	Wakulla		2/18/20
217	AMIKids Pensacola Inc.	AMIKids Pensacola Workforce Development Pro	\$ 408,000	Escambia	A	4/13/20
227	Panama City Port Authority	Intermodal Distribution Center Expansion	\$ 3,000,000	Bay	A	4/29/20
48	Wakulla County	First Response Communications System	\$ 2,850,000	Wakulla		5/19/20

Archived Applications

59	Bay District Schools	STEM Workforce Training Center	\$ 10,000,000	Bay	C	2/27/18
60	Bay District Schools	Manufacturing Academy Expansion	\$ 965,000	Bay	WD	2/27/18
61	Bay District Schools	Haney Industrial Pipefitter Prog Expansion	\$ 584,000	Bay	NA	2/27/18
83	City of St. Marks	ADA Compliant Kayak Launch	\$ 65,000	Wakulla	C	2/27/18
84	City of St. Marks	River Walk	\$ 1,295,000	Wakulla	C	2/27/18
28	Wakulla County School Board	Career and Prep Academy	\$ 5,396,521	Wakulla	WD	3/5/18
90	E.O. Wilson Biophilia Center	Camp Longleaf	\$ 600,000	Walton	C	3/7/18
11	Escambia County	Downtown Sports Complex	\$ 25,000,000	Escambia	C	3/8/18
54	Panama City Beach CVB	Sports Park/Stadium Complex	\$ 23,658,000	Bay	H	3/12/18

65	Bay Youth Summer Work Fnd	BayYouth Summer Work Foundation	\$ 71,271	Bay	H	3/12/18
38	Okaloosa County	Bob Sikes Water Reclamation Facility	\$ 1,500,000	Okaloosa	C	3/22/18
44	Okaloosa County	N. Gulf of Mexico FAD Network	\$ 500,000	Okaloosa	C	3/22/18
85	Westonwood Ranch	Autism Job Training Facility	\$ 1,078,230	Walton	C	4/3/18
14	Northwest FL State College	NWFSC Regional Trifecta Project	\$ 22,630,000	Multi	WD	4/9/18
135	Choctawhatchee Basin Alliance of NWFSC	Gulf Coast Economy Preservation Project	\$ 11,273,070	Okaloosa	H	4/9/18
73	Santa Rosa County	NW FL Industrial Park@ I-10 - Phase 2	\$ 5,301,164	Santa Rosa	H	4/18/18
58	City of Mexico Beach	Mexico Beach Pier	\$ 3,700,000	Bay	C	5/15/18
105	Project Lead The Way	STEM Training	\$ 4,000,000	Multi	C	5/18/18
9	FL Comm. Svcs Corp - Utility	US 331 Water Transmission Line - Phase One	\$ 4,410,114	Walton	C	5/22/18
27	Gulf County BOCC	Port of Port St Joe Project	\$ 28,425,000	Gulf	WD	5/22/18
32	City of Apalachicola	Johnson Center Renovations	\$ 1,750,000	Franklin	C	5/30/18
35	City of Apalachicola	Stormwater/Wastewater Improvements	\$ 2,660,000	Franklin	C	5/30/18
133	FGNW	RISE Fund	\$ 15,000,000	Multi	C	5/30/18
20	Franklin County BOCC	Fort Coombs Armory Renovation	\$ 1,800,000	Franklin	C	6/6/18
55	Eastern Shipbuilding Group,Inc.	EastShip Manufacturing/Haul Out Facilities	\$ 20,025,000	Bay	A	6/6/18
119	Smart Horizons COHS	Career Online High School (revised)	\$ 1,816,562	Multi	C	6/21/18
4	City of Pensacola	CDOT-Port of Pensacola	\$ 15,000,000	Escambia	A	6/22/18
10	Base IT, Inc.	Mobile STEM Workshops	\$ 170,000	Bay	C	6/28/18
19	City of Niceville	Niceville Landing Project	\$ 180,000	Okaloosa	C	6/28/18
56	City of Lynn Haven	Sports Park Expansion	\$ 15,843,762	Bay	C	7/13/18
108	Walton County BOCC	US 331 & US 90 Water/Wastewater Expansion	\$ 14,247,468	Walton	C	8/14/18
147	Gulf District Schools	Culinary Arts Center and Electives Suite	\$ 300,000	Gulf	H	8/30/18
95	Gulf Specimens Marine Lab	Infrastructure Upgrades and Operations	\$ 4,950,000	Wakulla	C	9/9/18
1	Bryant Enterprises (BEOP)	Curriculum Development	\$ 585,000	Multi	F	9/15/18
126	HSU Educational Foundation	Hsu Innovation Institutes	\$ 7,160,000	Multi	H	9/18/18
64	Gulf Coast State College	Advanced Manufacturing Innovation Inst.	\$ 17,112,356	Bay	WD	9/27/18
87	City of Milton	N. Santa Rosa Reg. Water Reclamation Fac.	\$ 9,000,000	Santa Rosa	C	10/5/18
34	City of Apalachicola	Apalachicola Solar Project	\$ 900,000	Franklin	C	11/16/18
91	Tallahassee Comm College	WEI Ocean Shellfish Nursery Hatchery Processing	\$ 13,500,000	Wakulla	C	11/28/18
168	Tallahassee Community College	WEI Elevated Technology Training (ETT ²)	\$ 2,593,083	Wakulla	C	11/29/18
100	Veterans Lodge	Veterans Lodge Village	\$ 25,000,000	Walton	F	12/7/18
169	City of Lynn Haven	Industrial Park Expansion	\$ 15,764,360	Bay	H	2/27/19
201	Wakulla County	Wakulla Community Hub	\$ 9,625,148	Wakulla	WD	9/30/19
155	City of Mexico Beach	Artificial Reef	\$ 970,000	Bay	C	1/6/20

H - Hold/WD - Withdrawn

Attachment C - All filed Pre-Applications through June 18, 2020

Pre-App #	APPLICANT	PROJECT	AMOUNT REQUESTED	COUNTY	Eligible
Current Pre-Applications					
204	Rocky Bayou Christian School	STEM Training and Certifications	\$ 215,730.00	Okaloosa	Yes
206	AMikids Panama City Marine Institute	STEM AND BUSINESS ENTREPRENEURSHIP LABS	\$ 1,500,000.00	Bay	Yes
208	Re-Entry Alliance Pensacola, Inc. ("REAP")	Re-Entry Workforce Training and Housing	\$ 2,500,000.00	Santa Rosa	Yes
211	Pensacola State College	Truck Driver Training Program and Facility	\$ 5,500,000.00	Santa Rosa	Yes
218	Bay District Schools/Haney Technical Center	Project Good Wrench Phase 1	\$ 2,498,475.00	Bay	Yes
219	Northwest Florida Beaches International Airport	Aviation Center of Excellence MRO Campus	\$ 35,178,050.00	Bay	Yes
220	City of Milton	Project Recall	\$ 6,000,000.00	Santa Rosa	Yes
225	FL Dept. of Agriculture and Consumer Services	Apalachicola Bay Oyster Aquaculture Training Pro	\$ 75,000.00	Franklin	Yes
226	Economic Development Council of Okaloosa	Project Reese	\$ 34,822,786.00	Okaloosa	Yes
Archived Pre-Applications					
2	Miracle Strip Mgmt, LLC	Lynn Haven Office/Warehouse	\$ 3,670,000.00	Bay	No
3	Miracle Strip Mgmt, LLC	Miracle Strip Warehouses	\$ 4,100,000.00	Bay	No
6	Robert Condon	Petrochemical Clean Up Co.	\$ 2,100,000.00	Escambia	No
7	Dr. Phillip Renfroe	Airport Multispecialty Medical Clinic	\$ 3,500,000.00	Escambia	No
8	City of Destin	Crosstown Connector	\$ 5,700,000.00	Okaloosa	Yes
12	Escambia County	OLF8/OLFX Land Swap with DOD	\$ 29,900,000.00	Escambia	Yes
13	Escambia County	Beulah Interchange Connector	\$ 11,250,000.00	Escambia	Yes
15	La Vie Et Belle	Papillion Pavilion	\$ 1,632,700.00	Walton	No
16	Cellarus Partners, LLC	Emerald Coast Motorsports Park	\$ 70,000,000.00		No
17	FSU College of Law	Center for Econ Opportunity for Veterans	\$ 600,000.00	Wakulla	No
18	North Pt St Joe PAC	MLK Boulevard Redevelopment Project	\$ 5,750,000.00	Gulf	No
21	Santa Rosa Co. School Dist.	Innovation High School	\$ 40,000,000.00	Santa Rosa	Yes
22	City of Carrabelle	Northwest Downtown Revitalization - Ave B	\$ 860,000.00	Franklin	Yes
23	City of Carrabelle	Carrabelle Airport Improvements	\$ 30,000.00	Franklin	Yes
24	City of Carrabelle	Carrabelle City Hall Construction	\$ 280,000.00	Franklin	Yes
25	City of Carrabelle	Carrabelle Septic Tank Abatement	\$ 590,000.00	Franklin	Yes
30	Okaloosa Co School District	Vocational Ed in Need of Support Project	\$ 45,000,000.00	Okaloosa	Yes
31	St. Marks Refuge Association	Lighthouse Repair and Improvements	\$ 300,000.00	Wakulla	No
33	City of Apalachicola	Workforce Housing Revolving Fund	\$ 400,000.00	Franklin	Yes
36	South Walton Fire District	Training/Maintenance Facility	\$ 3,300,000.00	Walton	Yes
37	SocialDesk Enterprises	Tri-Net Fiber Optic Project Planning	\$ 600,000.00	Multi	No
39	Okaloosa County	Bridge to Bridge Multi-Use Path	\$ 5,500,000.00	Okaloosa	Yes
40	Okaloosa County	Digital Okaloosa Phase 1	\$ 6,352,814.00	Okaloosa	Yes
41	Okaloosa County	Eastern Crestview Bypass	\$ 4,500,000.00	Okaloosa	Yes
42	Okaloosa County	Forensic Hospital Pilot Diversion Program	\$ 5,000,000.00	Okaloosa	Yes
45	Okaloosa County	P.J. Adams Parkway Phase IV		Okaloosa	Yes
47	Wakulla County	Wakulla County Library Construction	\$ 2,900,000.00	Wakulla	Yes
50	Town of Jay	Water Quality Improvement Project	\$ 1,000,000.00	Santa Rosa	Yes
51	PC - Bay Co Airport District	ECP Crosswind Runway	\$ 15,600,000.00	Bay	Yes
52	PC - Bay Co Airport District	ECP SoHo Infrastructure	\$ 3,400,000.00	Bay	Yes
53	PC - Bay Co Airport District	ECP Hangar Facility and Infrastructure	\$ 7,000,000.00	Bay	Yes
57	City of Lynn Haven	Emergency Operations Center	\$ 1,800,000.00	Bay	Yes
62	Bay District Schools	Environmental Sciences Center	\$ 4,500,000.00	Bay	Yes
63	Bay District Schools	Triumph Pre-K Academy	\$ 10,000,000.00	Bay	Yes
66	B & C Technologies	Manufacturing Partnership	\$ 5,000,000.00	Bay	No
67	Pumpout USA, Inc.	Gulf Coast Economy Preservation Project	\$ 11,590,000.00	Bay	No
68	Florida State University	FSU-Panhandle Aging Research Center	\$ 78,000,000.00	Bay	Yes
71	Good Samaritan Institute	Green Jobs for Walton County	\$ 200,000.00	Walton	Yes
74	Town of Jay	Makerspace Initiative	\$ 375,000.00	Santa Rosa	Yes
75	City of Lynn Haven	Marina Island Boulevard Project	\$ 10,000,000.00	Bay	Yes
76	City of Gulf Breeze	TownCenter Infill Redevelopment Project	\$ 15,817,500.00	Santa Rosa	Yes
77	City of Gulf Breeze	MedicalTechnologyPark Infill Redev Project	\$ 15,253,125.00	Santa Rosa	Yes
78	City of Pensacola CRA	Youth Environmental Empowerment Prog.	\$ 1,000,000.00	Escambia	Yes
79	City of Pensacola CRA	West Moreno Stormwater and Streetscape	\$ 9,100,000.00	Escambia	Yes
80	City of Pensacola CRA	Downtown Infrastructure Project	\$ 20,800,000.00	Escambia	Yes
81	City of Pensacola CRA	Hollice T. Williams Greenway	\$ 12,500,000.00	Escambia	Yes
82	City of Pensacola CRA	W Cervantes St - Mobile Hwy Corridor	\$ 30,000,000.00	Escambia	Yes

86	TechFarms Capital Mgmt	Triumph Angel Fund - TechFarms Capital	\$ 8,000,000.00	Multi	No
88	City of Fort Walton Beach	Landing Ferry System and Dock Expansion	\$ 7,500,000.00	Okaloosa	Yes
89	City of Fort Walton Beach	Municipal Marina	\$ 10,000,000.00	Okaloosa	Yes
92	Panacea Oyster Co-op	Oyster Processing Expansion & Ecotourism	\$ 2,036,000.00	Wakulla	No
93	Panacea Oyster Co-op	Value Added Oyster Processing	\$ 1,720,599.00	Wakulla	No
94	Bay Defense Alliance	Defense Technology Innovation Center	\$ -	Bay	No
96	City of Pensacola	Unity Project	\$ 3,000,000.00	Escambia	Yes
97	City of Pensacola	Affordable Housing Program	\$ 15,000,000.00	Escambia	No
99	Walton County Sheriff	Public Safety Communications Training Fac	\$ 8,000,000.00	Walton	Yes
101	Alaqua Animal Refuge	Advanced Animal Medical Facility	\$ 1,750,000.00	Walton	No
102	Stone Clinical Laboratories	Clinical Lab and Training Facility	\$ 6,914,368.00	Walton	Yes
103	Medical Risk Solutions	Primary Care/Pharmacy	\$ 900,000.00	Walton	No
104	Flotilla 1-4	Multi-purpose Vessel	\$ 437,000.00	Okaloosa	No
106	Pens/Escambia PEDC	The Bluffs Corridor-Beck's Lake Rd Segment	\$ 8,000,000.00	Escambia	Yes
107	Destin Fisherman's Co-op	Fisherman's Boatyard Construction-Freeport	\$ 1,275,000.00	Walton	No
107.1	#107 Amended Destin Fisherman's Co-op	Fisherman's Boatyard Construction-Freeport	\$ 1,275,000.00	Walton	No
109	Walton County BOCC	Education and Research Center at Owls Head	\$ 10,000,000.00	Walton	Yes
110	St. Andrews Bay Center	The Ark of the Bay	\$ 584,743.00	Bay	Yes
111	Walton County School District	Emerald Coast Technical College	\$ 2,931,000.00	Walton	Yes
112	Lake Erie College Osteo Med	Academic Health Clinic Expansion	\$ 3,623,736.00	Walton	Yes
113	Finch Transportation	Walton County Transit System	\$ 2,190,000.00	Walton	No
114	Walton County BOCC	Broadband Initiative	\$ 900,000.00	Walton	Yes
115	City of Pensacola	Morris Court Complex	\$ 18,000,000.00	Escambia	Yes
116	The Seaside School, Inc.	STEM Center of Excellence	\$ 5,000,000.00	Walton	Yes
117	Bruce Craul/Dr. Mark Bonn	Hospitality Development Center	\$ 5,000,000.00	Okaloosa	Yes
118	Ron & Peggy Childs	Port Theater & Cultural Center	\$ 60,000.00	Gulf	No
121	Quiq Silver	Comm. Kitchen Equip. Assembly Plant	\$ 6,120,000.00	Bay	No
122	Fish 2.0	Aquaculture Investment	\$ 250,000.00		No
123	FGNW				WD
124	Emerald Coast Wildlife Refuge	Wildlife Recovery Funding	\$ 233,130.00	Multi	No
125	NWF Black Business Chamber	MLK Blvd Mixed Use Corridor	\$ 5,750,000.00	Bay	No
127	Pensacola Heritage Foundation	THE GALVEZ MONUMENT PROJECT	\$ 50,000.00	Escambia	No
128	Franklin County Schools	STEM in Education Program	\$ 720,000.00	Franklin	Yes
129	Franklin County Schools	Workforce Dev. And Voc Training	\$ 2,955,700.00	Franklin	Yes
130	Florida A&M University	Construction & Infra Tech Innovation Center	\$ 35,000,000.00	Multi	No
131	Pensacola State College	Co:Lab Expansion	\$ 5,000,000.00	Escambia	Yes
132	OWV Company, LLC	Sweetwater Springs Marketing	\$ 2,898,000.00	Santa Rosa	No
134	Coast Watch Alliance	Lion Fish Harvesting Program	\$ 1,121,600.00	Escambia	No
136	City of Laurel Hill	Water System Upgrades	\$ 872,662.00	Okaloosa	Yes
137	American Marine Research Co. & CWA	Protection for Marine Fisheries Against Lionfish	\$ 1,242,180.00	Escambia	No
138	Division of Aquaculture, FDACS	Shellfish Aquaculture Economic Incubator	\$ 750,000.00	Multi	No
139	Panama City Rescue Mission	Facility Construction and Remodeling	\$ 3,000,000.00	Bay	No
140	Opportunity Place, Inc	Shelter Services and Landscaping of Family Area	\$ 30,000.00	Okaloosa	No
141	St. Marks Refuge Association, Inc	Revised St. Marks Lighthouse Restoration Project	\$ 300,000.00	Wakulla	No
142	Panama City Beach Public Library	Community Program Room Expansion	\$ 200,000.00	Bay	No
144	North Bay Haven Career Academy	Athletic Field Complex Project	\$ 4,500,000.00	Bay	No
145	Emerald Coast Baseball League	Start-up Expenses	\$ 150,000.00	Walton	No
146	Navarre Beach Sea Turtle Conservation Center	Construction of New Facility	\$ 1,800,000.00	Santa Rosa	No
149	Gulf District Schools	School Bus Fleet Expansion	\$ 600,000.00	Gulf	No
150	Hanning LLC DBA STEMWERX	STEMWERX Mobile STEM Lab	\$ 1,342,867.00	Multi	yes
151	Biotech Restorations Holdings, LLC	Biotech Gulf Coast	\$ 4,000,000.00	Multit	No
152	Point Washington Medical Center	Operating Funds		Walton	No
156	Range Project LLC	Range Project	\$ 3,000,000.00	Walton	no
158	Biotility - University of Florida	Secondary Biotechnology CTE Programs	\$ 275,000.00	Multi	yes
159	Panhandle Affordable Housing LLC	Walton County Workforce Housing	\$ 5,500,000.00	Walton	no
160	Casa Laxmi Foundation, Inc.	Centre for Excellence	\$ 20,000,000.00	Bay	no
162	CareerSource Gulf Coast	Triumph Workforce Consortium	\$ 22,283,836.00	Multi	yes
164	The Joe Center for the Arts	Community Arts and Cultural Center	\$ 350,000.00	Gulf	no
165	Twin Rivers Land & Timber, Inc.	St. Joe Port Project	\$ 47,066,695.00	Gulf	no
166	Gulf County Board of County Commission	Local Government Funding Assistance	\$ 21,680,000.00	Gulf	Yes
172	Air Force Enlisted Village, Inc.	All-Service Military Retirement Village	\$ 172,000.00	Okaloosa	No
173	Port of Pensacola	Marine Modification Maintenance Repair Overha	\$ 16,329,406.00	Escambia	Yes

174	Bay Economic Development Alliance	Project Clear	\$ 7,350,000.00	Bay	Yes
175	Bay Economic Development Alliance	Project Purple	\$ 4,635,000.00	Bay	Yes
176	Fran Vellanti	Mental Health Out Patient Day Treatment Program		N/A	No
178	City of Apalachicola	Workforce Housing and Infrastructure	\$ 800,000.00	Franklin	Yes
179	The Oyster Restoration Company & Hatchery	Apalachicola Bay One Billion Oyster Restoration	\$ 15,000,000.00	Franklin	WD
181	Coastline Environmental Materials	Artificial Reef Creation Project	\$ 6,510,000.00	Franklin	WD
182	Port Authority of the Port of Port St. Joe	Dredging of Shipping Channel	\$ 15,000,000.00	Gulf	Yes
183	Liberty Fire District	Aerial Ladder Apparatus for North Walton County	\$ 720,000.00	Walton	Yes
184	Liberty Fire District	North Station	\$ 962,500.00	Walton	Yes
188	City of Lynn Haven	ACMT Tax Abatement	\$ 104,000.00	Bay	Yes
192	FSU Panama City	Engineering, Science, Technology & Workforce Ce	\$ 14,700,000.00	Bay	Yes
193	City of Destin	Public Beach Initiative Project	\$ 12,000,000.00	Okaloosa	Yes
194	Port Theater Art and Cultural Center	Art and Cultural Center	\$ 575,000.00	Gulf	Yes
195	City of Panama City	Panama City Marina Convention Center	\$ 40,000,000.00	Bay	Yes
196	City of Carrabelle	Carrabelle-Thompson Airport Improvements	\$ 2,000,000.00	Franklin	Yes
197	Keep Pushing Foundation, Inc	Help Empower Our Youth	\$ 1,825,000.00	Okaloosa	No
199	The BioCarburante Company	Port St. Joe Biorefinery Project	\$ 25,250,000.00	Gulf	No
203	Earth Steps LLC	Renewable Energy Product Manufacturing	\$ 13,000,000.00	Wakulla	No
212	Freedom Life Compass, Inc.	Life Recovery Center	\$ 150,000.00	Okaloosa	No
214	Project Star	Project Star	\$ 750,000.00	Walton	N/A
170	N/A	N/A	N/A	N/A	N/A
171	N/A	N/A	N/A	N/A	N/A

H - Hold/WD - Withdrawn

TRIUMPH GULF COAST, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2019

DRAFT

**TRIUMPH GULF COAST, INC.
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DECEMBER 31, 2019**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Triumph Gulf Coast, Inc.

Report on the Financial Statements

We have audited the accompanying fund balance sheet/statement of net position and the related statement of revenues, expenditures and changes in fund balance/statement of activities of Triumph Gulf Coast, Inc. (the Organization) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise of the Organization's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of Triumph Gulf Coast, Inc. as of December 31, 2019, and the respective changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2020, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Pensacola, Florida
May 11, 2020

**TRIUMPH GULF COAST, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

General Information

Management is pleased to offer the following assessment of the operations of Triumph Gulf Coast, Inc. (the Organization) for the year ended December 31, 2019.

Financial Highlights

The assets of the Organization exceeded its liabilities at December 31, 2019, by \$360,562,674.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Organization's basic financial statements. The Organization's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Organization's finances in a manner similar to private-sector business. The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities.

The statement of net position presents information on all of the Organization's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Organization is improving or deteriorating.

The statement of activities presents information showing how the organization's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave).

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Organization uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Organization maintains one governmental fund, which is the General Fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be used in evaluating an organization's near-term financing requirements.

**TRIUMPH GULF COAST, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

Governmental Funds – Continued

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

The Organization's net position increased by \$57,301,920 during the year. At the end of the current fiscal year, the Organization is able to report a positive balance in net position. The same situation held true for the prior year. The Organization's revenues increased by approximately \$75,600,000 from 2018 revenues. This increase is a result of receiving the first annual \$80,000,000 settlement payment from the State of Florida, Department of Economic Opportunity (DEO) during 2019. Subsequent payments are scheduled to be received annually through 2033. The Organization also received an interest income rebate of approximately \$4,400,000 in 2018 as a result of House Bill 5001 stating the unexpended balance of funds from the DEO's Triumph Gulf Coast Trust Fund is appropriated to the Organization. The interest income rebate was not included in the DEO's appropriations in 2019; therefore, no amount was received by the Organization in 2019. During 2019, the Organization disbursed \$21,950,727 in funds to the eight Northwest Florida counties disproportionately affected by the 2010 Deepwater Horizon oil spill, including \$15,000,000 specifically designated as Hurricane Michael Relief.

**TRIUMPH GULF COAST, INC.
STATEMENTS OF NET POSITION
AS OF DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and prepaid items	\$ 361,150,783	\$ 303,933,819
LIABILITIES		
Accounts payable and accrued expenses	27,569	12,265
Due to Florida Department of Economic Opportunity	<u>560,540</u>	<u>660,800</u>
Total liabilities	588,109	673,065
NET POSITION		
Restricted	138,415,805	119,766,533
Committed	52,825,559	-
Unrestricted	<u>169,321,310</u>	<u>183,494,221</u>
TOTAL NET POSITION	<u><u>\$ 360,562,674</u></u>	<u><u>\$ 303,260,754</u></u>

**TRIUMPH GULF COAST, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

**TRIUMPH GULF COAST, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
REVENUES		
General revenue:		
Settlement income appropriation	\$ 80,000,000	\$ -
Interest income rebate	-	4,419,277
Total revenues	80,000,000	4,419,277
EXPENSES		
Administrative	747,353	594,816
Funds disbursed	21,950,727	233,467
Total expenses	22,698,080	828,283
CHANGE IN NET POSITION	57,301,920	3,590,994
NET POSITION, BEGINNING OF YEAR	303,260,754	299,669,760
NET POSITION, END OF YEAR	<u>\$ 360,562,674</u>	<u>\$ 303,260,754</u>

Request for Information

This report is designed to provide a general overview of Triumph Gulf Coast, Inc.'s finances for all those with an interest. Questions concerning any of the information in this report or requests for additional information should be addressed as follows:

Triumph Gulf Coast, Inc.
4100 Legendary Drive, Suite 200
Destin, Florida 32541

BASIC FINANCIAL STATEMENTS

TRIUMPH GULF COAST, INC.
FUND BALANCE SHEET / STATEMENT OF NET POSITION
DECEMBER 31, 2019

ASSETS		General Fund	Governmental Activities
CURRENT ASSETS			
Cash and cash equivalents		\$ 361,134,234	\$ 361,134,234
Prepaid items		16,549	16,549
TOTAL ASSETS		<u>\$ 361,150,783</u>	<u>361,150,783</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses		\$ 27,569	27,569
Due to Florida Department of Economic Opportunity		560,540	560,540
TOTAL LIABILITIES		<u>588,109</u>	<u>588,109</u>
FUND BALANCE / NET POSITION			
Fund balance - nonspendable		16,549	
Fund balance - restricted		138,415,805	
Fund balance - committed		52,825,559	
Fund balance - unassigned		169,304,761	
TOTAL FUND BALANCE		<u>360,562,674</u>	
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 361,150,783</u>	
Restricted			138,415,805
Committed			52,825,559
Unrestricted			169,321,310
TOTAL NET POSITION			<u>\$ 360,562,674</u>

See notes to the financial statements.

**TRIUMPH GULF COAST, INC.
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE/ STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>General Fund</u>	<u>Governmental Activities</u>
REVENUES		
Settlement revenue appropriation	\$ 80,000,000	\$ 80,000,000
EXPENDITURES/EXPENSES		
Administrative and general	747,353	747,353
Funds disbursed	<u>21,950,727</u>	<u>21,950,727</u>
Total expenditures/expenses	<u>22,698,080</u>	<u>22,698,080</u>
EXCESS OF REVENUES OVER EXPENDITURES	57,301,920	
FUND BALANCE, BEGINNING OF YEAR	<u>303,260,754</u>	
FUND BALANCE, END OF YEAR	<u><u>\$ 360,562,674</u></u>	
CHANGE IN NET POSITION		57,301,920
NET POSITION, BEGINNING OF YEAR		<u>303,260,754</u>
NET POSITION, END OF YEAR		<u><u>\$ 360,562,674</u></u>

See notes to the financial statements.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Organization

Triumph Gulf Coast, Inc. (the Organization) was organized in June 2017, as a Florida not-for-profit corporation, to oversee the expenditure of 75 percent of all funds received by the State of Florida, Department of Economic Opportunity (DEO) for economic damages to the state that resulted from the 2010 Deepwater Horizon oil spill. The Organization is required to administer the distribution of funds to be used for the recovery, diversification and enhancement of the eight Northwest Florida counties disproportionately affected by the oil spill. Those counties include Escambia, Santa Rosa, Okaloosa, Walton, Bay, Gulf, Franklin and Wakulla.

The Organization is governed by a seven-member Board, which is appointed by the Governor (1), the Attorney General (1), the Chief Financial Officer (1), the President of the Senate (2), and the Speaker of the House (2). Appointments and terms of office are established pursuant to Florida Statute 288.8014.

The following is a summary of the more significant accounting policies and practices of the Organization, which affect significant elements of the accompanying financial statements:

Reporting Entity

The accounting policies adopted by the Organization conform to accounting principles generally accepted in the United States of America as applied to not-for-profit organizations reporting using the governmental model. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Organization (the primary government). There were no entities that required inclusion as a component unit within the Organization's financial statements.

Basis of Presentation

Government-wide financial statements – While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund and reports information on all of the nonfiduciary activities of the Organization. Separate financial statements are provided for the governmental fund.

Fund financial statements – The fund financial statements provide information about the Organization's governmental fund:

- The general fund is established to account for resources devoted to financing the general operations of the Organization. All operating resources are recorded in the general fund.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Measurement Focus and Basis of Accounting

The Organization's financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, which requires the Organization to present *basic financial statements*, which are defined as follows:

The Statement of Net Position and the Statement of Activities report information using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. These statements focus on the Organization's activities, as a whole, and report all of the assets, liabilities, revenues, expenses and gains and losses of the entity.

The Fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance report information using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or within 60 days after year-end. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

GASB Statement No. 34 requires disclosure of the reconciliation adjustments, which convert the *fund financial statements* into *government-wide financial statements*. The Organization has elected to present the respective *fund financial statements* and the *government-wide financial statements* in a combined format containing the reconciliation adjustments.

Assets, Liabilities and Net Position or Fund Balance

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, as well as investments that are readily convertible to cash. Investments purchased within three months of maturity are considered to be cash equivalents.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded when consumed, rather than when purchased.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities and Net Position or Fund Balance – Continued

Classification of Fund Balance

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based, primarily on the extent to which an Organization is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are comprised of the following:

Nonspendable – includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories and prepaid items.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the Organization's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the Organization that can, by passing a motion prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the action remains in place until a similar action is taken to remove or revise the limitation.

Assigned – includes amounts that are intended to be used by the Organization for specific purposes, but do not meet the criteria to be classified as committed. The Board of Directors may also assign fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Fund Balance/Net Position Flow Assumptions

Sometimes, the Organization will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Organization's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Assets, Liabilities and Net Position or Fund Balance – Continued

Revenue Sources and Agency Transactions

Settlement income is received by the DEO pursuant to the Deepwater Horizon settlement agreement and is recognized when received.

Interest earned by the Organization on invested settlement funds is treated as an agency/custodial type transaction, with no effect on income or expense, and is transferred to the DEO on a monthly basis.

Current statutes require that any amount of interest transferred to the DEO that remains unexpended by the DEO be appropriated back to the Organization. This “rebated” interest income is recognized when received.

Income Taxes

The Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for income taxes has been made in the accompanying financial statements.

The Organization files income tax returns in the U.S. Federal jurisdiction. Income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Organization.

2. CASH AND CASH EQUIVALENTS

The amount reported as cash and cash equivalents consists of cash in a demand account, money market funds and the SBA Florida PRIME investment account.

At December 31, 2019, the carrying amounts of cash and money market funds held were \$238,697. Custodial credit risk is the risk that the Organization’s deposits might not be recovered. The Organization does not have a deposit policy for custodial credit risk; however, the Organization has not experienced any losses in its cash and money market fund accounts and believes it is not exposed to any significant risk.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

2. CASH AND CASH EQUIVALENTS – CONTINUED

Cash invested with the SBA represents the Organization's participation in Florida PRIME, which is authorized by Section 218.415(17), Florida Statutes. Florida PRIME operates under investment guidelines established by Section 215.47, Florida Statutes. The Organization's investments in Florida PRIME are reported at amortized cost. As of December 31, 2019, the balance was \$360,895,537. The fair value of the Organization's position in Florida PRIME is the same as the value of the pool shares.

Since Florida PRIME is similar to money market funds where shares are owned in the fund rather than the actual underlying investments, disclosures for foreign currency risk are not applicable. In addition, there are no security lending activities for these funds, as the Organization does not own the underlying shares. In accordance with GASB Statement 79, Florida PRIME qualifies for measuring its investments at amortized cost, and management of the pool believes that the pool is exempt from the GASB 72 fair value hierarchy disclosures. As of December 31, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

The SBA's interpretation of GASB Statement No. 40 is that information related to credit risk and interest rate risk are applicable to the SBA accounts as noted below:

Credit Quality:

Florida PRIME is rated by Standard and Poor's and carries an AAAm rating for December 31, 2019.

Interest Rate Risk:

The weighted average days to maturity (WAM) of Florida PRIME's investment portfolio was 37 days at December 31, 2019. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM is relevant as an assessment of the sensitivity of Florida PRIME's investments to interest rate changes.

3. RESTRICTED FUND BALANCE

Per Florida Statute 288.8013, at least \$120,000,000 of the initial settlement appropriation must be allocated equally among the eight disproportionately affected counties. In addition, at least \$3,200,000 of the annual settlement appropriations received beginning in 2019 must be allocated to each county. As of December 31, 2019, the Organization had a restricted fund balance of \$138,415,805.

TRIUMPH GULF COAST, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2019

4. COMMITTED FUND BALANCE

The Board has committed funds in excess of the amounts restricted. As of December 31, 2019, the Organization had a committed fund balance of \$52,825,559.

5. FUNDS DISBURSED

During 2019, funds were disbursed as follows:

Bay County	\$ 5,804,976
Gulf County	205,588
Santa Rosa County	560,836
Wakulla County	249,285
Walton County	130,042
Hurricane Michael Relief	<u>15,000,000</u>
	<u><u>\$ 21,950,727</u></u>

6. SIGNIFICANT FUNDING SOURCE

The Organization's sole source of funding is received from the DEO. A significant reduction in the level of this funding could have an adverse effect on the Organization.

7. SUBSEQUENT EVENT

On March 11, 2020, the World Health Organization declared the novel strain of the coronavirus ("COVID-19") a pandemic. The COVID-19 outbreak is disrupting supply chains and affecting production and services across a range of industries. The extent of the impact of COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our citizens, employees and vendors, and economical mitigation measures to be taken by federal and state government, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Organization's financial condition or results of operations is uncertain and cannot be estimated.

COMPLIANCE SECTION

DRAFT

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Triumph Gulf Coast, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the General Fund of Triumph Gulf Coast, Inc. (the Organization) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise of the Organization's basic financial statements and have issued our report thereon dated May 11, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pensacola, Florida
May 11, 2020