



## BOARD OF DIRECTORS MEETING

January 26, 2021

9:30 – 11:00 a.m.

via Zoom Conference Call

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### MISSION

Develop and sustain a thriving local economy by focusing on the attraction, expansion and retention of high-wage jobs and capital investment.

### VISION

We are recognized nationally as a community transformed by job growth, business innovation and international trade.

### VALUES

**VISION** | We think big

**COLLABORATION** | We engage in teamwork

**RESULTS** | We hold ourselves accountable

**PRIDE** | We believe in our community

**INTEGRITY** | We do the right thing

Executive Committee	<b>Date:</b> Tuesday, March 23, 2021 <b>Time:</b> 9:30 am	<b>Location:</b> TBD
Mid-Year Report	<b>Date:</b> Tuesday, April 27, 2021 <b>Time:</b> 9:30 am	<b>Location:</b> TBD
Executive Committee	<b>Date:</b> Wednesday, June 22, 2021 <b>Time:</b> 9:30 am	<b>Location:</b> TBD



**BOARD OF DIRECTORS MEETING**

**January 26, 2021**

**9:30 – 11:00 am**

**Via Zoom**

- I. Welcome – ***Jim Weiss, Fifth Third Bank, Chairman***
- II. Guest Speaker – ***Ron Starner, Executive Vice President, Conway, Inc.***
- III. Call to Order – ***Jim Weiss***
- IV. Consent Agenda (*action required*) – ***Jim Weiss***
  - Executive Committee Meeting Minutes – November 17, 2020
  - Departmental Reports
- V. Finance Update – ***James Nozar, Strategic Property Partners***
  - Paycheck Protection Program
  - FY2020 Audit Report (*action required*) – ***Michelle Sanchez, Warren Averett/Auditor***
- VI. Committee Reports
  - Investor Relations – ***Julio Esquivel, Shumaker, Loop & Kendrick***
  - Business Development/International – ***Ben Dachepalli, Hill Ward Henderson***
  - Marketing – ***Robin DeLaVergne, Tampa General Hospital***
- VII. President’s Report – ***Craig Richard, President and CEO***
- VIII. Investor Announcements – ***All***
- IX. Adjourn



**Ron Starner**  
**Executive Vice President of Conway Inc.**

Ron Starner is Executive Vice President of Conway Inc. and *Site Selection* magazine, an international corporate real estate publication based in Atlanta. The official publication of the Industrial Asset Management Council, *Site Selection* reaches 45,000 high-level decision-makers six times a year with timely news, analysis and perspective on key events and trends impacting corporate real estate and economic development. The magazine also publishes *SiteSelection.com*, the online Web portal for corporate real estate and economic development news and data, and multiple electronic newsletters.

Ron served 9 years as Executive Director of IAMC, a corporate real estate and economic development association with 600 members. Based in Georgia, IAMC serves the needs of corporate real estate directors of leading Fortune 500 companies such as BASF, Pfizer, Honeywell and Campbell's Soup. Ron is also the author of two books – *The Ten Standards of Successful Leaders* and *The Light at the End of the Tunnel*.

A journalism graduate of Virginia's Liberty University, Ron earned his master's degree in mass communication from the University of South Florida in Tampa. A resident of Polk County, Florida, for 25 years, he graduated from Lakeland Christian School and worked for the Winter Haven News Chief for 8 years and for Florida Real Estate Journal for 6 years before joining the editorial staff of Site Selection in 2000.



## Executive Committee Meeting

November 17, 2020

Zoom Call

### **Present:**

Rob Barton – Hillsborough County

Marie Chinnici-Everitt – DTCC

Ron Christaldi – Shumaker, Loop & Kendrick

Ben Dachevall – Hill Ward Henderson

Robin DeLaVergne – Tampa General

John Flanagan – CareerSource Tampa Bay

Dr. Judy Genshaft

Angel Gonzalez – CenterState Bank

Rhea Law – Buchanan, Ingersoll & Rooney

James Nozar – Strategic Property Partners

David Pizzo – Florida Blue

Ben Pratt – Mosaic Company

Tim Schar – Truist

Yvette Segura – USAA

Nancy Tower – TECO Energy

Jim Weiss – Fifth Third Bank

### **Staff:**

Craig Richard

Michelle Bauer

Monica Bowersox

David Boyd

Steve Morey

Hussain Shamseddine

Nealy Wheat

### **Guest Speaker:**

Ron Barton – Hillsborough County

### **CALL TO ORDER**

Jim Weiss called the meeting to order at 9:30 am.

### **APPROVAL OF CONSENT AGENDA**

- Meeting Minutes – September 22, 2020
- Departmental Reports

***Action: The motion was made, seconded and unanimously passed to approve the consent agenda as presented.***

### **GUEST SPEAKER**

Ron Barton provided an update on the CARES Act Funding from Hillsborough County.

### **FINANCE & ADMINISTRATION REPORT**

James Nozar reported that as of October 31, cash balances increased by 5% year-over-year and net assets increased 6% year-over-year and that the current cash reserves remains around seven months.

On the profit and loss statement, total net income exceeded budget by \$59,000; \$47,000 year over year. Total income is performing better than budget and program expenses were under budget primarily due to timing and still operating in a partially remote environment.

The fieldwork for the FY2020 Audit was completed in October and the Audit is in the final stages. Representatives from Warren Averett will make the audit presentation at the January Board Meeting. The required governance communications letter from Warren Averett is included in the meeting packet for review.

## **STANDING COMMITTEE REPORTS**

### **Business Development and International:**

Ben Dachevall reported on the EDC's efforts to evolve and meet the needs of the current environment and refine our strategies more effectively.

The Business Development Committee had its first meeting of Fiscal Year 2020 on Friday, November 13<sup>th</sup>. The following investors were introduced as Vice Chair and Sub Committee Chairs:

- Patty Hamilton, Marcum LLP – Partner will serve as Vice Chair of the Business Development Committee and Chair of the Business Retention and Expansion Sub-Committee.
- Allie Kessler, SPP – Manager of Corporate Leasing and Strategy will serve as Chair of the Business Recruitment Committee.
- Kevin Shukur, BBVA Compass Bank – West Florida Market President will serve as the Chair of the International Committee.

Thank you to all Investors for their investment of time and energy to our efforts. The Business Development Department anticipates this year will be a great opportunity as companies reconsider location and workforce strategies. Issues that will need to be addressed, including:

- Lack of Incentives
- The acceleration of corporate virtual and work from home strategies
- The development of virtual community touring programs and tools
- Integration of Social Impact Metrics
- Lingering COVID 19 impacts
- Acquisition and use of data

Our overarching goal in the Business Development Committee is to look at ways to get our investors engaged in assisting staff in addressing these issues towards achievement of their project, jobs, and capital investment goals.

A quick recap of fiscal year 2020 for those who were unable to attend the Annual Meeting.

The EDC announced 20 new projects totaling 2,620 new jobs and \$595 Million in Capital Investment. Although project totals were down overall, the EDC increased its number of new jobs over last year and had its best year in the last four years for new capital investment.

The largest projects by number of jobs were PennyMac at 400 new jobs, Fisher Investments at 600 jobs, and Citi Corp at 732 jobs.

The EDC is continuing to work on two important initiatives. We will be creating a new format for completing virtual community tours. With travel limited into the future, it is important that we create a process and platform for continuing to promote our area for business investment.

We will be activating a new pro-active strategy utilizing new data driven tools and processes to outreach to company prospects in our strategic plan's strategic growth areas.

The EDC is off to a strong start with 10 business visits completed in the first month of the fiscal year.

Reflecting on last year the EDC completed 200 business visits and announced 13 projects with existing Hillsborough County companies. These projects added 1,732 new jobs and \$570 Million in Capital Investment.

The EDC hopes to complete at least one International Trade Mission by the end of the year. In the interim, the EDC will continue to focus on working with existing Hillsborough County companies to increase exporting and will market to foreign entities to invest in people and facilities in Hillsborough County.

The transition to Virtual International Matchmaking services will continue in FY'21 and Global Tampa Bay will increase its digital marketing efforts.

Global Tampa Bay has three upcoming events scheduled.

- Global Tampa Bay Webinar (December 9, 2020, at 10:00 a.m.)
- Enterprise Florida Virtual Trade Show (March 16 -18, 2021)
- SelectUSA Conference in Washington DC (June 6 -9, 2021)

#### **Marketing:**

Robin DeLaVergne presented a recap of the Marketing Committee's recent activities.

The EDC's Virtual Annual Meeting held on October 29th and was extremely successful with more than 400 people in attendance. We are still compiling the final numbers, but this should be one of our most successful meetings from a financial standpoint.

Thank you to all of the sponsors and those who bought tickets. A special thank you to Trickey Jennus, Diamond View and DCE Productions for all their creative and technical assistance to ensure we put on a flawless event and a special thank you to ChappellRoberts putting together the VIP packages.

Recent media relations include the Tampa Bay Business Journal's annual economic development issue which ran on October 30, 2020. The cover story explored the lack of state incentives the Tampa Bay EDC and other EDOs across the country have to offer companies seeking relocation or expansion as well as Florida Trend's November issue included a spotlight on Tampa and Hillsborough County, featuring many EDC Investors and projects.

The EDC marketing team produced a new series of advertisements. Most recently highlighting ads in IT and healthcare jobs which recently ran in the Tampa Bay Times as well as a BRE message featuring VoltAir running in the Times' Bay magazine.

The team also produced several digital ads, and a print ad ran as part of the EDC's community partner sponsorship with the Tampa Bay Business Journal's Fast 50.

The marketing committee is working to produce images and content that tie into our strategic growth areas and that we can use in FY2021 for social media and the website.

#### **Investor Relations:**

David Boyd reported on behalf of Chair Julio Esquivel.

Total Investor revenue ended on September 30 at 86% of our goal, which all in all given the circumstances, is a pretty good result. Within that topline number new and upgraded Investor revenue was at 110% of goal with 11 new Investors and 2 Investor upgrades. Renewing Investor revenue ended up at 84% of goal, as we all know, the EDC faced a fair amount of attrition due primarily to the economic fallout of the pandemic, but we managed to retain 85% of our Investors, which actually met our minimum goal. We are working to reengage with many of the lost Investors in early 2021.

Current fiscal year 2021, we have a total Investor revenue goal of \$1,850,000, of which \$1,647,000 or 89% comes from renewing Investors, and \$203,000 or 11% from new and upgraded Investors.

Investor Relations is happy to report that renewing Investor revenue is off to a good start so far this year, and as of now we have already exceeded the budget goal for the period of October 1 – November 30, with paid Investor revenue of \$262,000, and we still have two weeks to go until month end. This is also ahead of last year's pace at this time and a significant number of invoices were sent out recently, and accounts receivable is currently just over \$600,000.

In addition to striving to have a strong year with renewing Investors, we are focusing our attention to working to make and hopefully exceed our goal on new and upgraded Investor revenue. This involves engaging with current prospects and to continue building a solid pipeline with new potential Investors. An Investor Relations Committee work group has been formed and we are looking at growing the Committee with the right kind of members.

The EDC held a very successful Virtual Annual Meeting with 450 registered attendees and raised just under \$70,000 in sponsorships and ticket sales, resulting in a substantial net profit. We have also received positive feedback from our Annual Investor Satisfaction Survey with the key metric showing an overall satisfaction rate with the EDC of 8.8 out of 10.

#### **PRESIDENT'S REPORT**

Craig Richard reported on:

- Successful Annual Meeting – Thank You
- FY20-22 Strategic Plan
- EDC Priorities
- Placemaking Strategy
- Operational Updates

## **INVESTOR ANNOUNCEMENTS**

- Tampa General Hospital CEO John Couris named to Florida Council of 100
- AT&T promotes Ed Narain
- USF to begin construction of \$54 million Genshaft honors college
- Bromley Companies and Highwoods Properties announce lease with South State Bank at Midtown West
- United Way Suncoast launched new brand with ChappellRoberts
- 40 routes to resume or launch from TPA in November
- Florida Council of 100 has named Dr. Judy Genshaft as an outstanding Floridian with a lifetime achievement award

## **ADJOURN**

The meeting adjourned at 10:53 am.

Submitted by:

Monica Bowersox



To: Board of Directors  
From: Nealy Wheat  
Date: January 26, 2021  
RE: Financial Analysis Update as of December 31, 2020

**I. Balance Sheet**

- **Cash** (\$1,645,000) increased by \$282,000 (20%) from the same period last year.
- **Accounts receivable** consists of: amounts owed to the EDC by the City of Tampa and Hillsborough County (per our contracts with those entities)
- **Prepaid Expenses** include insurance premiums, subscriptions for our research/database software and deposits for expenses that will occur later in FY2021.
- **Current Liabilities** include accounts payable, paid time off accruals from the prior year and amounts that represent required accounting procedures relating to deferred expense for our office lease and office equipment leases. Total liabilities decreased from the same period last year by \$79,000.
- **Net Assets** increased by over \$245,000 (15%) from the same period last year.

**II. Profit & Loss Statement**

- **Investor funding** includes only paid investor invoices. Through December 31<sup>st</sup>, investor collections exceeded budget by \$48,000. Additional investor payments of \$52,000 were received as of January 19<sup>th</sup> and currently, \$548,000 has been billed to investors.
- **Other income** consists of event, mission, sponsorship, grant and interest revenues. **Sponsorship revenue** comprises contributions from partner EDOs supporting Global Tampa Bay and initiative sponsorships. **Event revenue** from the 2020 Annual Meeting decreased from prior year due to the virtual format.
- All expenses were less than budget through December 31<sup>st</sup> as the organization is still primarily operating in a virtual environment, driving expenses down. Payroll expenses will increase in second quarter with the addition of two new staff positions. Both positions were included in the FY2021 Budget.

**III. Overall Performance**

- **Net income** exceeded budget by \$119,000 and increased by \$193,000 from the same period last year.

**Tampa Bay Economic Development Council  
Balance Sheet Prev Year Comparison**

As of December 31, 2020

	<u>Dec 31, 20</u>	<u>Dec 31, 19</u>	<u>\$ Change</u>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash	1,645,740	1,363,555	282,185
Accounts Receivable	248,217	283,963	(35,746)
Prepaid Expenses	121,883	150,230	(28,347)
<b>Total Current Assets</b>	<u>2,015,840</u>	<u>1,797,747</u>	<u>218,093</u>
<b>Property &amp; Equipment, Net</b>	<u>165,060</u>	<u>217,540</u>	<u>(52,480)</u>
<b>TOTAL ASSETS</b>	<u><u>2,180,899</u></u>	<u><u>2,015,286</u></u>	<u><u>165,613</u></u>
<b>LIABILITIES &amp; NET ASSETS</b>			
<b>Current Liabilities</b>			
Accounts Payable	23,595	18,859	4,737
Capital Lease Payable, current portion	5,735	5,053	682
Accrued Rent, current portion	30,229	25,679	4,550
Accrued Expenses	118,031	158,599	(40,569)
Deferred Revenues	39,752	51,064	(11,312)
<b>Total Current Liabilities</b>	<u>217,342</u>	<u>259,254</u>	<u>(41,912)</u>
<b>Other Liabilities</b>			
Capital Lease Payable, less current	11,353	18,784	(7,431)
Accrued Rent, less current	123,896	154,493	(30,597)
<b>Total Other Liabilities</b>	<u>135,248</u>	<u>173,277</u>	<u>(38,028)</u>
<b>Total Liabilities</b>	352,590	432,531	(79,940)
<b>Total Net Assets</b>	1,828,309	1,582,756	245,553
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u><u>2,180,899</u></u>	<u><u>2,015,286</u></u>	<u><u>165,613</u></u>

**Tampa Bay Economic Development Council**  
**Profit & Loss Budget vs. Actual**  
 October through December 2020

	<u>Oct - Dec 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Oct - Dec 19</u>	<u>\$ Change</u>
<b>Income</b>					
City & County Funding	247,000	247,000	(0)	247,000	(0)
Investor Funding	460,018	412,000	48,018	403,519	56,499
Other Income	162,896	187,300	(24,404)	240,251	(77,355)
<b>Total Income</b>	<u>869,914</u>	<u>846,300</u>	<u>23,614</u>	<u>890,770</u>	<u>(20,856)</u>
<b>Expense</b>					
Payroll Expenses	444,899	460,369	(15,470)	470,741	(25,843)
Program Expenses	84,984	158,948	(73,964)	256,911	(171,927)
Operations & Administration	100,304	106,591	(6,287)	116,901	(16,597)
<b>Total Expense</b>	<u>630,187</u>	<u>725,908</u>	<u>(95,721)</u>	<u>844,553</u>	<u>(214,366)</u>
<b>Net Income</b>	<u><b>239,727</b></u>	<u><b>120,392</b></u>	<u><b>119,335</b></u>	<u><b>46,217</b></u>	<u><b>193,510</b></u>

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**SEPTEMBER 30, 2020 AND 2019**

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
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SEPTEMBER 30, 2020 AND 2019**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Tampa Bay Economic Development Council

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Tampa Bay Economic Development Council (a nonprofit corporation), the "Company," which comprise the consolidated statements of financial position as of September 30, 2020 and 2019 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated 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 consolidated financial statements.

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

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of September 30, 2020 and 2019 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules on Pages 15 and 16 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2020, on our consideration of the Company's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Company's internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

*Warren Averett, LLC*

Tampa, Florida  
December 17, 2020

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2020 AND 2019**

<b>ASSETS</b>		
	<u><b>2020</b></u>	<u><b>2019</b></u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,638,551	\$ 1,667,592
Accounts receivable	128,855	173,500
Prepaid expenses	<u>117,150</u>	<u>111,588</u>
Total current assets	1,884,556	1,952,680
 <b>PROPERTY AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION</b>		
	<u>180,453</u>	<u>219,628</u>
	<u><u>\$ 2,065,009</u></u>	<u><u>\$ 2,172,308</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 27,441	\$ 81,791
Accrued expenses	169,341	217,396
Accrued rent, current portion	29,358	24,943
Capital leases payable, current portion	7,513	6,594
Deferred revenue	<u>99,317</u>	<u>124,800</u>
Total current liabilities	<u>332,970</u>	<u>455,524</u>
 <b>OTHER LIABILITIES</b>		
Capital leases payable, less current portion	11,352	18,783
Accrued rent, less current portion	<u>132,107</u>	<u>161,465</u>
Total other liabilities	<u>143,459</u>	<u>180,248</u>
 <b>NET ASSETS</b>		
Without donor restrictions	1,588,580	1,483,799
With donor restrictions	<u>-</u>	<u>52,737</u>
Total net assets	<u>1,588,580</u>	<u>1,536,536</u>
	<u><u>\$ 2,065,009</u></u>	<u><u>\$ 2,172,308</u></u>

See notes to the consolidated financial statements.



**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<b>2020</b>			<b>2019</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES</b>						
City and county funding	\$ 1,008,000	\$ -	\$ 1,008,000	\$ 1,038,000	\$ -	\$ 1,038,000
Grant revenue	-	-	-	164,046	-	164,046
Investor and in-kind contributions	2,134,582	-	2,134,582	2,409,728	-	2,409,728
Other income	291,041	-	291,041	311,280	-	311,280
Total revenues	3,433,623	-	3,433,623	3,923,054	-	3,923,054
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>						
Satisfaction of donor use restrictions	52,737	(52,737)	-	145,157	(145,157)	-
<b>TOTAL REVENUES</b>	3,486,360	(52,737)	3,433,623	4,068,211	(145,157)	3,923,054
<b>EXPENSES</b>						
Program services	2,068,601	-	2,068,601	2,489,405	-	2,489,405
Administration	1,153,699	-	1,153,699	1,158,835	-	1,158,835
Fundraising	159,279	-	159,279	168,074	-	168,074
Total expenses	3,381,579	-	3,381,579	3,816,314	-	3,816,314
<b>CHANGE IN NET ASSETS</b>	104,781	(52,737)	52,044	251,897	(145,157)	106,740
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,483,799	52,737	1,536,536	1,231,902	197,894	1,429,796
<b>NET ASSETS, END OF YEAR</b>	\$ 1,588,580	\$ -	\$ 1,588,580	\$ 1,483,799	\$ 52,737	\$ 1,536,536

See notes to the consolidated financial statements.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	2020				2019			
	Program Services	Administration	Fundraising	Total	Program Services	Administration	Fundraising	Total
<b>SALARIES AND RELATED EXPENSES</b>								
Salaries	\$ 972,867	\$ 576,059	\$ 112,014	\$ 1,660,940	\$ 993,534	\$ 550,290	\$ 110,162	\$ 1,653,986
Payroll taxes	61,707	30,389	8,934	101,030	61,153	25,900	8,516	95,569
Employee benefits	113,895	114,295	20,756	248,946	114,335	100,998	22,599	237,932
Total salaries and related expenses	<u>1,148,469</u>	<u>720,743</u>	<u>141,704</u>	<u>2,010,916</u>	<u>1,169,022</u>	<u>677,188</u>	<u>141,277</u>	<u>1,987,487</u>
<b>OPERATING EXPENSES</b>								
Advertising	475,104	678	7,644	483,426	573,694	316	7,592	581,602
Contract services	9,885	-	-	9,885	381,096	-	-	381,096
Depreciation and amortization	-	60,243	-	60,243	8,965	77,766	-	86,731
Dues and memberships	13,920	17,447	180	31,547	14,402	11,135	534	26,071
Events	163,569	-	4,272	167,841	109,644	-	8,922	118,566
Insurance	2,882	17,899	407	21,188	2,884	16,568	425	19,877
Meals and entertainment	10,446	3,111	461	14,018	44,772	7,288	3,837	55,897
Miscellaneous	44,048	11,425	-	55,473	13,433	17,849	168	31,450
Professional fees	80,701	85,882	360	166,943	940	93,503	828	95,271
Postage and supplies	371	5,976	44	6,391	388	8,174	279	8,841
Registration fees	6,442	2,788	107	9,337	19,484	2,646	180	22,310
Sponsorships	63,920	-	-	63,920	17,690	-	-	17,690
Tenancy	24,184	191,772	3,854	219,810	27,085	184,222	3,590	214,897
Travel	13,876	5,568	246	19,690	99,221	8,487	442	108,150
Website and technology support	10,784	30,167	-	40,951	6,685	53,693	-	60,378
Total operating expenses	<u>920,132</u>	<u>432,956</u>	<u>17,575</u>	<u>1,370,663</u>	<u>1,320,383</u>	<u>481,647</u>	<u>26,797</u>	<u>1,828,827</u>
<b>TOTAL FUNCTIONAL EXPENSES</b>	<u>\$ 2,068,601</u>	<u>\$ 1,153,699</u>	<u>\$ 159,279</u>	<u>\$ 3,381,579</u>	<u>\$ 2,489,405</u>	<u>\$ 1,158,835</u>	<u>\$ 168,074</u>	<u>\$ 3,816,314</u>

See notes to the consolidated financial statements.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 52,044	\$ 106,740
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	60,243	86,731
Decrease (increase) in:		
Accounts receivable	44,645	(60,100)
Prepaid expenses	(5,562)	32,772
(Decrease) increase in:		
Accounts payable	(54,350)	26,341
Accrued expenses	(48,055)	37,605
Deferred revenue	(25,483)	29,490
Accrued rent	(24,943)	(20,651)
Total adjustments	(53,505)	132,188
Net cash (used in) provided by operating activities	(1,461)	238,928
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(21,068)	(45,400)
Net cash used in investing activities	(21,068)	(45,400)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on capital lease obligations	(6,512)	(10,735)
Net cash used in financing activities	(6,512)	(10,735)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(29,041)	182,793
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	1,667,592	1,484,799
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 1,638,551	\$ 1,667,592
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION AND NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Cash paid during the year for interest	\$ 3,159	\$ 3,317

During the year ended September 30, 2019, the Company incurred \$11,700 of capital lease obligations to finance the acquisition of equipment.

See notes to the consolidated financial statements.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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## **1. DESCRIPTION OF BUSINESS**

Tampa Hillsborough Economic Development Corporation, Inc. (“THEDC”) d/b/a and hereinafter referred to as Tampa Bay Economic Development Council (“TBEDC”) is a non-profit corporation located in Tampa, Florida. The mission of TBEDC is to develop and sustain a thriving local economy by focusing on the attraction, expansion, and retention of high wage jobs and capital investment in Hillsborough County and the cities of Tampa, Temple Terrace, and Plant City.

Tampa Bay Economic Prosperity Foundation, Inc. (the “Foundation”) was established effective October 1, 2018 and is considered a direct support organization of TBEDC. Therefore, its operations have been consolidated with TBEDC.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of TBEDC and the Foundation (collectively referred to as the “Company”). All significant intercompany transactions and balances have been eliminated in consolidation.

### **Basis of Accounting**

The accompanying consolidated financial statements include the accounts of TBEDC and the Foundation and are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

The Company reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restriction: Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restriction: Net assets whose use is limited by donor-imposed time and/or purpose restrictions. There were no net assets with donor restrictions as of September 30, 2020. There were \$52,737 of net assets with donor restrictions as of September 30, 2019 that were restricted for expenditures relating to the Global Tampa Bay Program.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Company has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**Accounting Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the consolidated statements of cash flows, the Company considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Such amounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At times, amounts on deposit with financial institutions may exceed federally insured limits.

**Accounts Receivable**

Accounts receivable consist primarily of government contracts receivable. Management deems these balances to be fully collectible. Accordingly, no allowance for doubtful accounts was considered necessary at September 30, 2020 and 2019.

**Property and Equipment**

Property and equipment are stated at cost. Depreciation expense is calculated using the straight-line method over the estimated useful lives of the respective assets, generally 2 to 10 years. Leasehold improvements are amortized over the shorter of the estimated useful life or the remaining lease term. Additions, betterments, and renewals exceeding \$1,000 and with an estimated useful life of over one year are capitalized. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in the consolidated statements of activities as an increase or decrease in net assets.

The Company investigates potential impairment of its property and equipment whenever evidence exists that events or changes in circumstances may have made recovery of an asset's carrying value unlikely. If such evidence exists, assets are considered to be impaired when the sum of the expected undiscounted future net cash flows is less than the carrying amount of the asset. Any related impairment loss is calculated based upon comparison of the fair value to the carrying value of the asset. No such impairment existed during the years ended September 30, 2020 and 2019.

**Revenue Recognition**

*Grants and Contributions*

The Company receives grants and contributions (including city and county funding) to assist in carrying out its programs primarily from state and local governments. Unconditional grants and contributions are recognized as revenues in the period received or promised. Conditional grants and contributions are not recognized as revenues until the conditions on which they depend are substantially met. The Company has adopted a policy whereby all grants and contributions are recorded as without donor restrictions if the restriction expires in the same reporting period that the grant is received.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

*Investor Contributions*

The Company also generates revenue through investor contributions. Investor contributions are comprised of an exchange element based on the value of investor benefits provided, and a contribution element for the difference between the total amount paid and the exchange element. The exchange portion of investor benefits relate to event tickets and mission trips and is accounted for in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers (ASC 606). The core principle of ASC 606 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to receive in exchange for those goods or services. To achieve this core principle, five basic criteria must be met before revenue can be recognized: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to performance obligations in the contract; and (5) recognize revenue when or as the Company satisfies a performance obligation.

The Company allocates revenue to event tickets and mission trips based on the standalone selling prices of the respective items. The revenue is then recognized at the point in time when the event or mission trip takes place, or upon the expiration of such benefit, which is generally one year after the contribution was made. There are no variable consideration amounts and no significant financing components associated with event tickets and mission trips.

The contribution element of investor contributions is accounted for in accordance with the guidance for grants and contributions as noted above.

*Events and Sponsorships*

Event and sponsorship revenue is recognized in accordance with ASC 606 at the point in time when the event or the related sponsorship takes place. There are no variable consideration amounts and no significant financing components associated with events and sponsorships. The Company considers events and sponsorships to be ongoing major activities; therefore, the gross revenue is reported on the consolidated statements of activities. Expenses related to the events and sponsorships are reported on the consolidated statements of functional expenses according to the program or supporting service benefitted.

**Deferred Revenue**

Certain contributions to the Company include donor benefits related to future events. The value of these benefits is initially recorded as deferred revenue and is recognized as revenue when the associated events take place.

**In-Kind and Non-Cash Contributions**

In-kind donation items used by the Company are recorded as contributions and expenses to the extent that an objective basis is available to measure the value of such items.

Contributed services are recorded as contributions and expenses at their fair value to the extent they create or enhance non-financial assets or require specialized skills, are provided by individuals or organizations possessing these skills, and would typically need to be purchased if not provided

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

by donations. Contributed services totaling approximately \$457,000 and \$444,000 are included in revenues and expenses in the accompanying consolidated statements of activities for the years ended September 30, 2020 and 2019, respectively. For both fiscal years, these contributed services related primarily to consulting services recognized as program expenses in the accompanying consolidated financial statements. A substantial number of volunteers have donated significant amounts of their time and resources toward the objective of the Company. However, no amounts are recorded in the accompanying consolidated financial statements for such non-specialist services.

**Income Taxes**

TBEDC is incorporated as a non-profit corporation and is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code (IRC). The Foundation is incorporated as a non-profit corporation and is exempt from federal income taxes under Section 501(c)(3) of the IRC. The Company has income tax matters that may arise from ongoing operations from time to time, and management makes accruals for those matters where appropriate.

The Company is not aware of any activities that would jeopardize its tax-exempt status or of any tax positions taken that are subject to a significant degree of uncertainty.

**Functional Allocation of Expenses**

The cost of providing program services, administration, and fundraising costs has been summarized on a functional basis in the accompanying consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and amortization and occupancy, which are allocated on a square footage basis.

**Advertising**

The Company expenses advertising costs as incurred. Advertising costs were approximately \$483,000 and \$582,000 for the years ended September 30, 2020 and 2019, respectively.

**Related Party Transactions**

The Company paid approximately \$139,000 and \$135,000 of expenses during the years ended September 30, 2020 and 2019, respectively, to organizations affiliated with certain members of the Board of Directors. The Company also has in-kind contribution revenue and expenses of approximately \$447,000 and \$433,000 during the years ended September 30, 2020 and 2019, respectively, from organizations affiliated with certain members of the Board of Directors.

**Impact of Recently Issued Accounting Pronouncements**

During the year ended September 30, 2020, the Company adopted FASB Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU No. 2018-08 requires that unconditional contributions (those that do not include a measurable performance-related or other

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

barrier, or those in which the Company has limited discretion over how the contribution should be spent) are recognized as revenues in the period received and are reported as increases in the appropriate categories of net assets in accordance with donor restrictions. Expirations of donor-imposed restrictions on net assets (i.e., the donor-stipulated purposes have been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. Contributions that include a measurable barrier or those for which the Company has limited discretion over how the contributions should be spent are recorded as conditional contributions. Conditional contributions are not recognized until they have become unconditional; that is, when the condition surrounding the indications of the barrier have been met. The adoption of ASU No. 2018-08 did not have a material impact on the Company's financial statements.

During the year ended September 30, 2020, the Company adopted FASB ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* using the modified retrospective method. This guidance provides a five-step process to determine when and how revenue is recognized. The core principle of the guidance is that an entity should recognize revenue upon transfer of promised goods or services to customers in an amount that reflects the expected consideration to be received in exchange for those goods or services. This update also results in enhanced disclosures about revenue, providing guidance for multiple-element arrangements. The adoption of ASU No. 2014-09 did not have a material impact on the Company's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. Under ASU No. 2016-02, an entity will be required to recognize right-of-use assets and lease liabilities on its balance sheet and disclose key information about leasing arrangements. ASU No. 2016-02 offers specific accounting guidance for a lessee, a lessor, and sale and leaseback transactions. Lessees and lessors are required to disclose qualitative and quantitative information about leasing arrangements to enable a user of the consolidated financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. As amended, ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2021, including interim periods within that reporting period, and requires a modified retrospective adoption, with early adoption permitted. The Company is currently in the process of evaluating the impact of adoption of this ASU on its consolidated financial statements.

**3. LIQUIDITY AND AVAILABILITY**

At September 30, 2020 and 2019, the Company has the following amounts available to cover general expenditures:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 1,638,551	\$ 1,667,592
Receivables	128,855	173,500
	<u>1,767,406</u>	<u>1,841,092</u>
Less donor restricted net assets	-	(52,737)
	<u>\$ 1,767,406</u>	<u>\$ 1,788,355</u>



**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**3. LIQUIDITY AND AVAILABILITY – CONTINUED**

The Company receives significant funding from multiple sources, at times restricted by donors, and considers funds that are designated for activities related to ongoing, major, and central operations to be available to meet cash needs for general expenditures.

The Company manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Company has a standard operating procedure to maintain current financial assets less current liabilities at a minimum of six months of expenditures. The Company forecasts its future cash flows and monitors its liquidity and reserves monthly. During the years ended September 30, 2020 and 2019, the level of liquidity and reserves was managed within these requirements.

**4. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	<u>2020</u>	<u>2019</u>
Leasehold improvements	\$ 259,876	\$ 245,917
Furniture, equipment, and computer software	<u>249,560</u>	<u>242,451</u>
	509,436	488,368
Less accumulated depreciation and amortization	<u>(328,983)</u>	<u>(268,740)</u>
	<u>\$ 180,453</u>	<u>\$ 219,628</u>

Depreciation and amortization expense for the years ended September 30, 2020 and 2019 amounted to approximately \$60,000 and \$87,000, respectively.

**5. EMPLOYEE BENEFIT PLAN**

The Company's employees participate in a defined contribution 401(k) plan that provides benefits to all participating full-time employees who have reached the age of 21 years and have completed one year of service. The Company's contributions to the plan are equal to 100% of participant contributions to the plan up to 5% of their annual salary, plus a discretionary profit-sharing contribution not to exceed 5% of the annual salary of each participant. The Company's contributions to the plan totaled approximately \$62,000 and \$59,000 for the years ended September 30, 2020 and 2019, respectively.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**6. LINE OF CREDIT**

The Company has an unsecured line of credit with a financial institution with maximum funds available for borrowing of \$600,000 with a variable interest rate indexed at the prime rate (3.25% at September 30, 2020) and due on demand. The line was not used in 2020 or 2019; and there were no outstanding balances on the line at September 30, 2020 and 2019.

**7. CAPITAL LEASES PAYABLE**

The Company is obligated under capital leases for a telephone system and copiers. The leases require monthly payments totaling approximately \$800, including interest. The leases are secured by the telephone system and copiers. The value of assets recorded under capital leases totaled approximately \$35,000 for both years September 30, 2020 and 2019. Associated accumulated depreciation at September 30, 2020 and 2019 was approximately \$12,000 and \$7,000, respectively.

Future minimum lease payments required under these capital leases consist of the following:

<u>Year Ending September 30,</u>	
2021	\$ 9,671
2022	8,050
2023	3,186
2024	<u>1,593</u>
Total	22,500
Less amount representing interest	<u>(3,635)</u>
Obligations under capital leases	18,865
Less current obligations	<u>(7,513)</u>
	<u><u>\$ 11,352</u></u>

**8. GOVERNMENT CONTRACTS**

The Company received funding (representing 29% and 26% of revenues during the years ended September 30, 2020 and 2019, respectively) from contracts with Hillsborough County, Florida and the City of Tampa, Florida to provide economic development services to the county and city. Amounts due from Hillsborough County amounted to 88% and 94% of total accounts receivable outstanding at September 30, 2020 and 2019, respectively.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019**

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**9. COMMITMENTS AND CONTINGENCIES**

**Lease Commitments**

The Company leases office space under an operating lease. The term of the lease is 10.5 years, with increasing monthly payments on April 1<sup>st</sup> of each year. Rent expense is recognized on a straight-line basis, which results in a timing difference between rent paid and rent expense recognized. The difference between rent paid and rent expense recognized is recorded as accrued rent expense. Accrued rent expense totaled approximately \$161,000 and \$186,000 as of September 30, 2020 and 2019, respectively. Rent expense recognized was approximately \$136,000 for each of the years ended September 30, 2020 and 2019.

Future minimum lease payments due under this non-cancelable lease consist of the following:

<b><u>Year Ending September 30,</u></b>	
2021	\$ 164,599
2022	169,108
2023	173,735
2024	<u>194,987</u>
	<u><u>\$ 702,429</u></u>

**Contract Conditions**

Various county and city contracts require the fulfillment of certain conditions as set forth in the originating contracts. Failure to fulfill the conditions could result in the return of funds related to such contracts. Although this is a possibility, management deems the contingency remote due to both the nature of the contracts and current conditions. Additionally, the availability of funding under these contracts is subject to change with little or no advance notice.

**10. OPERATIONAL MATTERS**

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The spread of COVID-19, a novel strain of coronavirus, appears to be altering the behavior of business and people in a manner that is having negative effects on local, regional, and global economies. As a result, operations of the TBEDC quickly pivoted to a completely remote working environment that lasted for ten weeks, and continues, as of the date of this issuance of these financial statements, in a partially remote environment. The inability to travel domestically and internationally lowered revenues and expenses for the Tampa Bay Economic Development Council during the fiscal year. Additionally, several private investors faced economic hardships which resulted in suspension of their support for the TBEDC until economic conditions normalize.

**11. SUBSEQUENT EVENTS**

The Company has evaluated events and transactions through December 17, 2020, the date on which the consolidated financial statements were available to be issued.

## **SUPPLEMENTARY INFORMATION**

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
SEPTEMBER 30, 2020**

	<b>Tampa Bay Economic Development Council</b>	<b>Tampa Bay Economic Prosperity Foundation, Inc.</b>	<b>Eliminations</b>	<b>Total</b>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,638,546	\$ 5	\$ -	\$ 1,638,551
Accounts receivable	128,855	-	-	128,855
Prepaid expenses	117,150	-	-	117,150
Total current assets	<u>1,884,551</u>	<u>5</u>	<u>-</u>	<u>1,884,556</u>
<b>PROPERTY AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION</b>	<u>180,453</u>	<u>-</u>	<u>-</u>	<u>180,453</u>
	<u><u>\$ 2,065,004</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,065,009</u></u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 27,441	\$ -	\$ -	\$ 27,441
Accrued expenses	169,341	-	-	169,341
Accrued rent, current portion	29,358	-	-	29,358
Capital leases payable, current portion	7,513	-	-	7,513
Deferred revenue	99,317	-	-	99,317
Total current liabilities	<u>332,970</u>	<u>-</u>	<u>-</u>	<u>332,970</u>
<b>OTHER LIABILITIES</b>				
Capital leases payable, less current portion	11,352	-	-	11,352
Accrued rent, less current portion	132,107	-	-	132,107
Total other liabilities	<u>143,459</u>	<u>-</u>	<u>-</u>	<u>143,459</u>
<b>NET ASSETS</b>				
Without donor restrictions	1,588,575	5	-	1,588,580
With donor restrictions	-	-	-	-
Total net assets	<u>1,588,575</u>	<u>5</u>	<u>-</u>	<u>1,588,580</u>
	<u><u>\$ 2,065,004</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,065,009</u></u>

See independent auditors' report.

**TAMPA BAY ECONOMIC DEVELOPMENT COUNCIL  
CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Tampa Bay Economic Development Council</b>	<b>Tampa Bay Economic Prosperity Foundation, Inc.</b>	<b>Eliminations</b>	<b>Total</b>
<b>REVENUES</b>				
City and county funding	\$ 1,008,000	\$ -	\$ -	\$ 1,008,000
Investor and in-kind contributions	2,134,282	10,300	(10,000)	2,134,582
Other income	291,041	-	-	291,041
Total revenues	<u>3,433,323</u>	<u>10,300</u>	<u>(10,000)</u>	<u>3,433,623</u>
<b>EXPENSES</b>				
Program services	2,068,601	10,000	(10,000)	2,068,601
Administration	1,153,399	300	-	1,153,699
Fundraising	159,279	-	-	159,279
Total expenses	<u>3,381,279</u>	<u>10,300</u>	<u>(10,000)</u>	<u>3,381,579</u>
<b>CHANGE IN NET ASSETS</b>	52,044	-	-	52,044
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>1,536,531</u>	<u>5</u>	<u>-</u>	<u>1,536,536</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 1,588,575</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 1,588,580</u>

See independent auditors' report.

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

To the Board of Directors  
Tampa Bay Economic Development Council

We have audited, in accordance with the 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 consolidated financial statements of Tampa Bay Economic Development Council (the "Company"), which comprise the statement of consolidated financial position as of September 30, 2020 and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 17, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the consolidated financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company'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 consolidated 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 Company's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 Company'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 Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Warren Averett, LLC". The signature is written in a cursive, flowing style.

Tampa, Florida  
December 17, 2020





To: Board of Directors  
From: David Boyd  
Date: January 19, 2021  
RE: Investor Relations & Development Update as of December 31, 2020

## I. Revenue

- **FY2021 metrics (as of December 31, 2020):**
  - Total Investor Revenue: \$444,500 (Goal = \$1,850,000; 24%)
    - Renewing Investors: \$424,500 (Goal = \$1,647,000; 26%)
    - New Investors & Upgrades: \$20,000 (Goal = \$203,000; 10%)
  - Sponsorships & Events: \$68,944 (Goal = \$129,500; 53%)
  - Grants: \$30,000 (Goal = \$100,000; 30%)
- **Paid New Investors (2):** CDW Corp., Lewis, Longman & Walker, P.A. (LLW)  
*(President's Council)*
  - **New Investors Committed & Invoiced (1):** Charter Communications  
*(President's Council)*
- **Grants:** \$30,000 Community Foundation of Tampa Bay (Hillsborough County CARES Act Funding grant)
- **Attrition (1 Lost, 1 Downgraded):** \$30,000 (Lost: Stonehill Innovation; Downgraded: The University of Tampa)
  - Estimated current # of at-risk Investors: 3
  - Total \$ amount at risk: \$30,000
- **Accounts Receivable:** \$578,583
- **Current Prospects:** A-LIGN, Brown & Brown, Caspers Company, Centene, City National Bank, CliftonLarsonAllen, Gilbane, Goldman Sachs, Goodwyn Mills Cawood, Plenary Group, SCP & Co., Van Trust

## II. Investor Relations Committee

- Focusing on industries and companies that have been doing well during the pandemic and economic downturn
- Outreach to grow the committee in second quarter
- *Board Members – who do you know who should be an EDC Investor? Please consider making an introduction!*

## III. Investor Events

- **Ed Talks!**
  - February 10<sup>th</sup>, 8:30 – 10:00 a.m. (*via Zoom*)
  - Topic: Transformative Placemaking and the Post-Pandemic Economy
  - Featuring Special Guest Speaker: Jennifer Vey, Senior Fellow, Metropolitan Policy Program, and Director, Anne T. and Robert M. Bass Center for Transformative Placemaking, Brookings Institute
  - Sponsorship(s) available!
- **Meet the Projects**
  - Proposed for April and August 2021

## INVESTOR RELATIONS & DEVELOPMENT REPORT

*As of December 31, 2020*

### FY2020 INVESTOR REVENUE (YTD 12/31/20)

Total Investor Revenue Goal:	\$ 1,850,000
Total Investor Revenue Actual/Paid:	\$ 444,500
<b>To Goal:</b>	<b>\$ 1,405,500</b>

### NEW INVESTORS & UPGRADES (YTD 12/31/20)

Total New Investors & Upgrades Goal:	\$ 203,000
Total New Investors & Upgrades Actual/Paid:	\$ 20,000
Total New/Upgrades Committed & Invoiced*:	\$ 5,000
<b>To Goal:</b>	<b>\$ 183,000</b>

### NEW INVESTORS (YTD 12/31/20)

- Circle of Champions (0)
- Chairman's Council (0)
- President's Council (2): CDW Corp.; Lewis, Longman & Walker, P.A. (LLW)
- Gazelle (0)

\*New Investors Committed & Invoiced (1): Charter Communications (\$5,000 + In-Kind)

### SPONSORSHIP & EVENT REVENUE (YTD 12/31/20)

Total Sponsorship Goal:	\$ 129,500
Total Sponsorship Actual/Paid:	\$ 68,944
<b>To Goal:</b>	<b>\$ 60,556</b>

### GRANT REVENUE (YTD 12/31/20)

Total Grant Revenue Goal:	\$ 100,000
Total Grant Revenue Actual/Paid*:	\$ 30,000
<b>To Goal:</b>	<b>\$ 70,000</b>

\*Community Foundation of Tampa Bay  
(Hillsborough County CARES Act Funding grant)

### RENEWING INVESTORS (YTD 12/31/20)

Total Renewal Goal:	\$ 1,647,000
Total Renewal Actual/Paid:	\$ 424,500
<b>To Goal:</b>	<b>\$ 1,222,500</b>

### ATTRITION (YTD 12/31/20)

Total Attrition (\$ amount YTD) =	\$ 30,000
Lost (\$ amount YTD) =	\$ 5,000
Downgraded (\$ amount YTD) =	\$ 25,000

Actual Lost (1): Stonehill Innovation

Actual Downgrade (1): The University of Tampa

### AT RISK (YTD 12/31/20)

Estimated current number of at-risk Investors: 3

Total \$ Amount at risk: \$30,000

### UPGRADES (YTD 12/31/20)

- Circle of Champions (0)
- Chairman's Council (0)
- President's Council (0)

### ACCOUNTS RECEIVABLE (YTD 12/31/20)

• Current:	\$ 503,583
• 1-30 Days:	\$ 20,000
• 31-60 Days:	\$ 40,000
• 61-90 Days:	\$ 15,000
• 91 Days+:	\$ 0
• <b>Total A/R:</b>	<b>\$ 578,583</b>



To: Board of Directors

From: Steve Morey

Date: January 26, 2021

RE: Business Development Update

### **FY' 21 First Quarter Review**

In the first quarter, the EDC generated 22 new prospects. 45% of these new leads came from our state partner Enterprise Florida, 27% came direct to the EDC from the company, and 18% from site selection consultants. Of the prospects received in the 1<sup>st</sup> Quarter, one has announced (OPSWAT), 2 have been cancelled, and 1 has advanced to the project stage. The remaining 18 are classified as suspects as we attempt to qualify number of jobs, average wage and capital investment. 19 of these 22 prospects are recruitment, with only 3 being existing Tampa Bay companies. The new prospects cover a wide range of industries including 2 headquarters projects, 1 Defense and Security, 3 Financial and Professional Services, 5 information technology, 2 life sciences, and 9 manufacturing.

### **Business Recruitment**

We currently have 13 recruitment prospects in the qualified lead and project stages. Several of these projects have already made the Tampa decision and we are working on public announcements with corporate decision makers. The EDC announced the recruitment of OPSWAT's headquarters to Tampa early this month. OPSWAT is a cybersecurity company relocating from California. The project will bring 100 new jobs averaging over \$100k in average wage and at least \$4 million in new investment.

### **Business Retention & Expansion**

There are 10 business retention & expansion projects with existing Tampa Bay businesses currently in the project or qualified lead stage. The EDC completed 18 business visits in the 1<sup>st</sup> Quarter of 2021 and has added 4 more since then for a total of 22. The EDC will add a new team member this quarter which will increase these outreach figures.

### **International Update:**

The international department will continue to promote virtual export matchmaking programs from the Commercial Service and Enterprise Florida through international consultations. In addition to meetings, Global Tampa Bay will expand its webinar series to promote the virtual export programs and increase resource sign ups. A tentative Global Tampa Bay Trade Mission to the UK in September 2021 will encourage bilateral trade for the tech sectors in both London and Tampa.

Our regional partnership has been collaborating on several foreign-owned leads from direct contacts and a SelectUSA Brazil presentation, producing 2 active suspects in the pipeline. Filming for foreign-owned testimonial videos will begin at the end of the month, starting at Metrohm USA in Riverview (Swiss-owned). Global Tampa Bay is still in discussion to increase recruitment to both international and domestic companies.

### **Upcoming International Events:**

- Enterprise Florida Virtual Trade Show (March 16-18)
- SelectUSA Trade Show & Conference, virtual (June 6-9)



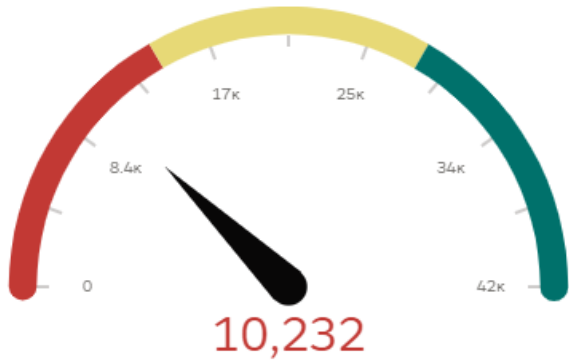
## **BOARD OF DIRECTORS MEETING**

**October 1, 2020 – December 31, 2020**

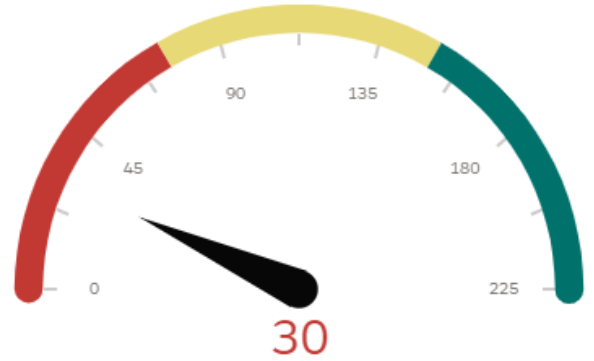
# STRATEGIC GOAL #1 BUSINESS DEVELOPMENT

## Marketing and Communications Campaign

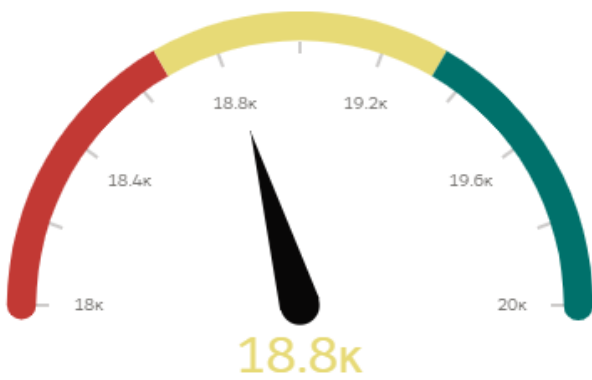
FY TBEDC Website Users Total



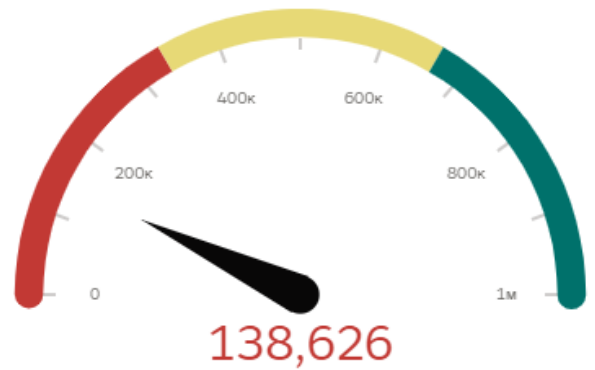
FY - PR Articles Total



FY TBEDC Social Media Total Followers



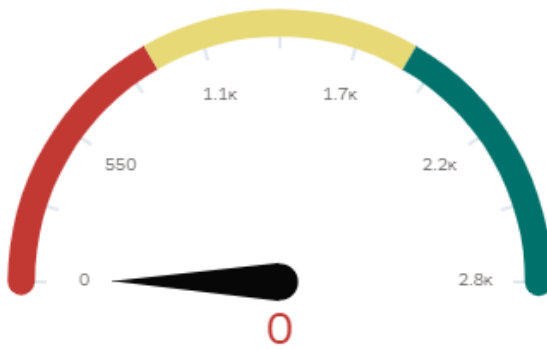
FY TBEDC Social Media Total Impressions



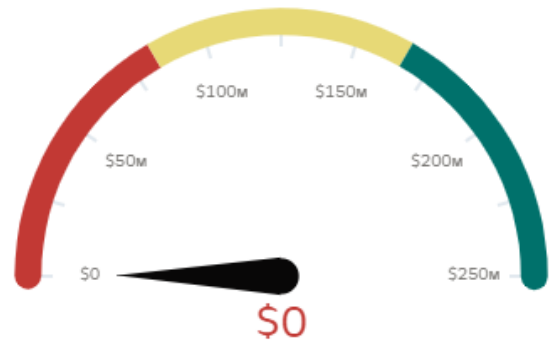
# STRATEGIC GOAL #1 BUSINESS DEVELOPMENT

## Total Jobs and Capital Investment

FY Announced Jobs

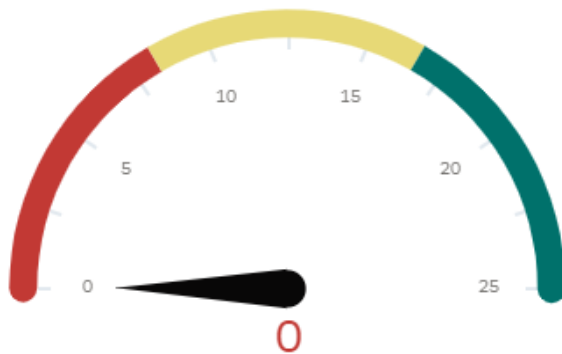


FY Capital Investment

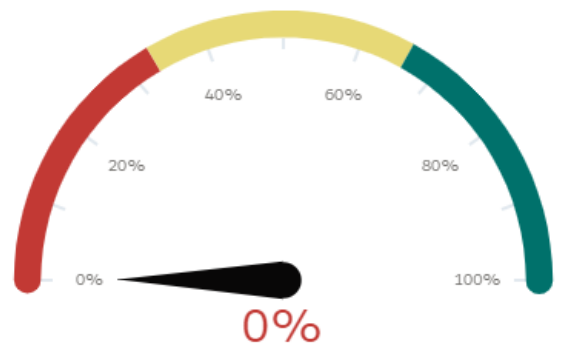


## Total Closed Projects and Average Wage

FY Closed Projects



FY Average Wage

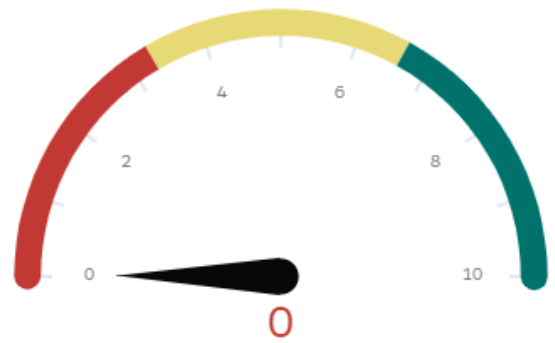


## Global Tampa Bay

FY Announced FDI Projects



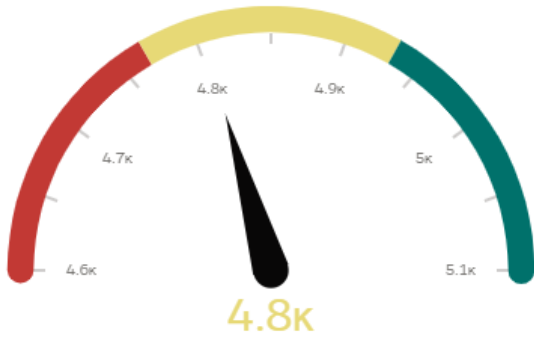
FY Matchmaking/Trade Mission Participation



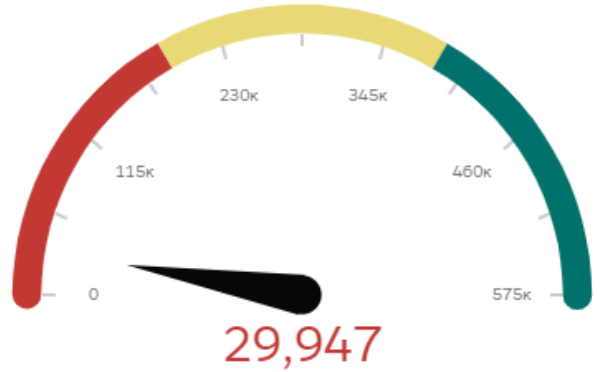
# STRATEGIC GOAL #2 TALENT ATTRACTION

## Make It Tampa Bay Campaign

FY MITB Social Media Followers



FY MITB Social Media Impressions



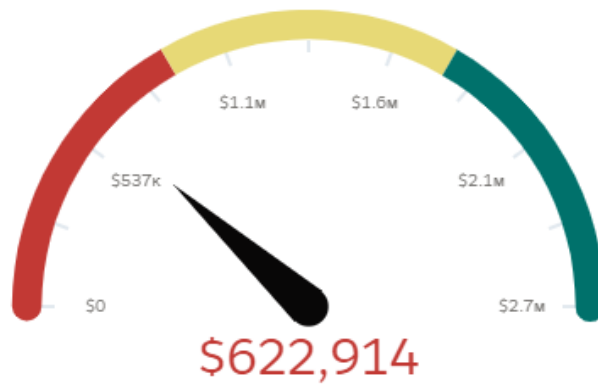


# STRATEGIC GOAL #3 PLACEMAKING

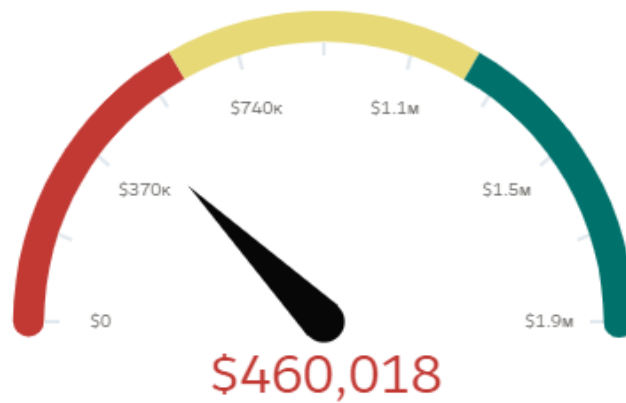
**\*Programs and metrics to be  
launched in Q2 FY2021**

# TAMPA BAY EDC REVENUE GOALS

FY - Total Private Funding

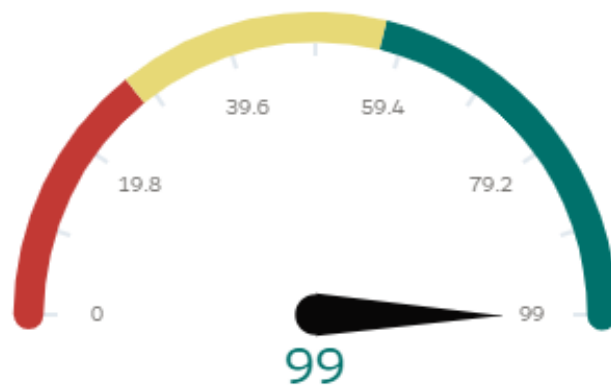


FY Investor Membership Revenue



FY Investor Retention

Investors at beginning of FY: 100





To: Board of Directors

From: Michelle Bauer

Date: January 21, 2021

RE: Marketing Department Update

**I. Marketing and Communications**

• **FY2020 metrics (as of December 31, 2020):**

- Web site visits: 10,232 (Goal = 42,000; 24%)
- Media placements: 30 (Goal = 250; 12%)
- Social media followers: 18,820 (FB, LI, Twitter, IG – Goal = 20,000; 94%)
- Social Media Impressions: 138,626 (Goal = 1,000,000; 14%)

• **Local media story examples**

- *TBBJ Interview: Tampa Bay EDC Chair Jim Weiss takes on the role at a pivotal time for Tampa Bay growth*, Tampa Bay Business Journal, 12/18/2020
- *21 predictions for 2021 from Tampa Bay's business and community leaders*, Tampa Bay Times, 1/3/2021
- *San Francisco cyber company established Tampa HQ*, Tampa Bay Business Journal, 1/4/2021
- *The newest HQ move tops off a massive year for cybersecurity in Tampa Bay*, Tampa Bay Business Journal, 1/5/2021
- *Cybersecurity firm OPSWAT moving headquarters to Tampa*, Tampa Bay Times, 1/7/2021
- *Large Silicon Valley tech firm moves headquarters to region*, Business Observer, 1/15/2021

• **Email communications**

- Distributed EDC's November and December newsletters – 20% open rate
- Distributed November, December and January Tampa Bay Market Snapshots – 19% open rate

• **Press releases**

- *Fast-growing cybersecurity company OPSWAT relocates corporate headquarters to Tampa*, 1/4/21

## **II. Marketing Committee**

- Marketing committee met on November 17, 2020 and January 21, 2021
- Next meeting is March 23, 2021

## **III. THEDC website**

- Launched new Fintech and cybersecurity webpages to highlight strategic growth areas. Health tech is the next area of focus.
- Added a page to the market intelligence section for story maps.

## **IV. Hosted economic development bootcamp for elected officials**

- Over 40 Hillsborough County legislators, county commissioners, Tampa city councilmen and their aides attended
- Boot camp presented
  - An overview of the current state of economic development in our state
  - Discussed job creation tools and what they mean for Florida's competitiveness
  - shared critical success factors for helping those who've lost their jobs find new employment, generating more inclusive prosperity, and diversifying our economy.
- Featured Craig J. Richard, Tampa Bay EDC President & CEO; Ron Christaldi, Shumaker Advisors President & CEO and Tampa Bay EDC General Counsel; Lindsey Kimball, Director, Hillsborough County Economic Development; Rob Rosner, City of Tampa Director of Economic Opportunity; John Boyd of The Boyd Company and Jeff Wood, CFO of Advanced Airfoil Components
- Program was well-received and Councilman John Dingfelder and Rep. Andrew Learned indicated they would be willing to support our efforts to restore QTI in the upcoming session.

## **V. Collateral**

- Updating and redesigning target industry overviews.

## **VI. Research**

- November 2020 Workforce Report
- November 2020 Industry Report
- November 2020 Competitive MSA YOY Industry Report
- Fintech Industry Story Map
- November Market Snapshot Stats
- December Market Snapshot Stats
- Q22 2020 Industry Overview Data Stats
- FY2020 Economic Impact
- Hillsborough County Poverty and Education Attainment

**Tampa Bay Economic Development Council  
Monthly Metrics Report  
FY 2021**

**Strategic Goal #1: Business Development**

**A. Marketing & Communications Campaigns**

	YTD as of Dec 31	Annual Goal	% of Annual Goal
Web Visits	10,232	42,000	24%
Social Media - total followers (FB,IG, Twitter,LI)	18,820	20,000	94%
Media Placements	30	250	12%
Social Media Impressions	138,626	1,000,000	14%

**B. Business Development Goals**

	YTD as of Dec 31	Annual Goal	% of Annual Goal
Jobs	0	2,750	0%
Capital Investment	\$0	\$250,000,000	0%
Closed Projects	0	25	0%
Average Wage	0%	100%	0%

**C. International Business Development Goals**

	YTD as of Dec 31	Annual Goal	% of Annual Goal
Matchmaking/Trade Mission Participation	0	10	0%
FDI Projects announced	0	3	0%

**Strategic Goal #2: Talent Attraction**

**A. Talent Attraction and Retention - Make it Tampa Bay Campaign**

	YTD as of Dec 31	Annual Goal	% of Annual Goal
MITB Social Media Impressions	29,947	575,000	1%
MITB Social Media Followers	4,804	5,100	93%

**Strategic Goal #3: Placemaking**

<b>Opportunity Zones</b>			
<i>Opportunity Zone leads</i>			
<i>Opportunity Zone Projects</i>			
<i>Community Engagement /Events</i>			

*\*Programs and metrics to be launched in Q2 FY2021*

**Tampa Bay EDC Revenue Goals**

**Metrics**

	YTD as of Dec 31	Annual Goal	% of Annual Goal
<b>Total Private Funding</b>	\$622,914	\$2,686,900	23%
Investor Membership Revenue	\$460,018	\$1,850,000	25%
Investor Retention	99%	85%	116%



ECONOMIC  
DEVELOPMENT  
COUNCIL

**Media Highlights  
December 2020 -  
January 2021**

For a complete listing, please visit:  
[tampabayedc.com/news-multimedia/](http://tampabayedc.com/news-multimedia/)

**FOR THE EXCLUSIVE USE OF LFONTANILLS@TAMPAEDC.COM**

From the Tampa Bay Business Journal:

<https://www.bizjournals.com/tampabay/news/2020/12/18/tbbj-interview-jim-weiss.html>

TBBJ Interview

## **TBBJ Interview: Tampa Bay EDC Chair Jim Weiss takes on the role at a pivotal time for Tampa Bay business growth**

Dec 18, 2020, 6:00am EST

Jim Weiss moved to the Tampa Bay area from St. Louis about 10 years ago. The credit risk executive for Fifth Third Bank was active in economic development in St. Louis and wanted to continue that effort in his new home base. He has a certification in economic development from St. Louis University and says it's something he's always been passionate about.

Now, he's the Tampa Bay Economic Development Council chair, and here he talks about taking on the role and what he sees ahead for the local business community in 2021.

**Did you have to throw your hat in the ring or were you chosen?** The way we do things at the EDC is it's kind of an evolutionary process. You start out your first year on the executive committee as secretary/treasurer and generally the next year you become vice chair, and the third year in that cycle you move into the chair



JAMES OSTRAND

Jim Weiss, Credit risk executive,  
Fifth Third Bank.

role. If you want to be in a leadership role here, it's a multiyear commitment and it works really well for us because it does a number of things. It gives you the opportunity to be involved long enough to be engaged and make a difference. It helps the staff and leadership have some continuity — you're not just picking a random chair and they steer the boat in a different direction.

**What are your thoughts about being named chair during a pandemic?** It's a challenging and an exciting time.

So often, the EDCs — whether it's Tampa Bay or any of the economic development organizations around the region — get tapped, and people think their primary focus is attracting new businesses into the community. That's certainly an important part and a key mission is for us — to attract high-paying jobs to the Tampa Bay region.

But what we do is so much more than that. For example, in the middle of the pandemic, the Tampa Bay EDC partnered with [Visit Tampa Bay](#) and the chamber to develop a back to business toolkit for Hillsborough County businesses, in conjunction with the county and city of Tampa. It's really a road map for businesses to get back open and get on their feet. Beyond that, we also work with the businesses in our community to help them access the same resources that a company coming in new to the community would try to access to help them grow, create new jobs and invest in our community.

**If you could name three keys to economic development in Tampa Bay, what would they be?** Three keys would be competitiveness, place-making and talent development.

**What should local businesses focus on right now?** They have to be focused on safety for their employees and their customers, and for the community. For all of us, that has to be our first and foremost priority — to keep each other safe. Beyond that is looking at how you get back to business in that safe and new environment that we're going to be living in for a while.

Beyond safety, the second most important is continuing to grow businesses in the community so we can develop high-paying jobs.



**Look ahead six months from now — where are we?** Six months down the road, certainly into Q3 of 2021, we're going to be in a place where the vaccine is giving us some relief from Covid and we can be back to a more semblance of normalcy. With that said, it's a new normal. We're finding that in my role at the bank. This pandemic has forced companies to look at being more efficient and more effective in the utilization of their resources — both physical and employees. It's going to become more critical from the EDC's perspective that we continue to attract new businesses and grow the existing businesses so we can replace jobs that were lost during the pandemic, from businesses that were closed and unable to survive.

The other thing that's critical here is we need to see investment across our entire region; investments in neighborhoods that have been underserved. It's been a challenging year, not only through the pandemic but for social unrest. If we've learned anything, it's opened our eyes at the EDC and made us more aware that we've got to help assure that the prosperity we've experienced is experienced equally across Tampa Bay.

### **Lightning round**

Cable or streaming? Cable  
Beach or mountains? Beach  
Cake or pie? Cake  
Books or audiobooks? Books

### **Closer look**

Title, company: Credit risk executive, Fifth Third Bank  
Education: BA in mathematics and certificate in economic development from Saint Louis University  
First paid job: Bakery clerk  
Favorite book: "Catcher in the Rye"  
Favorite music: Country  
Family life: "Married my high school sweetheart (Linda) and have three kids Tony (USF graduate in finance and works for Fifth Third Bank), Kayla (USF Graduate in Psychology and currently med school student at USF Morsani School of Medicine) and Madison (senior at USF in marine biology)."

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From the Tampa Bay Business Journal:

<https://www.bizjournals.com/tampabay/news/2021/01/05/tampa-bay-had-a-massive-year-for-cybersecurity.html>

# The newest HQ move tops off a massive year for cybersecurity in Tampa Bay

Jan 5, 2021, 7:21am EST

The announcement this week that a San Francisco cybersecurity firm will establish its East Coast headquarters in Tampa tops off some of 2020's biggest stories in cybersecurity in Tampa Bay, including multimillion-dollar fundings, acquisitions and expansions.

The industry, which has been growing for years, has settled into its own in the last year.

"The EDC has always worked hard to make sure we're not a best-kept secret in some of these sectors," said Craig Richard, president of the Tampa Bay Economic Development Council. "Technology is one of the sectors we've identified, particularly cybersecurity, that we believe we can be very competitive in the area."

The region ushered in growth for cybersecurity companies that have become full-fledged giants the last few years. In 2020 alone, Clearwater-based KnowBe4 expanded to its 10th office and is still rumored to have plans to go public. Tampa-based ReliaQuest raised the largest funding of the year, snagging a \$300 million investment from New York-based KKR & Co. That investment firm had also invested \$300 million into KnowBe4 in 2019. The second



GETTY IMAGES

In 2020, Tampa Bay ushered in growth for cybersecurity companies that have become full-fledged giants the last few years.

largest funding of the year was for Tampa-based Deepwatch, clocking in at \$53 million led by Goldman Sachs.

"What matters to me is wherever you are in the world, you're coming to ReliaQuest — that's headquartered in Tampa, Florida," Murphy, CEO of ReliaQuest, said in a previous interview with the Tampa Bay Business Journal. "The recognition, that's what's going to build this community. We're not there yet — well, we are there in cybersecurity."

Last year also marked smaller players in the cyber scene beginning to catch the attention of investors in the Sunshine State. Two local firms — FairWarning and Perch Security — were acquired this year. Perch Security was acquired by Tampa Bay's own ConnectWise for an undisclosed amount in November. FairWarning, a security company with a specialty in protecting electronic health records, was acquired by Massachusetts-based Imprivata for an undisclosed amount in December.

Growth from within the sector has now given it momentum to gain footing on a national stage. In mid-2019, CBRE named Tampa as the No. 1 small tech market in North America. In 2020, the numbers remained consistent: The Bay area stayed at No. 29 on the overall list and ranked No. 8 on the gain of tech degrees that choose to stay within the region.

Companies like Boston-based Drift and London-based iO Associates took notice, both announcing expansions to open offices in Tampa. And the latest, San Francisco-based OPSWAT, announced it would be opening its East Coast headquarters in Tampa, with plans to hire 100 employees in the next three years.

"OPSWAT's news is proof that Tampa's momentum for attracting exciting new companies remains strong," Tampa Mayor Jane Castor said in a statement. "Tampa is home to a highly skilled and talented workforce and our hope is that other cybersecurity and technology organizations continue to recognize Tampa as an up-and-coming hub for innovation and opportunity."

The EDC's Richard credits the interest from outside companies to not only the growing sector, but organizations that support the cybersecurity scene. Cyber Florida, which is based out of the

University of South Florida, has long pushed for cybersecurity in the region, and in February 2020, hired a former National Security Agency director to head it. USF's Muma College of Business has its own cybersecurity programming, which has been backed by KnowBe4 and ReliaQuest, among others. There's also Ybor City-based cybersecurity incubator The Undercroft, which opened in 2019.

"When you start building industry clusters and you're developing a critical mass in an industry cluster, it builds upon itself," Richard said. "We're reaching a tipping point where Tampa Bay can be seen as a cybersecurity center. So, you factor in the existing companies, the employment opportunities, the companies that are already here and the organizations that supports those companies."

2020 topped off with the promise of future monetary support for many. A number of established, local tech executives all launched their own investment firms, meant to help build technology startups — many of which in the local scene focus on cyber.

"Investments beget investments; activity begets activity," ConnectWise co-founder and philanthropist Arnie Bellini said in a previous interview with the Business Journal. "We know once people know we're investing, it puts a stamp of approval in Tampa Bay."

**Lauren Coffey**

TBBJ & Inno Reporter

*Tampa Bay Business Journal*



# International firm joins Tampa cybersecurity corridor

BY MALENA CAROLLO  
Times Staff Writer

TAMPA — San Francisco-based cybersecurity firm OPSWAT is moving its headquarters to Tampa.

The 19-year-old company is the latest addition to the region's cybersecurity sector, building on a trend that has ramped up in recent years.

"My attempt here is to build something to last," said Benny Czarny, CEO of OPSWAT.

The international company focuses on critical infrastructure security, a broad category that often includes 16 sectors recognized by the federal government such as energy and manufacturing.

Czarny said the company's

East Coast expansion was in the works since at least 2019, but it set its sights on Tampa in just the past six months. Its 2019 acquisition of Tampa cybersecurity firm Impulse was one of the factors that went into choosing a location. Another was how receptive the local government and business community was toward the company.

"Hands down, I rank them No. 1 by any of our locations we've been working with," Czarny said.

In a release, Tampa mayor Jane Castor said the company's move is "proof that Tampa's momentum for attracting exciting new companies remains strong."

Its move builds on the grow-

ing cybersecurity and technology sector in Tampa Bay. The area is home to several large cybersecurity companies, such as ReliaQuest, KnowBe4 and A-LIGN.

"This is a natural result of 20-plus years of small security-focused companies building and growing and capturing more marketshare and greater market value," said Fritz Eichelberger, CEO of staffing firm HotSpaces.

Much of the focus in Florida in recent years has been on establishing a pipeline of workers. The University of South Florida's Cyber Florida center was created in 2014 with the mission of making Florida a destination for cybersecurity.

Its focus is largely on building education programs and partnering with the business sector.

"Outside markets are recognizing that the Tampa Bay area is rich with highly skilled talent," Eichelberger said.

OPSWAT's Tampa office will focus on its East Coast clients, as well as its clients across Europe. The company, Czarny said, has not received any government incentives for its relocation.

Over the next three years, OPSWAT will hire for 100 positions, 30 of which will be filled this year.

The positions span a variety of departments including sales, customer support, marketing, software engineering and product management.

OPSWAT currently has about 30 employees working in the Tampa office building it acquired when it purchased Impulse and 350 employees total across its 10 offices around the world.

Czarny said that Florida's critical infrastructure is adequate in some areas, but could be improved in others. One missing piece, he said, is regulation for critical infrastructure sectors that aren't federally regulated.

"If everything would be great, there would be no reason to build something (here)," he said.

Contact Malena Carollo at [mcarollo@tampabay.com](mailto:mcarollo@tampabay.com) or 727-892-2249. Follow @malenacarollo