

**THE TAMPA BAY HISTORY CENTER, INC.  
AND AFFILIATES**

**Combined Financial Statements  
and  
Supplementary Information**

**September 30, 2015 and 2014  
(With Report of Independent Auditor)**

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

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**AUDITED FINANCIAL STATEMENTS**



### **Report of Independent Auditor**

The Board of Trustees  
The Tampa Bay History Center, Inc.:

We have audited the accompanying combined financial statements of The Tampa Bay History Center, Inc. and Affiliates, which comprise the combined statements of financial position as of September 30, 2015 and 2014, and the related combined statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the combined financial statements.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of The Tampa Bay History Center, Inc. and Affiliates as of September 30, 2015 and 2014, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matter**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary financial information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

MAYER HOFFMAN MCCANN P.C.

February 17, 2016  
Clearwater, Florida

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combined Statements of Financial Position**

**September 30, 2015 and 2014**

Assets	2015	2014
Cash and cash equivalents	\$ 137,817	112,131
Receivable from Hillsborough County, Florida	-	7,908
Other receivables	78,270	55,732
Prepaid expenses and other	30,058	158,962
Inventory	36,065	37,214
Property and equipment, net	5,834,034	6,736,882
Gifted facilities - land and building use	15,511,364	16,102,273
Capital projects pledges receivable, net	231,172	428,012
Contingency funds pledges receivable, net	-	50,000
Operating endowment pledges receivable, net	10,998	211,331
Note receivable - new markets tax credit	8,490,250	8,490,250
Deferred financing costs - new markets tax credit, net	152,351	228,526
Cultural endowment program fund	640,945	629,875
Operating endowment fund	<u>10,565,855</u>	<u>11,405,799</u>
	\$ <u>41,719,179</u>	<u>44,654,895</u>
 <b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 45,403	34,565
Accrued expenses	194,238	180,282
Line of credit	150,000	228,000
Long term debt - new markets tax credit	<u>10,000,000</u>	<u>10,000,000</u>
Total liabilities	<u>10,389,641</u>	<u>10,442,847</u>
 <b>Net assets:</b>		
Unrestricted	4,468,794	5,707,476
Temporarily restricted	16,785,217	18,405,712
Permanently restricted	<u>10,075,527</u>	<u>10,098,860</u>
Total net assets	<u>31,329,538</u>	<u>34,212,048</u>
	\$ <u>41,719,179</u>	<u>44,654,895</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combined Statements of Activities and Changes in Net Assets**

**Years Ended September 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Changes in unrestricted net assets:		
Revenues:		
Government support - Hillsborough County, Florida	\$ 184,350	184,908
Government support - City of Tampa, Florida	72,000	72,000
Admissions	270,085	279,095
Memberships	176,678	175,022
USF Foundation endowment income	100,770	94,250
Contributions and donations	379,200	445,209
Contributions in-kind	49,120	245,357
Investment return	105,378	98,618
Retail sales, net	43,680	43,724
Special event revenue	178,775	99,613
Other income	317,697	303,051
Net assets released from restrictions	<u>1,239,736</u>	<u>1,296,347</u>
Total revenues	<u>3,117,469</u>	<u>3,337,194</u>
Expenses:		
Program services	2,944,709	3,215,897
Management and general	806,113	821,261
Development	<u>605,328</u>	<u>908,338</u>
Total expenses	<u>4,356,150</u>	<u>4,945,496</u>
Decrease in unrestricted net assets	<u>(1,238,681)</u>	<u>(1,608,302)</u>
Changes in temporarily restricted net assets:		
Grants and donations	6,933	130,968
Investment return (loss)	(412,693)	898,028
Net assets released from restrictions	<u>(1,214,736)</u>	<u>(1,069,347)</u>
Decrease in temporarily restricted net assets	<u>(1,620,496)</u>	<u>(40,351)</u>
Changes in permanently restricted net assets:		
Operating endowment fund contributions	1,667	3,254
Change in provision for uncollectible pledges	<u>(25,000)</u>	<u>(227,000)</u>
Decrease in permanently restricted net assets	<u>(23,333)</u>	<u>(223,746)</u>
Decrease in net assets	(2,882,510)	(1,872,399)
Net assets, beginning of year	<u>34,212,048</u>	<u>36,084,447</u>
Net assets, end of year	\$ <u>31,329,538</u>	<u>34,212,048</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combined Statements of Cash Flows**

**Years Ended September 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Decrease in net assets	\$ (2,882,510)	(1,872,399)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation and amortization	1,245,271	1,486,222
Net realized and unrealized losses (gains) on investments	541,928	(741,015)
Noncash rent expense - land and building use	590,909	590,909
Contributed assets - noncash	-	(125,000)
Operating endowment fund contributions	(177,000)	(101,667)
Decrease in receivable from Hillsborough County, Florida	7,908	21,592
Increase in other receivables	(22,538)	(4,702)
Decrease in prepaid expenses and other	128,904	67,909
Decrease in inventory	1,149	8,632
Decrease (increase) in contingency fund pledges receivable	50,000	(50,000)
Decrease in capital projects pledges receivable	196,840	206,198
Decrease in operating endowment pledges receivable	200,333	325,413
Increase (decrease) in accounts payable	10,838	(43,135)
Increase in accrued expenses	13,956	41,648
	<u>(94,012)</u>	<u>(189,395)</u>
Net cash used in operating activities		
Cash flows from investing activities:		
Capital expenditures	(266,248)	(35,539)
Proceeds from sales and maturities of investments	3,193,307	4,305,744
Purchase of investments	(2,906,361)	(4,141,276)
	<u>20,698</u>	<u>128,929</u>
Net cash provided by investing activities		
Cash flows from financing activities:		
Net repayments under line of credit	(78,000)	(118,000)
Operating endowment fund contributions	177,000	101,667
	<u>99,000</u>	<u>(16,333)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in cash and cash equivalents	25,686	(76,799)
Cash and cash equivalents at beginning of year	<u>112,131</u>	<u>188,930</u>
Cash and cash equivalents at end of year	\$ <u>137,817</u>	<u>112,131</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ <u>174,109</u>	<u>176,226</u>



# THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

## Notes to Combined Financial Statements

September 30, 2015 and 2014

### (1) Description of History Center and Summary of Significant Accounting Policies

#### (a) Description of History Center

The Tampa Bay History Center, Inc. (the "History Center") was organized for the purpose of establishing facilities for the collection, preservation, display, research, study and interpretation of materials and artifacts relevant to the history of the area; to foster dissemination and understanding of area history through educational and public outreach programs; and to encourage an interest in history through cooperation with historical and cultural organizations and educational institutions.

The Tampa Bay History Center Foundation, Inc. (the "Foundation") was organized for the purpose of providing support, to receive and to administer funds for The Tampa Bay History Center, Inc. for its charitable and educational operations. In October 2007, the History Center transferred the assets of the operating endowment to the Foundation.

The TBHC Historical Collections Corporation and the TBHC Facility Corporation were organized for the purpose of recognizing the benefits of the New Markets Tax Credit transaction that occurred in July 2011.

The four entities whose financial statements are included in the combined financial statements are collectively referred to as the "Organization."

#### (b) Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The Financial Accounting Standards Board (FASB) has issued authoritative guidance establishing two levels of U.S. generally accepted accounting principles (GAAP) - authoritative and nonauthoritative - and making the Accounting Standards Codification (ASC) the source of authoritative, nongovernmental GAAP, except for rules and interpretive releases of the Securities and Exchange Commission. This guidance is incorporated into ASC Topic 105, *Generally Accepted Accounting Principles*.

#### (c) Contributions Received

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(1) Description of History Center and Summary of Significant Accounting Policies - Continued**

**(c) Contributions Received - Continued**

The Organization uses the allowance method to determine uncollectible unconditional pledges receivable. The allowance is based on prior years' experience and management's analysis of specific pledges made.

**(d) Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the combined statement of financial position. Unrealized gains and losses are included in the change in net assets. Restrictions, if any, on investment earnings would be reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which earnings are recognized.

**(e) Estimates in the Combined Financial Statements**

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of increases or decreases in net assets during the period. Actual results could differ from those estimates.

**(f) Cash and Cash Equivalents**

The Organization considers all short-term investments with original maturities of six months or less, at the date of purchase, to be cash equivalents.

**(g) Collections**

The Organization has approximately 70,000 collection items, which are not capitalized due to the cost and practical difficulties inherent in the valuation process. Additions to the Organization's collection are expensed when acquired as permitted by U.S. generally accepted accounting principles. Collection items will be protected, cared for, and preserved for the purposes for which donated.

**(h) Property and Equipment**

Property and equipment are stated at cost. The Organization capitalizes property and equipment with a cost in excess of \$500. Lesser amounts are recorded as expense. Depreciation is provided using the straight-line method based on estimated useful lives of the assets. Useful lives range from 3 to 10 years. Amortization of leasehold improvements is provided over the term of the related lease.

THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

Notes to Combined Financial Statements - Continued

(1) Description of History Center and Summary of Significant Accounting Policies - Continued

(i) Inventory

Inventory consists of books and gift shop merchandise held for sale in the Organization's gift shop and is stated at the lower of cost (first-in, first-out method) or market.

(j) Grant Revenue

Revenues from state and local grants and contracts are recorded based upon the terms of the grantor allotment, which generally provide that revenues are earned when the allowable costs under the specific grant provisions have been incurred. Revenues are subject to audit by the grantor and, if examination results in a disallowance of any expenditure, repayment could be required.

(k) Income Taxes

The History Center and its affiliates have been recognized as exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code (the Code). The Foundation has been determined to be a type I supporting organization under section 509(a)(3) of the Code. Therefore, no provision for income taxes has been presented in these financial statements for these entities.

The Organization has adopted FASB guidance regarding *Uncertainty in Income Taxes* as codified in FASB ASC 740-10. At September 30, 2015, management does not believe it has taken any tax positions that are subject to a significant degree of uncertainty. The Organization's income tax filings are subject to examination by the Internal Revenue Service generally for three years after they were filed. The Organization's income tax filings for years after the fiscal year ended September 30, 2011 remain open for examination.

(l) Functional Expenses

Program services include expenses related to the operation of the History Center facility, program development and presentation, curatorial, educational and other similar expenses. Development includes expenses related to fund-raising efforts and membership development activities, including advertising. Expenses not falling within program services or development are classified as management and general. Salaries and related taxes and benefits have been classified based upon the relative percentage of time each employee spent in each functional area. Rent and other occupancy related expenses have been allocated among program services, management and general, and development based upon the percentage of floor space devoted to each such function. Other expenses are separately accounted for and have been classified on a functional basis.

## THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

### Notes to Combined Financial Statements - Continued

#### (1) Description of History Center and Summary of Significant Accounting Policies - Continued

##### (m) Gifted Facility

The gifted facility represents the estimated fair rental value of the land and building which the Museum leases from Hillsborough County, Florida. Pursuant to U.S. generally accepted accounting principles, the Organization recognized the fair value of the use of the property as a temporarily restricted contribution in the period in which the contribution was received and as an expense in the periods the land and building are used. The difference between the fair value of the contributed use of the property and the actual lease amount is recognized as an unconditional promise to give, limited to the fair value of the land and building at the time of the contribution. The fair rental value of the gifted facility is recognized as rent expense over the term of the lease.

##### (n) Contributions In-Kind

Contributions of goods or services are recognized as contributions in-kind if the goods or services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing such skills, and would have to be purchased if not provided by donation. Other types of contributed or volunteer services are not recognized as revenue.

##### (o) Advertising Costs

The Organization expenses advertising costs as incurred except for the cost of purchased future advertising which is amortized over the future periods as published. Advertising expense for the years ended September 30, 2015 and 2014 was \$149,613 and \$176,033, respectively.

##### (p) Fair Value Measurements

The Organization has adopted FASB guidance relating to *Fair Value Measurement* which requires the use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices that are observable for the assets or liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs for the asset or liability (Level 3). The carrying amount reported in the combined statement of financial position for cash, grants receivable, accounts payable, and the line of credit approximate fair value because of the immediate or short-term maturities of these financial instruments.

##### (q) Reclassifications

Certain amounts in the 2014 combined financial statements have been reclassified for comparative purposes to conform with the presentation in the 2015 combined financial statements.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(2) Operating Endowment Pledges Receivable**

The following schedule presents when pledges receivable at September 30, 2015 and 2014 are due:

	<u>2015</u>	<u>2014</u>
Due within one year	\$ 237,998	529,998
Due years two through five	<u>-</u>	<u>35,000</u>
Total pledges receivable	237,998	564,998
Less discount on pledges due after one year	-	(1,667)
Less allowance for uncollectible pledges	<u>(227,000)</u>	<u>(352,000)</u>
Net pledges receivable	\$ <u>10,998</u>	<u>211,331</u>

The amounts presented in the preceding table represent pledges by donors for the purpose of funding the Organization's Operating Endowment. Contributions to the Operating Endowment are considered to be permanently restricted. Pledges receivable due in years two through five, and thereafter, are discounted to present value using a discount rate of 5%.

**(3) Capital Projects Pledges Receivable**

The following schedule presents when pledges receivable at September 30, 2015 and 2014 are due:

	<u>2015</u>	<u>2014</u>
Due within one year	\$ 200,760	452,427
Due years two through five	<u>170,000</u>	<u>83,333</u>
Total pledges receivable	370,760	535,760
Less discount on pledges due after one year	(18,828)	(7,748)
Less allowance for uncollectible pledges	<u>(120,760)</u>	<u>(100,000)</u>
Net pledges receivable	\$ <u>231,172</u>	<u>428,012</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(3) Capital Projects Pledges Receivable - Continued**

The amounts presented in the preceding table represent pledges by donors for the purpose of raising funds for construction-related costs in connection with the Organization's facility. Contributions to the capital projects campaign were previously considered to be temporarily restricted. Cumulative expenditures for capital projects have exceeded the amount of capital campaign funds raised and therefore the outstanding pledges and related collections are considered to be available for unrestricted use. Pledges receivable due in years two through five, and thereafter, are discounted to present value using a discount rate of 5%.

At September 30, 2015 and 2014, cash and cash equivalents includes approximately \$1,990 and \$770, respectively, of capital projects contributions.

**(4) Investments**

At September 30, 2015 and 2014, the cost and market value of the Organization's investments were as follows:

	2015		2014	
	Cost	Market	Cost	Market
<b>Cultural Endowment Program Fund:</b>				
Cash equivalent and money				
market investments	\$ 8,051	8,051	12,792	12,792
Corporate bonds	242,035	238,452	251,296	244,142
Government bonds	399,825	394,442	387,892	372,941
	<u>649,911</u>	<u>640,945</u>	<u>651,980</u>	<u>629,875</u>
<b>Operating Endowment Fund:</b>				
Cash equivalent and money				
market investments	824,945	824,945	873,652	873,652
Mutual funds	4,011,655	3,755,750	4,044,789	4,082,576
Common and preferred stocks	5,104,379	5,985,160	4,894,171	6,449,571
	<u>9,940,979</u>	<u>10,565,855</u>	<u>9,812,612</u>	<u>11,405,799</u>
	<u>\$ 10,590,890</u>	<u>11,206,800</u>	<u>10,464,592</u>	<u>12,035,674</u>

Investments include amounts which have been permanently restricted by donors for endowment purposes.

The total cash equivalent and money market balances were covered by federal deposit insurance at September 30, 2015 and 2014. None of the Organization's mutual fund investments are concentrated in a specific company or industry.

Investment management fees for the years ended September 30, 2015 and 2014 were \$96,129 and \$85,652, respectively.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(4) Investments - Continued**

The Organization has entered into an agreement with the Community Foundation of Tampa Bay, Inc. ("Community Foundation") pursuant to which the Community Foundation has established the "Tampa Bay History Center Fund" (the "fund") for the purpose of allowing donors to make contributions to the Community Foundation for the benefit of the Organization. Contributions to the Community Foundation for the benefit of the Organization are not reflected in the Organization's combined financial statements as the Community Foundation retains the right to re-direct assets held in the fund. As of September 30, 2015, donors had contributed \$166,630 to the fund. The market value of the fund, as reported by the Community Foundation, was \$156,096 and \$179,594 as of September 30, 2015 and 2014, respectively.

The following schedule summarizes investment return for the years ended September 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$ 234,613	255,631
Net realized and unrealized gains (losses)	<u>(541,928)</u>	<u>741,015</u>
Total investment return (loss)	\$ <u>(307,315)</u>	<u>996,646</u>

**(5) Property and Equipment**

Property and equipment at September 30, 2015 and 2014 is summarized as follows:

	<u>2015</u>	<u>2014</u>
Furniture and equipment	\$ 629,988	616,130
Computer software	38,022	38,022
Leasehold improvements	5,924,913	5,743,369
Fixtures and equipment	<u>9,290,102</u>	<u>9,219,256</u>
	15,883,025	15,616,777
Less accumulated depreciation and amortization	<u>(10,048,991)</u>	<u>(8,879,895)</u>
	\$ <u>5,834,034</u>	<u>6,736,882</u>

Depreciation and amortization expense relating to property and equipment for the years ended September 30, 2015 and 2014 was \$1,169,096 and \$1,410,046, respectively.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(6) Gifted Facility**

Gifted facility represents the present value of the fair rental value of a land and building lease which approximates the fair value of the land and building contributed by Hillsborough County, Florida. The land and building in which the Organization operates is leased from Hillsborough County, Florida under a 33 year lease. The lease requires a payment of \$1 during the entire term of the agreement.

Recognition of the fair value of this lease and related rental expense for the years ended September 30, 2015 and 2014 are summarized as follows:

	<u>2015</u>	<u>2014</u>
Balance at beginning of year	\$ 16,102,273	16,693,182
Recognition of rent expense	<u>(590,909)</u>	<u>(590,909)</u>
Balance at end of year	\$ <u>15,511,364</u>	<u>16,102,273</u>

**(7) Line of Credit**

The Organization has a \$500,000 revolving line of credit payable to a bank. Advances under the line accrue interest at the Bank's prime rate (3.250% at September 30, 2015). The line of credit was renewed (and reduced from \$1 million) in 2015 and matures in 2016. The line of credit is unsecured. At September 30, 2015 and 2014 the balance outstanding under the line of credit was \$150,000 and \$228,000, respectively.

**(8) Temporarily Restricted Net Assets**

Temporary restrictions on net assets consisted of the following at September 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Exhibits	\$ 33,738	40,244
Contingency Fund	100,000	100,000
Gifted facility - time restriction	15,511,364	16,102,273
Unappropriated investment return	<u>1,140,115</u>	<u>2,163,195</u>
Balance at end of year	\$ <u>16,785,217</u>	<u>18,405,712</u>

During the years ended September 30, 2015 and 2014, the Organization received several grants totaling \$10,000 and \$165,345, respectively, which were restricted to supporting certain exhibits or programs. Of the amounts received, \$6,933 and \$130,968 were not expended for the restricted purposes.

The gifted facility transaction described in Note 6 was considered to be temporarily restricted at its inception and the remaining unamortized balance at September 30, 2015 and 2014 is considered to be subject to a continuing time restriction.



## THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

### Notes to Combined Financial Statements - Continued

#### **(9) Permanently Restricted Net Assets**

During the year ended September 30, 2001, the Organization established the Tampa Bay History Center Operating Endowment Fund in order to establish an Operating Endowment to fund the general operations of the Organization. As of September 30, 2015 and 2014, \$237,998 and \$564,998, respectively, represented the outstanding balance of pledges to the Operating Endowment. Contributions by donors to the Operating Endowment are considered to be permanently restricted. There were no permanently restricted contributions to the Operating Endowment for the years ended September 30, 2015 and 2014.

For the years ended September 30, 2015 and 2014, \$217,269 and \$234,815, respectively, in interest was earned on the Operating Endowment Fund. Fund earnings are considered to be temporarily restricted until appropriated for expenditure.

During the year ended September 30, 1999, the Organization was awarded \$360,000 from a foundation for the sole purpose of providing the matching funds required to secure a matching grant of \$240,000 from the State of Florida Cultural Endowment Program (the State). The matching funds from the State were received during December 2000. Both grants are permanently restricted by the donor and the State of Florida. As permanently restricted contributions, the Organization is required to maintain a minimum balance in the endowment fund assets of \$600,000.

For the years ended September 30, 2015 and 2014, \$11,069 and \$20,704, respectively, in interest was earned on the Cultural Endowment Program Funds. Fund earnings are considered to be temporarily restricted until appropriated for expenditure.

At September 30, 2015 and 2014, total permanently restricted net assets were \$10,075,527 and \$10,098,860, respectively.

#### **(10) Fair Value Measurement**

The Organization has adopted the provisions of ASC 820, *Fair Value Measurement*, which provides a common definition of fair value, establishes a framework for measuring fair value under U.S. generally accepted accounting principles and requires additional disclosures about fair value.

Financial instruments measured at fair value are classified and disclosed in the following categories:

Level 1: Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments included in Level 1 are cash, money market mutual funds, fixed income mutual funds, equity mutual funds and preferred and common stock.

Level 2: Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. The types of investments included in Level 2 are corporate and government bonds.

Level 3: Valuation is based on unobservable inputs.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(10) Fair Value Measurement - Continued**

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Fair values measured on a recurring basis at September 30, 2015 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed income securities:				
Corporate obligations	\$ 238,452	-	238,452	-
U.S. government and agency obligations	394,442	-	394,442	-
Mutual funds:				
Intermediate bond fund	1,530,082	1,530,082	-	-
Short-term bond fund	968,955	968,955	-	-
Emerging markets fund	425,949	425,949	-	-
Global allocation fund	238,987	238,987	-	-
Mid cap equity fund	200,990	200,990	-	-
Large cap equity fund	1,316,784	1,316,784	-	-
REIT index fund	131,590	131,590	-	-
Corporate stock:				
Consumer discretionary	360,417	360,417	-	-
Energy	223,140	223,140	-	-
Financials	797,049	797,049	-	-
Health care	591,036	591,036	-	-
Industrial	920,008	920,008	-	-
Information technology	630,279	630,279	-	-
International	1,306,000	1,306,000	-	-
Materials	19,767	19,767	-	-
Other	79,877	79,877	-	-
Money market funds	832,996	832,996	-	-
	<u>\$ 11,206,800</u>	<u>10,573,906</u>	<u>632,894</u>	<u>-</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(10) Fair Value Measurement - Continued**

Fair values measured on a recurring basis at September 30, 2014 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed income securities:				
Corporate obligations	\$ 244,142	-	244,142	-
U.S. government and agency obligations	372,941	-	372,941	-
Mutual funds:				
Intermediate bond fund	1,535,381	1,535,381	-	-
Short-term bond fund	1,175,153	1,175,153	-	-
Emerging markets fund	518,430	518,430	-	-
Global allocation fund	260,106	260,106	-	-
Mid cap equity fund	224,879	224,879	-	-
Large cap equity fund	1,416,646	1,416,646	-	-
REIT index fund	112,192	112,192	-	-
Corporate stock:				
Consumer discretionary	524,463	524,463	-	-
Energy	335,414	335,414	-	-
Financials	947,250	947,250	-	-
Health care	558,061	558,061	-	-
Industrial	893,269	893,269	-	-
Information technology	528,710	528,710	-	-
International	1,413,015	1,413,015	-	-
Materials	12,760	12,760	-	-
Other	76,418	76,418	-	-
Money market funds	886,444	886,444	-	-
	<u>\$ 12,035,674</u>	<u>11,418,591</u>	<u>617,083</u>	<u>-</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(11) Gift Agreement with the University of South Florida Foundation, Inc.**

During the year ended September 30, 2000, the Organization entered into a Gift Agreement with the University of South Florida (the University) and the University of South Florida Foundation, Inc. (the USF Foundation) and also entered into an Affiliation Agreement with the University.

The Affiliation Agreement recognized the many similarities in the mission of the Organization and the University, and more specifically, the USF Libraries Florida Studies Center (formerly known as the USF Resource Center for Florida History and Politics), a division of the University's Library, relative to the history of Florida and the Tampa Bay region. Under the Affiliation Agreement, the Organization and the USF Libraries Florida Studies Center will, among other things, collaborate to:

- Provide for University faculty and graduate students to make use of and contribute to the Organization's resources in collaboration with the Organization.
- Provide for the University's Library to work with the Organization to develop the Organization's artifacts and materials and make them available to scholars and the public, through cataloging and digitization.
- Provide the Organization's staff, researchers and potentially the Organization's members to utilize resources of the University's Library, particularly special collections materials on local and Florida history.
- Mount joint exhibits and conferences.
- Provide for significant educational programs including:
  - Developing educational classroom materials, such as lesson plans, posters, videos, CD-ROMS and other multimedia materials, in the field of Florida and Tampa Bay regional history, and forging links with the local public schools, with a goal of exposing every 4<sup>th</sup> grade student in Hillsborough County, and surrounding counties, to the joint resources of the University and the Organization.
- Initiate a program of history excursions in the area, whereby participants can experience a nearby historic site in the company of trained professionals and/or expert volunteers who can offer perspective and point out interesting aspects and details of the site.
- Conduct an ongoing program of public lectures at the Organization, the University's main and regional campuses, and at other locations on subjects of local history which may be of interest to the general public.
- Explore offering University academic courses in various disciplines, on both a credit and non-credit basis, at the Organization and the University and via distance learning technology.
- Reflect upon the developing nature of the partnership over time, including its potential for change and development.

## THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

### Notes to Combined Financial Statements - Continued

#### (11) Gift Agreement with the University of South Florida Foundation, Inc. - Continued

As a result of the Gift Agreement, private donors contributed \$2,000,001 to the Organization over the period of September 2000 through September 2002. These funds were remitted to the University of South Florida Foundation, Inc. where they have been used to establish the "Tampa Bay History Center Endowment Fund," an academic endowment for teaching, research, and public education programs about Florida and regional history. These gifts qualified for a 100% match from the State of Florida for a total match of \$2,000,001. At September 30, 2015, the total market value of the fund, as reported by the USF Foundation, was \$4,139,520.

#### (12) Endowment Investment and Spending Policies

Effective July 1, 2012, the State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) and in accordance with ASC Topic 958-205-45-28, *Classification of Donor Restricted Endowment Funds Subject to UPMIFA*, the Organization classifies investment earnings on endowments as a component of temporarily restricted net assets if not appropriated for expenditure in the period earned. Once investment earnings are appropriated for expenditure, the Organization reclassifies the amount appropriated as a component of unrestricted net assets.

##### *Operating Endowment*

The Board of Trustees, on the advice of legal counsel, has determined that contributions to the Foundation are subject to donor intent and the terms of its governing documents as well as the provisions of FUPMIFA. Certain contributions are received subject to other gift instruments, or are subject to specific agreements with the Foundation. Under the terms of the Foundation's governing documents, the Board of Trustees has the ability to distribute so much of the original principal of any trust or separate gift, devise, bequest, or fund as the Board in its sole discretion shall determine. As a result of the ability to distribute the original principal, all contributions not classified as temporarily restricted or permanently restricted are classified as unrestricted net assets for financial statement purposes.

The Foundation has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Foundation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is to return growth of 1% over inflation as measured by CPI, spending policy payout and investment fees. Actual returns in any given year may vary from this amount. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk parameters.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(12) Endowment Investment and Spending Policies - Continued**

The spending policy calculates the amount of money annually distributed from the Foundation's funds for distribution to the History Center operating budget for a fiscal year. Under the current spending policy, up to 5% of the 3-year average of prior June 30 market values may be distributed annually.

Operating Endowment net asset composition by type of fund as of September 30, 2015 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Donor-restricted endowment funds	\$ -	1,099,170	9,475,527	10,574,697
Total funds	\$ -	1,099,170	9,475,527	10,574,697

Changes in Operating Endowment net assets for the year ended September 30, 2015 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets at September 30, 2014	\$ -	2,133,320	9,498,860	11,632,180
Contributions and transfers	-	-	1,667	1,667
Investment loss, net	-	(449,762)	-	(449,762)
Provision for uncollectible pledges	-	-	(25,000)	(25,000)
Distributions	-	(584,388)	-	(584,388)
Endowment net assets, at September 30, 2015	\$ -	1,099,170	9,475,527	10,574,697

THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

Notes to Combined Financial Statements - Continued

**(12) Endowment Investment and Spending Policies - Continued**

Operating Endowment net asset composition by type of fund as of September 30, 2014 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Donor-restricted endowment funds	\$ -	2,133,320	9,498,860	11,632,180
Total funds	<u>\$ -</u>	<u>2,133,320</u>	<u>9,498,860</u>	<u>11,632,180</u>

Changes in Operating Endowment net assets for the year ended September 30, 2014 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets at September 30, 2013	\$ -	1,666,609	9,722,606	11,389,215
Contributions and transfers	-	-	3,254	3,254
Investment income, net	-	898,028	-	898,028
Provision for uncollectible pledges	-	-	(227,000)	(227,000)
Distributions	<u>-</u>	<u>(431,317)</u>	<u>-</u>	<u>(431,317)</u>
Endowment net assets, at September 30, 2014	<u>\$ -</u>	<u>2,133,320</u>	<u>9,498,860</u>	<u>11,632,180</u>

THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

Notes to Combined Financial Statements - Continued

(12) Endowment Investment and Spending Policies - Continued

*Cultural Endowment*

The History Center's donors have placed the restriction on investment income or net appreciation resulting from the donor-restricted endowment funds be expended only for operating costs incurred while engaged in programs directly related to cultural activities. The History Center has adopted an investment and spending policy, approved by the Board of Trustees, for endowment assets that meets the requirements set forth in the agreement which require the preservation of the \$600,000 capital value and the use of investment quality fixed income instruments as the primary investment vehicle.

Cultural Endowment net asset composition by type of fund as of September 30, 2015 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Donor-restricted endowment funds	\$ -	40,945	600,000	640,945
Total funds	<u>\$ -</u>	<u>40,945</u>	<u>600,000</u>	<u>640,945</u>

Changes in Cultural Endowment net assets for the year ended September 30, 2015 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets at September 30, 2014	\$ -	29,875	600,000	629,875
Investment income, net	-	40,431	-	40,431
Net depreciation	-	(3,361)	-	(3,361)
Distributions	<u>-</u>	<u>(26,000)</u>	<u>-</u>	<u>(26,000)</u>
Endowment net assets, at September 30, 2015	<u>\$ -</u>	<u>40,945</u>	<u>600,000</u>	<u>640,945</u>



**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(12) Endowment Investment and Spending Policies - Continued**

Cultural Endowment net asset composition by type of fund as of September 30, 2014 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Donor-restricted endowment funds	\$ -	29,875	600,000	629,875
Total funds	\$ -	29,875	600,000	629,875

Changes in Cultural Endowment net assets for the year ended September 30, 2014 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets at September 30, 2013	\$ -	49,458	600,000	649,458
Contributions and transfers	-	(25,954)	-	(25,954)
Investment income, net	-	17,899	-	17,899
Net depreciation	-	(11,528)	-	(11,528)
Endowment net assets, at September 30, 2014	\$ -	29,875	600,000	629,875

**(13) Florida New Markets Development Program**

During the year ended September 30, 2011 the Organization completed a \$10 million transaction (the "Transaction") under the Florida New Markets Development Program (the "Program") with Stonehenge Community Development, LLC and its affiliates ("Stonehenge"). As part of the transaction, the Organization was required to create two new affiliated entities, the TBHC Facility Corporation ("Facility") and the TBHC Historical Collections Corporation ("Collections"). Facility used a portion of the Program proceeds to purchase the gifted facilities asset held by the Tampa Bay History Center, Inc. The historical collection held by Tampa Bay History Center, Inc. was transferred to Collections as part of the transaction.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(13) Florida New Markets Development Program - Continued**

The Transaction includes a gross subsidy to the Organization of \$1,509,750 which represents the amount of long-term debt expected to be extinguished and forgiven at the conclusion of the transaction. The Transaction resulted in a note receivable from Stonehenge in the amount of \$8,490,250 and two notes payable to Stonehenge in the total amount of \$10,000,000. The difference between the notes payable and the note receivable of \$1,509,750 represents the gross subsidy to the Organization from participating in the Program. Fees and costs related to the Organization's participation in the program are expected to consume approximately \$800,000 of the gross subsidy.

The note receivable from Stonehenge accrues interest at 1% which is payable quarterly through July 1, 2017. Beginning October 1, 2017, principal and interest will be payable quarterly sufficient to fully amortize the note with the final payment due April 1, 2040.

The two notes payable in the amounts of \$1,509,750 and \$8,490,250 accrue interest at 1.724% which is payable quarterly through April 1, 2017. Beginning July 1, 2017, principal and interest will be payable quarterly sufficient to amortize fully the loans with final payment due July 1, 2041.

The aggregate maturities of long-term notes payable for each of the five years subsequent to September 30, 2015 and thereafter are as follows:

<u>Year Ending September 30,</u>	
2016	\$ -
2017	-
2018	339,217
2019	345,111
2020	351,108
Thereafter	<u>8,964,564</u>
	<u>\$ 10,000,000</u>

The Transaction includes an Investment Fund Call Agreement ("Call Agreement") whereby the Organization can elect to purchase Stonehenge's investment in the Transaction. The Organization can exercise the Call Agreement on the 181<sup>st</sup> day following the seventh anniversary of the Transaction. The purchase price of Stonehenge's interest shall be an amount equal to the greater of (1) the fair market value of the interest as agreed to by Stonehenge and the Organization or, if an amount cannot be agreed upon, the price shall be determined by an independent appraiser, and (2) the aggregate amount owed by Stonehenge on the note receivable. The call price shall be payable by the Organization first by forgiving the principal and interest due on the note receivable and if the purchase amount exceeds that amount, the remaining balance will be payable in cash.

THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES

Notes to Combined Financial Statements - Continued

**(14) Contributed Services and Facilities**

Contributions in-kind were \$49,120 and \$245,357 during the years ended September 30, 2015 and 2014, respectively, which consisted primarily of advertising services for the year ended September 30, 2015 and a donated exhibit, and accounting and advertising services for the year ended September 30, 2014.

**(15) Lease Commitment**

The Organization leases office equipment under a long term lease classified as an operating lease. Rent expense, including short-term storage and equipment rentals was approximately \$4,900 and \$5,600 for the years ended September 30, 2015 and 2014, respectively. Future minimum annual rentals for leases having initial or remaining noncancellable lease terms in excess of one year is \$1,131 for 2016.

**(16) Employee Benefit Plan**

The Organization has adopted a 401(k) salary reduction defined contribution plan for the benefit of its employees. Full-time employees with one year of service are eligible to participate in the plan. Participants may contribute up to the maximum amount allowable by law. All participant contributions, as well as the Organization's contributions are fully vested at all times. Retirement expense for the years ended September 30, 2015 and 2014 was \$26,642 and \$25,554, respectively.

**(17) Credit and Funding Concentrations**

The Organization relies to a significant extent on Hillsborough County and the City of Tampa as sources of funding. During the year ended September 30, 2015, Hillsborough County and the City of Tampa accounted for approximately 10% and 4%, respectively, of total unrestricted revenues (excluding investment return).

During the year ended September 30, 2014, Hillsborough County and the City of Tampa accounted for approximately 9% and 4%, respectively, of total unrestricted revenues (excluding investment return).

The Organization maintains its primary deposit accounts with several local commercial banks. At September 30, 2015 and 2014 deposits with these banks did not exceed federal insurance limits. Additional credit concentrations are described in Note 4.

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Notes to Combined Financial Statements - Continued**

**(18) Foodservice Agreement**

The Organization has an agreement with a local restaurant group (the "Group") to provide foodservice and catering at the History Center. The second amendment to the original agreement signed in 2008 has a term from October 1, 2014 to September 30, 2019. This amendment requires the Group to pay the Organization commissions of 6.5% of gross annual sales up to \$3 million and 8% on sales exceeding \$3 million during each contract year. This amendment also includes provisions wherein the Group will make two improvements to the Organization's property with an estimated cost of at least \$25,000 and \$65,000, respectively. The Organization will repay the Group for each improvement by allowing the Group to retain commissions payable to the Organization in excess of \$100,000 during each contract year. The maximum amount of commissions the Group can retain is \$25,000 for the first improvement and then \$65,000 for the second improvement. In the event the agreement terminates before the Group has been fully repaid for the improvements, the Organization has no remaining liability to the Group for the unpaid amounts.

**(19) Subsequent Events**

The Organization has evaluated subsequent events through February 17, 2016, the date the combined financial statements were available for issuance.

**SUPPLEMENTARY FINANCIAL INFORMATION**

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combining Statement of Financial Position**

**September 30, 2015**

<b>Assets</b>	<b>The Tampa Bay History Center, Inc.</b>	<b>The Tampa Bay History Center Foundation, Inc.</b>	<b>TBHC Facility Corporation</b>	<b>TBHC Historical Collections Corporation</b>	<b>Eliminations</b>	<b>Combined Total</b>
Cash and cash equivalents	\$ 117,241	16,037	4,128	411	-	137,817
Other receivables	57,044	-	-	21,226	-	78,270
Interorganizational receivable (payable)	(1,075,310)	(18,193)	36,409	1,057,094	-	-
Prepaid expenses and other	30,058	-	-	-	-	30,058
Inventory	36,065	-	-	-	-	36,065
Property and equipment, net	5,834,034	-	-	-	-	5,834,034
Gifted facilities - land and building use	-	-	15,511,364	-	-	15,511,364
Capital projects pledges receivable, net	231,172	-	-	-	-	231,172
Operating endowment pledges receivable, net	-	10,998	-	-	-	10,998
Note receivable - new markets tax credit	-	-	-	8,490,250	-	8,490,250
Deferred financing costs - new markets tax credit, net	39,382	-	112,969	-	-	152,351
Cultural endowment program fund	640,945	-	-	-	-	640,945
Operating endowment fund	-	10,565,855	-	-	-	10,565,855
	<u>\$ 5,910,631</u>	<u>10,574,697</u>	<u>15,664,870</u>	<u>9,568,981</u>	<u>-</u>	<u>41,719,179</u>
<b>Liabilities and Net Assets</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 45,403	-	-	-	-	45,403
Accrued expenses	191,379	-	2,859	-	-	194,238
Line of credit	150,000	-	-	-	-	150,000
Long term debt - new markets tax credit	-	-	10,000,000	-	-	10,000,000
Total liabilities	<u>386,782</u>	<u>-</u>	<u>10,002,859</u>	<u>-</u>	<u>-</u>	<u>10,389,641</u>
<b>Net assets:</b>						
Unrestricted	4,749,166	-	(289,187)	8,815	-	4,468,794
Temporarily restricted	174,683	1,099,170	5,951,198	9,560,166	-	16,785,217
Permanently restricted	600,000	9,475,527	-	-	-	10,075,527
Total net assets	<u>5,523,849</u>	<u>10,574,697</u>	<u>5,662,011</u>	<u>9,568,981</u>	<u>-</u>	<u>31,329,538</u>
	<u>\$ 5,910,631</u>	<u>10,574,697</u>	<u>15,664,870</u>	<u>9,568,981</u>	<u>-</u>	<u>41,719,179</u>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combining Statement of Activities and Changes in Net Assets**

**Year Ended September 30, 2015**

	<u>The Tampa Bay History Center, Inc.</u>	<u>The Tampa Bay History Center Foundation, Inc.</u>	<u>TBHC Facility Corporation</u>	<u>TBHC Historical Collections Corporation</u>	<u>Eliminations</u>	<u>Combined Total</u>
<b>Changes in unrestricted net assets:</b>						
<b>Revenues:</b>						
Government support - Hillsborough County, Florida	\$ 184,350	-	-	-	-	184,350
Government support - City of Tampa, Florida	72,000	-	-	-	-	72,000
Admissions	270,085	-	-	-	-	270,085
Memberships	176,678	-	-	-	-	176,678
USF Foundation endowment income	100,770	-	-	-	-	100,770
Contributions and donations	939,388	200	-	-	(560,388)	379,200
Contributions in-kind	49,120	-	-	-	-	49,120
Investment return	5,178	100,200	-	-	-	105,378
Retail sales, net	43,680	-	-	-	-	43,680
Special event revenue	178,775	-	-	-	-	178,775
Other revenue	367,306	391	327,750	84,903	(462,653)	317,697
Net assets released from restrictions	13,439	635,388	590,909	-	-	1,239,736
<b>Total revenues</b>	<b>2,400,769</b>	<b>736,179</b>	<b>918,659</b>	<b>84,903</b>	<b>(1,023,041)</b>	<b>3,117,469</b>
<b>Expenses:</b>						
Program services	2,423,022	-	630,937	-	(109,250)	2,944,709
Management and general	520,970	150,735	290,033	88,528	(244,153)	806,113
Development	656,283	25,056	33,239	-	(109,250)	605,328
Donations made to others	-	560,388	-	-	(560,388)	-
<b>Total expenses</b>	<b>3,600,275</b>	<b>736,179</b>	<b>954,209</b>	<b>88,528</b>	<b>(1,023,041)</b>	<b>4,356,150</b>
<b>Decrease in unrestricted net assets</b>	<b>(1,199,506)</b>	<b>-</b>	<b>(35,550)</b>	<b>(3,625)</b>	<b>-</b>	<b>(1,238,681)</b>
<b>Changes in temporarily restricted net assets:</b>						
Grants and donations	6,933	-	-	-	-	6,933
Investment return	11,069	(423,762)	-	-	-	(412,693)
Net assets released from restrictions	(13,439)	(610,388)	(590,909)	-	-	(1,214,736)
<b>Increase (decrease) in temporarily restricted net assets</b>	<b>4,563</b>	<b>(1,034,150)</b>	<b>(590,909)</b>	<b>-</b>	<b>-</b>	<b>(1,620,496)</b>
<b>Changes in permanently restricted net assets:</b>						
Operating endowment fund contributions	-	1,667	-	-	-	1,667
Change in provision for uncollectible pledges	-	(25,000)	-	-	-	(25,000)
<b>Decrease in permanently restricted net assets</b>	<b>-</b>	<b>(23,333)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,333)</b>
<b>Decrease in net assets</b>	<b>(1,194,943)</b>	<b>(1,057,483)</b>	<b>(626,459)</b>	<b>(3,625)</b>	<b>-</b>	<b>(2,882,510)</b>
Net assets, beginning of year	6,718,792	11,632,180	6,288,470	9,572,606	-	34,212,048
<b>Net assets, end of year</b>	<b>\$ 5,523,849</b>	<b>10,574,697</b>	<b>5,662,011</b>	<b>9,568,981</b>	<b>-</b>	<b>31,329,538</b>

**THE TAMPA BAY HISTORY CENTER, INC. AND AFFILIATES**

**Combined Schedule of Functional Expenses**

**Year Ended September 30, 2015  
(With Comparative Totals for 2014)**

	Program Services	Supporting Services		Total Expenses	
		Management and General	Development	2015	2014
Salaries and wages	\$ 537,263	229,194	198,976	965,433	930,195
Payroll taxes	40,201	17,149	14,888	72,238	69,454
Employee benefits	83,160	35,475	30,798	149,433	136,342
<b>Total salaries and related expenses</b>	<b>660,624</b>	<b>281,818</b>	<b>244,662</b>	<b>1,187,104</b>	<b>1,135,991</b>
Rent - contributed use of land and building	555,455	29,545	5,909	590,909	590,909
Rent - facility and storage	2,368	-	-	2,368	2,054
Rent - furniture and equipment	2,486	1,823	1,215	5,524	6,327
Utilities	170,087	9,047	1,809	180,943	193,384
Insurance	92,525	4,922	984	98,431	102,669
Other occupancy expenses	16,278	866	173	17,317	23,299
Design, fabrication and graphic	4,645	338	6,918	11,901	10,174
Specific program expense	57,734	-	-	57,734	58,392
Education materials & expense	24,777	-	-	24,777	6,238
Advertising and promotion	-	-	149,613	149,613	176,033
Collections supplies and expenses	17,215	-	-	17,215	7,068
Reference books and materials	462	-	-	462	142
MAP Library projects	2,217	-	-	2,217	60,529
Publications	-	-	8,740	8,740	4,726
Contract labor	4,565	-	-	4,565	2,500
Development and marketing	-	-	79,219	79,219	85,737
Honorarium and awards	1,000	-	-	1,000	1,194
Website	3,544	-	394	3,938	7,878
Printing	10,069	2,015	8,056	20,140	17,004
Postage	3,842	2,818	1,879	8,539	8,573
Seminars and conventions	2,753	2,018	1,345	6,116	3,394
Computer hardware and software	7,918	5,807	3,871	17,596	17,445
Travel and entertainment	2,846	2,135	2,135	7,116	13,994
Professional fees and memberships	10,349	4,139	4,328	18,816	12,880
Office supplies	8,645	6,340	4,227	19,212	21,419
Meetings and hospitality	1,808	4,220	6,028	12,056	9,066
Janitorial services	53,900	2,867	573	57,340	49,481
Other general and administrative	6,542	25,667	12,833	45,042	65,911
Provision for uncollectible pledges	-	-	45,760	45,760	331,000
Accounting and audit	13,673	15,519	1,823	31,015	55,725
Interest	1,607	172,485	17	174,109	176,226
Investment management fees	4,384	91,698	47	96,129	85,652
Repairs and maintenance	101,441	5,396	1,079	107,916	116,260
Depreciation and amortization	1,098,950	134,630	11,691	1,245,271	1,486,222
<b>Total expenses - 2015</b>	<b>\$ 2,944,709</b>	<b>806,113</b>	<b>605,328</b>	<b>4,356,150</b>	
<b>Total expenses - 2014</b>	<b>\$ 3,215,897</b>	<b>821,261</b>	<b>908,338</b>		<b>4,945,496</b>