

Florida Growth Fund Program Investments Provided More Than \$540 Million in FRS Distributions

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Florida Growth Fund Program Provided More Than \$540 Million in FRS Distributions

EXECUTIVE SUMMARY

The Florida Growth Fund Program allows the investment of Florida Retirement System Pension Fund assets in Florida technology and high-growth businesses. As of June 30, 2020, the program has made commitments to invest \$827.2 million in 62 technology and growth companies and 43 private equity funds. This includes new investments totaling \$88.9 million in eight technology and growth companies and six private equity funds made in Fiscal Year 2019-20. Florida Growth Fund Program investments have been made in 14 Florida counties, with amounts ranging from \$6.8 million in Manatee County to \$208.8 million in Palm Beach County. From fund inception to June 30, 2020, the program had distributed \$540.1 million to the Florida Retirement System Trust Fund.

Since their inception, both Florida Growth Fund I and Florida Growth Fund II have exceeded benchmarks set for each of these funds. Net internal rates of returns since inception exceeded benchmarks by 1.4% to 25.8%, varying by tranche.

The Florida Growth Fund Program's investments resulted in economic benefits. Companies receiving program investments reported creating 19,794 Florida jobs as of June 30, 2020. Fund managers reported that current investments that created jobs paid median annual wages ranging from \$17,000 to \$121,098. The majority of these median wages exceed the state's 2019 overall median wage of \$35,838. Additionally, fund managers reported that companies and private equity funds receiving investments reported making \$254.3 million in capital expenditures between July 1, 2019, and June 30, 2020, bringing total capital expenditures to \$1.12 billion since fund inception.

REPORT SCOPE

State law directs OPPAGA to annually review the State Board of Administration's Florida Growth Fund Program, which invests in technology and growth industries. The review must include

- the dollar amount of fund assets invested in state technology and growth industries and the investments' percentage share of the system's trust fund net assets;
- a list of investments in state industries the board identified as technology and growth investments within each asset class; and
- an analysis of the direct and indirect economic benefits to the state resulting from the investments.

This 13th annual report addresses the board's progress in managing the program and presents information on the economic impact of fund investments.

INTRODUCTION

The State Board of Administration (SBA) is constitutionally authorized to supervise the investment of state and local government funds. The SBA is governed by a three-member board of trustees composed of the Governor as chair, the chief financial officer, and the attorney general. The trustees appoint the SBA's executive director and chief investment officer, who oversees the day-to-day financial investments and operations of the organization. Of the funds managed by the SBA, the largest of these funds is the Florida Retirement System (FRS) Trust Fund, which had an audited net value of \$161.6 billion in assets as of June 30, 2020.¹

The Florida Growth Fund Program (FGF) was established to invest a portion of the FRS Trust Fund. The program, as authorized by s. 215.47(7), *Florida Statutes*, allows the SBA to invest up to 1.5% of net trust fund assets in technology and growth businesses either domiciled in Florida or that have a principal address in Florida. Growth and technology investments may include, but are not limited to, space technology, aerospace and aviation engineering, computer technology, renewable energy, and medical and life sciences. Consistent with its fiduciary duties, the SBA can make Florida Growth Fund Program investments directly (via co-investments) and indirectly (via private equity funds such as buyout and venture capital) in companies that are based in or target investments in Florida.

The program is divided into three separate funds that include six tranches of capital.² (See Exhibit 1.)

- Florida Growth Fund I – Two tranches of capital are invested in private equity funds and growth and technology companies, and one tranche is used solely for credit opportunities.
- Florida Growth Fund II – Two tranches to be invested in private equity funds and growth and technology companies.³
- Florida Sunshine State Fund – One tranche to be invested in private equity funds and growth and technology companies.

Exhibit 1

The Tranches of the Florida Growth Fund Program Were Established Over Several Fiscal Years

	Year Established	Fund Size at Inception (in millions)	Fund Manager
Florida Growth Fund I			
Tranche I	2009	\$250	Hamilton Lane
Tranche II	2012	\$150	Hamilton Lane
Credit Tranche	2014	\$100	Hamilton Lane
Total		\$500	
Florida Growth Fund II			
Tranche I	2015	\$250	Hamilton Lane
Tranche II	2019	\$125	Hamilton Lane
Total		\$375	
Florida Sunshine State Fund			
Tranche I	2019	\$125	J.P. Morgan Asset Management
Total		\$125	

Source: State Board of Administration.

¹ For the purposes of this program, the SBA defines the FRS Trust Fund as composed solely of assets from the FRS Pension Plan Fund.

² A tranche is a portion of a larger security.

³ The second tranche of Florida Growth Fund II started on September 23, 2019.

SBA contracts with two vendors to manage the Florida Growth Fund Program; Hamilton Lane manages Florida Growth Funds I and II, and J.P. Morgan Asset Management manages the Florida Sunshine State Fund.⁴ Hamilton Lane was the sole manager until December 2018, when the board contracted with J.P. Morgan Asset Management.⁵

The SBA reported several benefits of utilizing two investment managers.

- Diversifying risk - Adding an investment manager reduces the potential operational and investment risks with having a single investment manager.
- Identifying deals – Using two investment managers permits the SBA to find deals that may not be identified by having just one investment manager.
- More competitive investment fees – Adding another investment manager allows the SBA to be more competitive in negotiating attractive fee arrangements, which, in turn, can improve investment performance.

FINDINGS

The Florida Growth Fund Program Has Invested \$827.2 Million in Technology and Growth Companies and Private Equity Funds

From the first Florida Growth Fund Program investment in September 2009 until June 30, 2020, the FGF Program committed \$827.2 million in 62 technology and growth companies and 43 private equity funds.⁶ (See Exhibit 2.) Compared to July 1, 2019, this is an \$88.9 million increase in total investments and includes eight additional investments in technology and growth companies and six private equity funds made between July 1, 2019, and June 30, 2020.

Exhibit 2

As of June 30, 2020, the Florida Growth Fund Program Has Invested \$827.2 Million in 62 Companies and 43 Private Equity Funds

Direct Investments - Technology and Growth Companies	Date Invested	Amount Invested (millions)	Private Equity Funds	Date Invested	Amount Invested (millions)
Florida Growth Fund I			Florida Growth Fund I		
Information Technology	09/09	\$4.5	Healthcare / Technology	10/09	\$15.0
Industrials	11/09	\$7.1	Technology / Services	05/10	\$15.0
Communication Services	12/09	\$1.5	Diversified	07/10	\$6.2
Industrials	05/10	\$10.0	Defense / Commercial	07/10	\$7.5
Health Care	07/10	\$20.4	Growth / Buyout	01/11	\$15.0

⁴ Hamilton Lane is a Philadelphia-based investment company that has an office in Miami. J.P. Morgan Asset Management is an asset manager located in New York.

⁵ In December 2018, the SBA split the \$250 million in the Florida Growth Fund II, Tranche II, into two separate parts, with each firm responsible for investing \$125 million.

⁶ The Florida Growth Fund investments are 0.43% of the audited value of FRS Trust Fund assets as of June 30, 2020.

Direct Investments - Technology and Growth Companies	Date Invested	Amount Invested (millions)	Private Equity Funds	Date Invested	Amount Invested (millions)
Financials	08/10	\$2.4	Diversified	02/11	\$1.4
Information Technology	09/10	\$6.5	Distressed / Growth	04/11	\$5.0
Health Care	12/10	\$8.5	Distressed / Growth	04/11	\$5.0
Health Care	01/11	\$5.4	Growth / Buyout	06/11	\$10.0
Information Technology	01/11	\$8.9	Defense / Commercial	08/11	\$4.1
Materials	02/11	\$5.0	Early Stage	02/12	\$10.0
Communication Services	02/11	\$15.1	Technology / Healthcare	02/12	\$10.0
Communication Services	02/11	\$14.5	Technology / Healthcare	03/12	\$7.5
Information Technology	04/11	\$5.0	Manufacturing / Distribution	09/12	\$7.5
Communication Services	06/11	\$10.4	Growth / Buyout	02/13	\$7.5
Consumer Discretionary	02/12	\$6.8	Healthcare	03/13	\$7.5
Consumer Discretionary	04/12	\$4.8	Growth	04/13	\$5.0
Industrials	05/12	\$10.0	Diversified	05/13	\$11.3
Industrials	08/12	\$10.0	Life Sciences	07/13	\$7.5
Health Care	03/13	\$15.2	Healthcare / Industrial / Aerospace	12/13	\$7.5
Consumer Discretionary	11/13	\$6.3	Distressed / Growth	03/14	\$4.4
Health Care	12/13	\$5.1	Healthcare / Technology	04/14	\$15.0
Health Care	03/14	\$6.1	Distressed / Growth	04/14	\$5.0
Consumer Discretionary	05/14	\$6.0	Florida Growth Fund II		
Health Care	05/14	\$2.0	Distressed / Growth	12/14	\$10.0
Information Technology	06/14	\$3.0	Aerospace	12/15	\$5.0
Health Care	06/14	\$3.8	Distressed / Growth	12/15	\$7.5
Consumer Discretionary	11/14	\$4.0	Technology / Healthcare	12/15	\$7.5
Health Care	02/15	\$3.0	Technology / Services	04/16	\$10.0
Consumer Staples	06/15	\$8.6	Healthcare	06/16	\$7.5
Health Care	05/16	\$7.5	Diversified	10/16	\$7.5
Communication Services	05/16	\$10.0	Distressed / Growth	11/16	\$7.5
Materials	12/16	\$10.0	Manufacturing / Distribution	09/17	\$10.0
Health Care	02/17	\$6.2	Defense / Commercial	12/17	\$7.5
Industrials	11/17	\$12.0	Growth / Buyout	09/18	\$7.5
Health Care	02/18	\$7.5	Healthcare / Industrial / Aerospace	03/19	\$7.5
Information Technology	06/18	\$7.5	Growth / Buyout	07/19	\$6.8

Direct Investments - Technology and Growth Companies	Date Invested	Amount Invested (millions)	Private Equity Funds	Date Invested	Amount Invested (millions)
Information Technology	10/18	\$10.0	Distressed / Growth	12/19	\$5.0
Industrials	10/18	\$10.0	Manufacturing / Distribution	12/19	\$2.5
Florida Growth Fund II			Manufacturing / Distribution	12/19	\$5.0
Industrials	07/15	\$7.0	Technology / Services	01/20	\$7.0
Industrials	08/15	\$7.5	Florida Sunshine State Fund		
Consumer Staples	08/15	\$10.0	Industrial and business services	12/18	\$7.0
Industrials	05/16	\$15.0	Consumer products, business services	01/19	\$6.0
Consumer Discretionary	07/16	\$10.8	Business services	04/20	\$6.0
Health Care	01/17	\$10.0			
Information Technology	03/17	\$8.0			
Health Care	11/17	\$5.9			
Industrials	02/18	\$8.0			
Consumer Discretionary	06/18	\$15.0			
Consumer Staples	09/18	\$11.0			
Consumer Staples	03/19	\$6.8			
Health Care	06/19	\$15.0			
Industrials	10/19	\$7.5			
Health Care	01/20	\$10.0			
Financials	02/20	\$10.0			
Information Technology	03/20	\$7.6			
Florida Sunshine State Fund					
Software	02/19	\$4.9			
Funeral homes and cemeteries	06/19	\$4.9			
Cremation services	08/19	\$6.0			
Telecommunication	08/19	\$6.0			
Consumer Discretionary	11/19	\$1.5			
Healthcare	03/20	\$8.0			
Subtotal Direct Investment		\$497.0	Subtotal Private Equity		\$330.2
Total		\$827.2			

Source: Hamilton Lane and J.P. Morgan Asset Management.

The majority of Florida Growth Fund Program investments are made in companies with a Florida presence. The SBA requires that all direct investments made by co-investing with a general partner be in companies based in Florida or that have a significant portion of their business generated in the state. The SBA also seeks companies headquartered in Florida or conducting a significant portion of their business in Florida for FGF private equity fund investments. However, private equity fund investments are managed by general partners who may or may not be domiciled in the state. Additionally, private equity funds are a blind pool and while the fund manager may intend to invest a majority of the fund in Florida, that could change depending on the opportunity set during the investment period of the fund.⁷

The fund managers report that most Florida Growth Fund program investments are in companies that are headquartered in Florida, have a substantial portion of their employees or business functions in Florida, or have a significant Florida presence.

- 100% of Florida Growth Fund I technology and growth company investments and private equity investments are in companies that have their headquarters and a substantial portion of their employees or business functions in Florida.
- 100% of Florida Growth Fund II technology and growth company investments are in Florida-headquartered companies that also have a substantial portion of their employees and/or business functions in the state. Sixteen of 17 Florida Growth Fund II private equity fund investments are in companies with their headquarters and a substantial portion of their employees or business functions in Florida. One private equity fund is headquartered in North Carolina but reported that it has a substantial portion of employees or business functions in Florida.
- 100% of Florida Sunshine State Fund technology and growth company investments are in companies that have their headquarters or a substantial portion of their employees or business functions in Florida.⁸ All three private equity investments made using Florida Sunshine State funds are headquartered in Florida and have a significant Florida presence.

The SBA's fund managers made direct investments in a wide range of industries, from restaurants to electronic product manufacturers to telecommunications companies. However, 53.7% of total direct investments are in six industries.⁹

- Professional, Scientific, and Technical Services—11.1%
- Administrative and Support Services—10.0%
- Ambulatory Health Care Services—9.4%
- Publishing Industries (except Internet)—9.1%
- Merchant Wholesalers, Durable Goods—7.7%
- Computer and Electronic Product Manufacturing—6.4%

⁷ A blind pool is a fund for which investors do not know the type of business activity or companies supported by the investment.

⁸ SBA reports that some Florida Sunshine State Fund investments may initially reside with an in-state sponsor or fund and then may be provided to either Florida or out of state companies.

⁹ Businesses' industry sectors were determined using North American Industry Classification System codes. The following codes encompassed the six largest: 541—Professional, Scientific, and Technical Services (e.g., legal services, engineering services, and testing laboratories); 561—Administrative and Support Services (e.g., facilities support services, janitorial services, and collection agencies); 621—Ambulatory Health Care Services (e.g., medical laboratories, HMO medical centers, and ambulance services); 511—Publishing Industries (except Internet) (e.g., book publishers, software publishers, and periodical publishers); 423—Merchant Wholesalers, Durable Goods (e.g., refrigeration equipment and supplies merchant wholesalers, industrial supplies merchant wholesalers, and hardware merchant wholesalers); and 334—Computer and Electronic Product Manufacturing (e.g., electronic computer manufacturing, audio and video equipment manufacturing, and printed circuit assembly (electronic assembly) manufacturing).

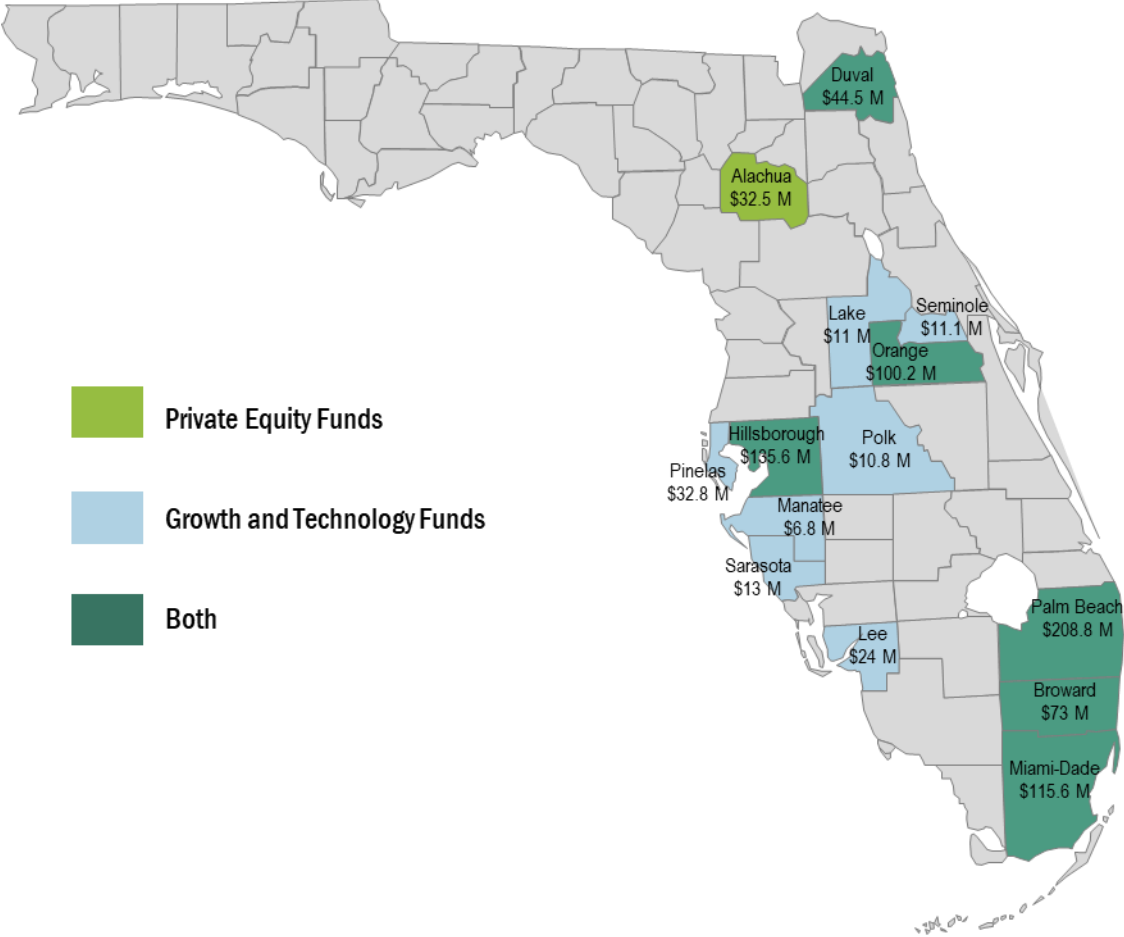
Fund investments are largely concentrated in five counties. FGF Program investments (both direct and private equity investments) are primarily located in 14 Florida counties, with the majority of these counties located in Central and South Florida. (See Exhibit 3.) Investment amounts range from \$6.8 million in Manatee County to \$208.8 million in Palm Beach County. Program investments are concentrated in five counties—Broward, Hillsborough, Miami-Dade, Orange, and Palm Beach—and account for 77.2% of all program investments made in Florida. SBA reported that this geographic concentration is not a result of targeting certain counties within the state. Both Hamilton Lane and J.P. Morgan make investments across the entire state, but much of the state’s economic activity is in larger population centers.

While state law authorizes the SBA to invest in businesses domiciled in the state or whose principal address is in this state, statutes also require FGF Program investments to be made consistent with the SBA’s fiduciary duties.¹⁰ Thus, the SBA cannot invest in a private equity fund just because it is located in the state. Private equity funds may have offices in specific Florida counties, but they may invest in other counties, states, and countries. However, beyond a \$7.5 million commitment to a North Carolina private equity firm, fund managers did not report any commitments to private equity funds outside of Florida.

¹⁰ Section 215.47 (7), *F.S.*

Exhibit 3

The Majority of \$819.7 Million in FGF Program In-State Commitments Are Located in Central and South Florida



Source: Data provided by Hamilton Lane and J.P. Morgan Asset Management.

The Florida Growth Fund Program Continues to Demonstrate Positive Returns to the FRS Trust Fund

The FRS Trust Fund benefits from Florida Growth Fund Program positive returns.¹¹ SBA managers reported that from program inception to June 30, 2020, the FRS Trust Fund has received \$540.1 million from the investment activities of the FGF Program. These returns have been the result of activities such as investments exiting the program and write-offs. As of June 30, 2020, 23 investments have exited. These 23 investments provided more than \$325.5 million of the \$540.1 million total distributions to the FRS Trust Fund from inception through the end of Fiscal Year 2019-20. (See Exhibit 4.)

Exhibit 4

Exited Investments Have Distributed \$325.5 Million to the FRS Trust Fund

Industry	Distributions (in millions)	Gross Internal Rate of Return
Communication Services	\$49.4	40.5%
Consumer Discretionary	\$40.5	80.1%
Consumer Discretionary	\$28.6	33.1%
Communication Services	\$22.5	18.4%
Industrials	\$21.8	12.8%
Materials	\$21.4	74.3%
Industrials	\$17.5	20.1%
Information Technology	\$14.1	30.2%
Consumer Discretionary	\$13.9	21.2%
Consumer Staples	\$13.9	18.1%
Health Care	\$13.5	23.1%
Health Care	\$13.4	27.8%
Industrials	\$10.8	19.3%
Health Care	\$8.9	9.1%
Health Care	\$8.5	16.7%
Communication Services	\$7.3	68.1%
Consumer Discretionary	\$5.2	38.7%
Information Technology	\$5.1	10.4%
Health Care	\$4.8	23.7%
Health Care	\$3.4	17.1%
Financials	\$0.7	-21.0%
Health Care	\$0.3	0.0%
Information Technology	\$0.0	0.0%
Total / Average	\$325.5	25.3%

Source: Hamilton Lane.

In addition to exited investments, distributions to the FRS Trust Fund are also affected by write-offs. There were no realized write-offs during Fiscal Year 2019-20.

¹¹ The SBA uses the internal rate of return (IRR) and the multiple of invested capital to measure the performance of these types of investments.

Since program inception, net returns have exceeded benchmarks. Fund managers have established benchmarks for the six tranches of capital based on market indices to measure investment performance against comparable investments.^{12,13} Since inception, all of the program's tranches reported exceeding the benchmarks used to evaluate the net performance of such investments by 1.4% to 25.8%. (See Exhibit 5.)

Exhibit 5

Net Returns for the Florida Growth Fund Program Have Exceeded Market-Based Investment Benchmarks since Inception

Benchmark Date	Time Period	Net Internal Rates of Return	SBA Benchmark ¹	Difference
		Florida Growth Fund I Tranche I	Russell 2000 HL/Bison PME	
7/1/2019	1 year	-2.9%	-5.2%	
7/1/2017	3 year	1.8%	2.4%	
7/1/2015	5 year	13.4%	3.2%	
	Since Inception	11.5%	10.1%	1.4%
		Florida Growth Fund I Tranche II	Russell 2000 HL/Bison PME	
7/1/2019	1 year	1.8%	-7.1%	
7/1/2017	3 year	9.9%	1.7%	
7/1/2015	5 year	9.4%	4.3%	
	Since Inception	10.5%	7.3%	3.2%
		Florida Growth Fund I Credit	Credit Suisse LLI HL/Bison PME	
7/1/2019	1 year	7.1%	-4.0%	
7/1/2017	3 year	9.3%	1.5%	
7/1/2015	5 year	8.9%	2.4%	
	Since Inception	8.7%	2.5%	6.2%
		Florida Growth Fund II Tranche I	Russell 2000 HL/Bison PME	
7/1/2019	1 year	-4.4%	-7.1%	
7/1/2017	3 year	2.6%	-0.1%	
7/1/2015	5 year	N/A	N/A	
	Since Inception	5.1%	3.1%	2%
		Florida Growth Fund II Tranche II	Russell 2000 HL/Bison PME	
7/1/2019	1 year	N/A	N/A	
7/1/2017	3 year	N/A	N/A	
7/1/2015	5 year	N/A	N/A	
	Since Inception	11.5%	-14.3%	25.8%
		Florida Sunshine State Fund²	Russell 2000/Direct Alpha PME	
7/1/2019	1 year	N/A	N/A	N/A
7/1/2017	3 year	N/A	N/A	
7/1/2015	5 year	N/A	N/A	
	Since Inception	15.8%	-2.5%	18.3%

¹ The benchmarks used are modified public market benchmarks that allow investors to make direct comparisons between private market funds and public benchmarks. We did not independently assess the reliability of the benchmark selections.

² The SBA stated that performance data may not be accurate in the early years of any private equity investments due to factors such as distortion of the IRR by early fluctuations in cash flows.

Source: State Board of Administration and Hamilton Lane

¹² Fund benchmarks are set using versions of common market indices. A market index tracks changes in stocks, bonds, or other investments from a specific starting date. For example, the Russell 2000 tracks the 2,000 smallest companies in the whole-market-tracking Russell 3000 index, which is a measure of the performance of smaller, domestically focused businesses. The benchmarks used by the Florida Growth Fund use public market equivalents (PMEs) methodology. The goal of PMEs is to translate the public market return into an internal rate of return-like metric that accounts for the timing of cash flows and fluctuating capital-at-work of a private market fund. PME analysis allows investors to make direct comparisons between private market funds and public benchmarks.

¹³ Fund benchmarks have not been established for the Florida Sunshine State Fund because of the relatively short period of time the FGF has been invested in the fund.

Companies Receiving Investments Reported Creating 19,794 Jobs in Florida and Making \$1.12 Billion in Capital Expenditures Since Program Inception

While Florida statutes require the Florida Growth Fund Program to maximize the financial return to the FRS Trust Fund consistent with the risks incumbent in each investment, the same law acknowledges that the program may generate additional benefits. These benefits include the potential for high-growth, high-wage jobs that will provide significant benefits to state residents and a variety of business sectors. As of June 30, 2020, fund managers reported that companies currently receiving investments and exited investments created 19,794 Florida jobs and made \$1.12 billion in capital expenditures since program inception.¹⁴

From inception through June 30, 2020, current Florida Growth Fund Program direct investments and private equity investments generated a total of 15,731 Florida jobs, a reduction of 1,837 jobs reported as of June 30, 2019. (See Exhibit 6.)¹⁵ Twenty investments resulted in no job growth or a loss. The decrease in jobs is similar to statewide job losses in the latter half of Fiscal Year 2019-20. According to the Florida Department of Economic Opportunity, the statewide unemployment rate increased from 2.8% in January 2020 to 13.7% in May 2020, before decreasing to 10.4% in June 2020.

Overall, exited direct investments created additional jobs in Fiscal Year 2019-20. From inception through 2020, exited direct investments created 4,063 net jobs in Florida, an increase of 724 from the prior fiscal year. The majority of jobs created by exited investments were in the categories of professional, scientific, and technical services, food services and drinking places, waste management and remediation services, and ambulatory health care services.

The majority of the reported jobs generated by current FGF Program investments paid above statewide annual median wages. Reported jobs created by the 35 current investments pay median annual wages ranging from \$17,000 to \$121,098.¹⁶ Only three of these current investments are associated with jobs that pay median annual wages less than the 2019 Florida overall median wage of \$35,838.¹⁷ Similarly, reported jobs created by the 16 exited investments pay annual median wages ranging from \$33,050 to \$80,854, with only 1 of these exited investments paying median wages below the 2019 Florida overall median wage.¹⁸

¹⁴ Capital expenditures are expenses incurred in acquiring, repairing, or improving physical assets (such as equipment, property, or plants), including starting new businesses and adapting property to a different use.

¹⁵ Jobs reported may be fewer from year to year as a result of investments that are exited.

¹⁶ Includes only those current investments that had positive job growth and salary data.

¹⁷ U.S. Bureau of Labor Statistics.

¹⁸ We received information on 23 exited investments. The wage numbers presented are calculated for 16 exited investments that had positive job growth and salary data.

Exhibit 6

Current Florida Growth Fund Companies Reported Creating 15,731 Florida Jobs since Inception

Industry	Date Invested	Jobs Created	Reported Median Salary
Technology and Growth Companies			
Health Care	11/9/2017	1,094	\$60,000
Industrials	8/17/2015	689	\$45,000
Industrials	2/16/2018	446	n/a
Consumer Discretionary	11/19/2013	406	\$66,600
Health Care	1/30/2017	369	\$121,098
Consumer Discretionary	6/28/2018	239	\$32,951
Industrials	11/29/2017	214	n/a
Health Care	3/15/2013	199	\$50,687
Industrials	8/20/2012	171	\$90,500
Information Technology	9/28/2010	104	\$73,827
Industrials	5/26/2010	91	\$69,111
Financials	2/20/2020	63	\$30,929
Consumer Staples	8/27/2015	56	\$100,000
Information Technology	3/24/2017	46	\$107,600
Health Care	2/17/2017	37	\$54,259
Health Care	6/26/2014	35	\$80,690
Funeral homes and cemeteries	6/14/2019	29	\$36,920
Health Care	6/21/2019	18	\$85,804
Health Care	3/26/2014	17	\$65,642
Industrials	10/2/2019	11	\$62,750
Consumer Staples	9/3/2018	10	\$95,774
Telecommunication	8/20/2019	8	\$73,012
Cremation services	8/5/2019	3	\$36,025
Information Technology	6/15/2018	2	\$38,700
Software	2/4/2019	1	\$120,000
Health Care	1/23/2020	0	n/a
Information Technology	3/5/2020	0	\$59,264
Communication Services	5/16/2016	0	n/a
Consumer Discretionary	7/20/2016	0	\$50,000
Healthcare	3/17/2020	0	\$38,480
Consumer Discretionary	11/19/2019	0	\$92,410
Consumer Staples	3/22/2019	-1	\$33,803
Information Technology	1/20/2011	-1	n/a
Health Care	12/22/2010	-4	\$142,000
Industrials	7/6/2015	-61	\$79,400
Materials	12/28/2016	-157	\$69,453
Communication Services	2/24/2011	-170	\$88,832
Industrials	5/2/2016	-361	\$39,400
Information Technology	10/25/2018	-390	\$85,000
Subtotal		3,213	

Industry	Date Invested	Jobs Created	Reported Median Salary
Private Equity Funds			
Diversified	7/2/2010	8,476	\$72,931
Healthcare / Technology	10/1/2009	1,017	\$92,746
Technology / services	5/17/2010	911	\$49,668
Life Sciences	7/16/2013	571	\$17,000
Healthcare	6/17/2016	394	\$66,385
Manufacturing/Distribution	12/31/2019	372	\$72,861
Growth	4/12/2013	320	\$78,164
Aerospace	12/22/2015	257	\$81,513
Consumer products, business services	1/30/2019	171	\$37,137
Growth / Buyout	7/23/2019	67	\$53,146
Healthcare/Industrial/Aerospace	12/23/2013	66	\$60,466
Industrial and business services	12/18/2018	27	\$37,512
Early Stage	2/20/2012	26	n/a
Business services	4/10/2020	0	\$75,000
Technology/Healthcare	2/28/2012	-3	n/a
Technology / Healthcare	12/31/2015	-30	n/a
Defense/Commercial	7/20/2010	-35	\$81,874
Distressed/Growth	12/30/2015	-39	\$55,350
Diversified	10/31/2016	-50	\$51,748
Subtotal		12,518	
Total		15,731	

¹ Data for these funds does not include information on companies that have exited the Florida Growth Fund Program.
Source: Hamilton Lane and J.P. Morgan Asset Management. Data as of June 30, 2020.

Hamilton Lane and J.P. Morgan Asset Management reported that the Florida Growth Fund's investments have also resulted in increased capital expenditures in Florida. Specifically, direct investments and private equity companies reported making an estimated \$254.3 million in capital expenditures between July 1, 2019, and June 30, 2020, bringing total reported capital expenditures to \$1.12 billion since the fund's inception. This includes capital investments by companies that have exited the FGF (both equity co-investments and credit co-investments) and that reported making \$192.1 million in Florida capital expenditures from inception through June 30, 2020.

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OPPAGA

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OPPAGA supports the Florida Legislature by providing data, evaluative research, and objective analyses that assist legislative budget and policy deliberations. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL32399-1475).

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