



PORT
TAMPA BAY™



Tampa Port Authority
**Comprehensive Annual
Financial Report for Fiscal Year
ended September 30, 2013**

Hillsborough County
Port District, Florida

Hillsborough County Port District, Florida

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2013



Prepared by: Finance Department

Michael J. Macaluso, Chief Financial Officer



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TAMPA PORT AUTHORITY

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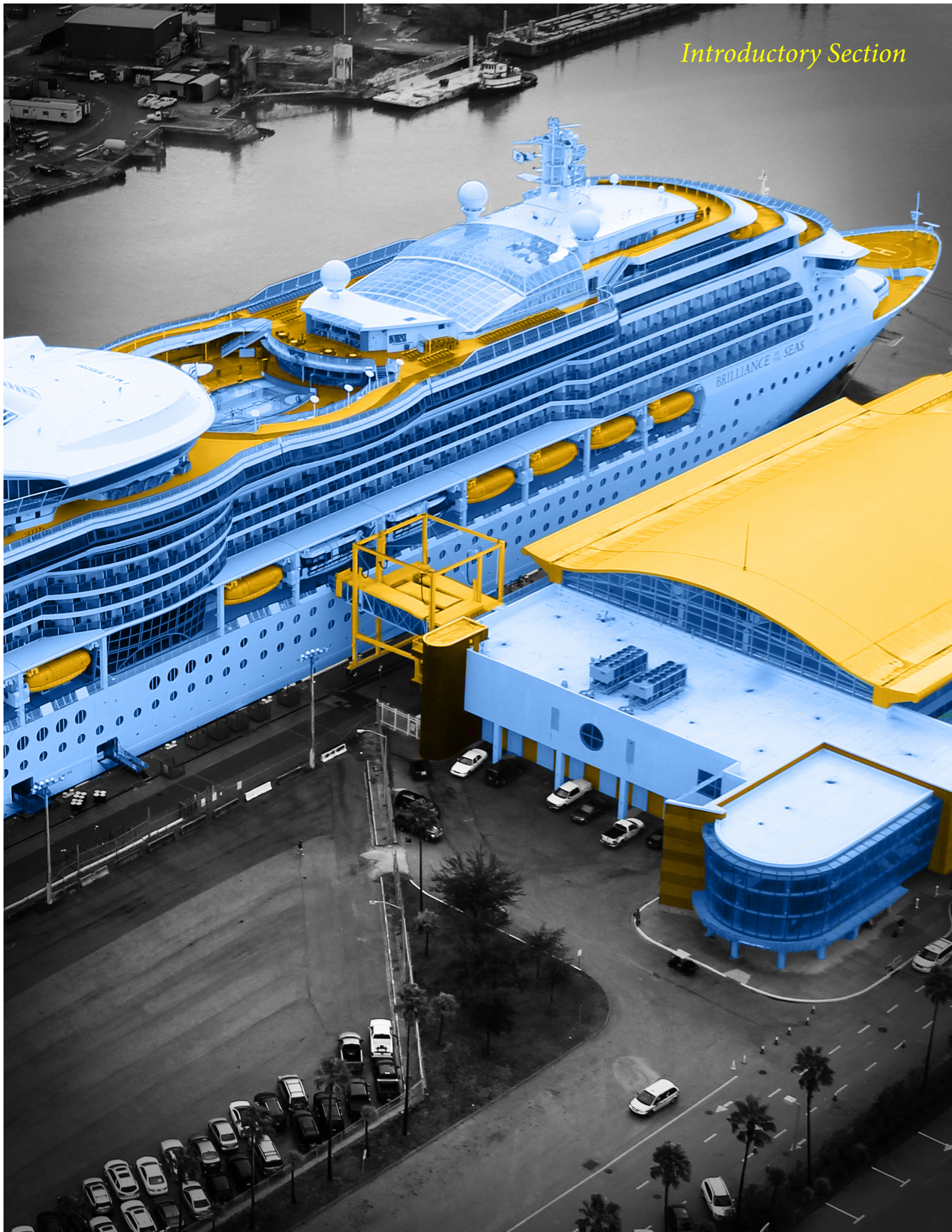
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Introductory Section





PORT
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March 31, 2014

Board of Commissioners
Tampa Port Authority
1101 Channelside Drive
Tampa, Florida 33602

Dear Commissioners:

The Comprehensive Annual Financial Report (CAFR) of the Tampa Port Authority (Port Authority) for the fiscal year ended September 30, 2013 is hereby submitted for your review. Responsibility for both the accuracy of the data and the completeness, reliability and fairness of the presentation, including all disclosures, rests with the Tampa Port Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Port Authority. All disclosures necessary to enable the reader to gain an understanding of the Port Authority's financial activities and operations have been included.

The management of the Port Authority is responsible for establishing and maintaining an effective internal control structure to safeguard its assets, assuring the reliability of its accounting records, and promoting operational efficiencies. Based upon a comprehensive internal control framework that it has established for this purpose and recognizing that the cost of such controls should not outweigh their benefits, the Port Authority's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free of any material misstatements.

The enclosed CAFR has been prepared in accordance with guidelines recommended by the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

Certain demographic information and required GASB 44 statistical reporting included in the CAFR were not obtained from the financial records of the Authority but are presented for the CAFR user's information and understanding of the Port Authority and the environment in which the Port Authority operates. Additionally, the Compliance Section of the CAFR meets the continuing disclosure requirements of SEC Rule 15c2-12.

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Website: www.tampaport.com * E-Mail: info@tampaport.com

Governmental accounting and auditing principles require that management provide an introduction, overview and analysis in narrative form to accompany the basic financial statements. This narrative, entitled Management's Discussion and Analysis (MD&A), can be found immediately following the independent auditor's report in the Financial Section of the CAFR. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Port

The Tampa Port Authority was created by action of the Florida Legislature through Chapter 95-488, Laws of Florida (also known as the "Enabling Act"). Among other provisions more fully described in the MD&A, the Enabling Act gives the Port Authority the right to acquire property through the power of eminent domain, purchase, gift, grant, franchise, lease or contract. The Port Authority is also empowered to fix uniform rates and charges for wharfage, dockage and handling to and from vessels, where such facilities are owned by the Port Authority or otherwise insofar as it may be permissible under the Constitution of Florida and the Constitution and Laws of the United States of America.

The Enabling Act provides that the Port Authority shall have the specific responsibility for planning and implementing plans for the long range development of the facilities and the movement of cargo through the Port District. Prior to purchase, ownership, control or operation of any facility, the Port Authority must hold a public hearing at which public comments are received and considered. The Port Authority has broad powers to acquire, construct, operate and lease facilities. Please refer further to the MD&A for more specific information regarding the Port Authority's Enabling Act and its impact on how the Port Authority operates.

Pursuant to Section 11.45 of the Florida Statutes and Section 11 of the Port Authority's Enabling Act, an audit of the financial statements has been completed by the Port Authority's independent certified public accountants, Cherry Bekaert LLP. Their opinion is included in the Financial Section of this CAFR.

The Port Authority's Enabling Act prescribes that it maintain budgeting and accounting systems and prepare an annual budget in accordance with Florida law. Cash and other assets, related liabilities, and residual equity are segregated into individual self-balancing account groupings. Special accounts are maintained in accordance with revenue bond debt covenants. A full discussion of the Port Authority's accounting practices is included in the Notes to the Financial Statements, also included in the Financial Section of this CAFR.

At the end of fiscal year 2012 (FY2012), the Port Authority's Board of Commissioners adopted the budget for fiscal year 2013 (FY2013) that reduced property taxes to .1850 mills (\$.1850 per \$1,000), below the rollback rate as defined in the Florida Statutes. Per Port Authority Board of Commissioners' policy, all of the ad valorem taxes distributed to the Port Authority are allocated to the Capital Program to build infrastructure, generate economic benefits and create jobs. Although the Enabling Act authorizes the use of ad valorem tax receipts to pay for operating expenses, it has been and is the policy of the Port Authority's Board of Commissioners that no ad valorem tax receipts are used for this purpose.

The Port Authority closely monitors its daily cash needs and invests its portfolio, maximizing investment returns in accordance with its written investment policy. Additionally, it utilizes and relies on the advice of its independent financial advisors and its bond counsel when making decisions regarding treasury management and external financing requirements.

Factors Affecting Port Authority's Financial Condition

Despite the economic uncertainties of recent years, the Tampa Port Authority continued to maintain its solid financial performance in FY2013. The details behind the Port Authority's FY2013 financial performance are discussed in the MD&A included in the Financial Section of the CAFR. The Port Authority's current and future financial condition is also dependent upon a number of key factors and initiatives. Listed below is a discussion of those key factors and initiatives.

Local Economy

The Port of Tampa is geographically located within the boundaries of Hillsborough County, Florida. Principal employers in Hillsborough County include: the Hillsborough County School Board, University of South Florida, Hillsborough County Government, Tampa International Airport and MacDill Air Force Base. Several Fortune 1000 companies are headquartered in the metropolitan area, including OSI Restaurant Partners, WellCare Health Plans, Inc., TECO Energy, Walter Energy, and Raymond James Financial. Other large regional employers include Verizon Communications, Publix Super Markets, Tampa General Hospital, JP Morgan Chase, Tech Data, Mosaic and Jabil Circuit. Institutions of higher learning located in the Tampa Bay area include the University of South Florida, the University of Tampa, Hillsborough Community College, and the Stetson University College of Law.

The Port of Tampa is a major player in the local economy's growth, supporting nearly 80,000 jobs and generating almost \$15 billion in annual economic impact. The Port ranks first in the State of Florida in terms of cargo tonnage and handles nearly half of all of the seaborne commerce that passes through the state. The Port is the most diversified in the state and is one of the nation's largest in land area.

Business Policies and Strategies

While the Port Authority's financial success can be attributed to a number of factors, two (2) important strategies implemented a number of years ago continue to pay dividends in FY2013. First, the Port Authority continues to deliberately pursue a strategy of business diversification. To that end, certain lines of business, such as cruise lines, have continued to do well which helped mitigate the downturns in the building material commodities such as cement and steel. On a positive note, FY2013 continued to show recovery in these commodities which we expect to continue for the foreseeable future.

Second, the Port Authority has included built-in incentives in many of its leases to reward the tenants for increased volumes of cargo through the Port. Port Authority staff utilizes these cargo incentives as well as other incentives such as allowing lower rents during development and construction periods and other construction allowances to attract new tenants. In exchange for these incentives, the Port Authority includes long-term financial commitments in these leases, such as minimum financial and tonnage guarantees, to ensure a steady stream of revenue even during periods of economic downturn. Additionally, there is continuous dialog between Port Authority staff and existing tenants which allows the Port Authority to work with the tenants to meet their changing needs.

Going forward and in addition to the strategies discussed above, FY2013 saw the implementation of a new community outreach and marketing strategy designed to promote the new brand of operating culture together with the business lines diversification and regionalism focus of the Port's efforts. The beginnings of the new marketing direction were well underway by the fall of FY2013 as was a series of initiatives in video, collateral/print, public relations, events and conferences as well as trade show initiatives. These continued brand efforts culminated in a major overhaul complete with new look and logo that was unveiled at the State of the Port in

2014. Events leading to this unveiling included but were not limited to Building Florida's Future, Global Trade Routes Conference, the Economic Impact Study reveal, and expanded attendance at non hosted shows such as the Produce Marketing Association and the Detroit Auto Show.

Long-Term Financial and Business Planning

The Port Authority's Executive Steering Committee, comprised of senior management, meets on a regular basis to ascertain how to best use the Port's existing resources, to determine whether the use of those resources is consistent with the Port's Strategic and Master Plan and to determine when additional funding is needed and supportable. All of the major initiatives and projects discussed below were thoroughly vetted through the Executive Steering Committee.

In addition, the Port Authority regularly updates its Strategic and Master Plan in order to ensure that these documents include the most up-to-date economic forecasts and conditions.

Major Initiatives

The list below includes some of the major ongoing continuing initiatives as well as several new initiatives implemented during FY2013. These initiatives all support the business diversification and marketing outreach strategy discussed above and have had a significant impact on the Port Authority's financial results in FY2013. These initiatives are also discussed in further detail in the accompanying MD&A.

- **Ethanol Facility Operation:** In September 2012, the Port Authority, in conjunction with its partners CSX, Transflo and Kinder Morgan Energy Partners, officially dedicated the Port of Tampa Gateway Rail Project. Enhanced cargo-handling and superior intermodal connectivity are among the benefits the Port of Tampa and partners are enjoying as a result of this Project. FY 2013, the first full fiscal year of operation of this facility, saw close to 3.5 million barrels in ethanol handled through this facility.
- **Petroleum Terminal Facility Renovation and Refurbishment:** The first phase of the renovation and refurbishment of the Tampa Port Authority's Petroleum Terminal Facility became operational in FY2013. The Tampa Port Authority Petroleum Facility is the primary petroleum gateway for 8 million Central Florida consumers and the aviation fuel going through the facility is transported via pipeline for use at Orlando International Airport.
The improvements and modernization of the facility has made it more efficient and cost-effective for existing tenants and users and has made the facility more attractive to prospective new tenants and users. The Port Authority expects that all three phases of this project will be completed by Spring 2014.
- **Recycled Oil Facility Construction:** In FY2012, NexLube Tampa, LLC entered into a 20-year contract with the Port Authority and in FY2013, began construction of an \$80 million facility on a 12-acre site at the Port Authority's Pendola Point site that, when completed, will be Florida's first recycled oil processing and blending facility and will provide 80 permanent jobs in addition to employing hundreds of people during its 18-month construction phase. The construction of the facility is approximately 80% complete.
- **Cruise – Carnival Cruise Lines (CCL)** solidified its commitment to the Port by agreeing to homeport CCL ships at the Port through 2017. Additionally, Royal Caribbean International (RCI) announced its intention of deploying a second ship at the Port beginning in the fall of 2014. In FY2013, the Port Authority increased its efforts to also enter into long-term agreements with RCI and Norwegian Cruise Lines with the intent to ensure the cruise industry's contribution to the overall Tampa Bay economy.

- Berths 151 and 152: In FY2013 the Port began filling the submerged lands in the Eastport area of the Port to create approximately 25 acres of upland for future Berths 151 and 152. These berths will have 43 feet of water depth, the deepest available at the Port.
- Processing and handling of new automobile shipments – In FY2013, the Port Authority signed a letter of intent with AMPORTS, a leader in the automotive processing industry, to develop a new terminal at the Port dedicated to the import and export of automobiles., primarily to attract short sea shipments of automobiles out of Mexico and with the intent of eventually becoming a gateway port for the export of finished vehicles.
- I-4 Connector: Construction of the I-4 Connector continued throughout FY2013 and the toll road linking Interstate 4 and the Selmon Expressway opened in January, 2014. Although not funded by the Tampa Port Authority, the Port strongly supported the project and its dedicated truck lane providing direct access to the Port. This will remove a significant number of the approximately 15,000 daily truck movements in and out of the Port from local city streets and will provide truck cargo handlers with easy and efficient interstate access to the northeast United States.

Awards and Acknowledgements

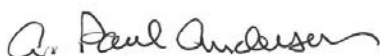
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Tampa Port Authority for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2012. This was the thirteenth (13th) consecutive year that the Port Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, the Port Authority had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements. As was the case for the prior twelve (12) years, the accomplishment of the Certificate of Achievement for the thirteenth consecutive fiscal year was primarily due to the tireless efforts of the Port Authority's Finance Department staff.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report, as always, represents the combined effort of the entire staff of the Finance Department of the Tampa Port Authority, other Port Authority departments who provided key information to this report and the accounting firm of Cherry Bekaert LLP. We gratefully acknowledge their contributions.

Finally, we express our deepest appreciation to the members of the Tampa Port Authority Board of Commissioners for their continued guidance and leadership towards ensuring the fiscal integrity of the Tampa Port Authority.

Respectfully Submitted,



A. Paul Anderson
President and CEO



Michael J. Macaluso
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

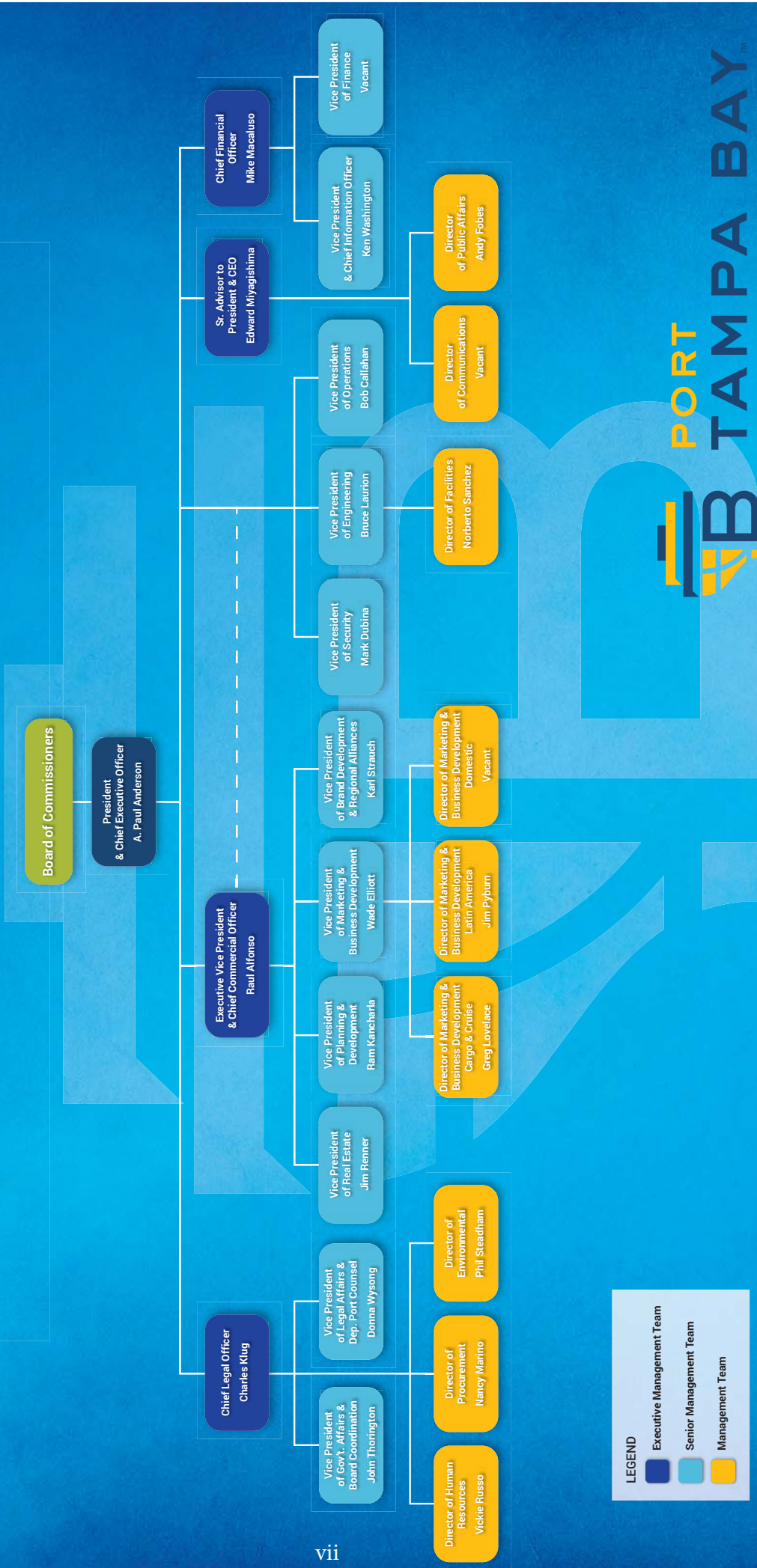
**Tampa Port Authority,
Hillsborough County Port District
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

PORT TAMPA BAY MANAGEMENT TEAM





List of Officials

Board of Commissioners

Stephen Swindal	Chairman
Carl Lindell, Jr.	Vice Chairman
Patrick H. Allman	Secretary/Treasurer
Honorable Sandra Murman Hillsborough County Commission	Commissioner
Honorable Bob Buckhorn Mayor, City of Tampa	Commissioner
Lawrence R. Shipp, Jr.	Commissioner
John Grandoff, III	Commissioner

Senior Executive Staff

A. Paul Anderson	President and Chief Executive Officer
Raul Alfonso	Executive Vice President and Chief Commercial Officer
Charles E. Klug, Esquire	Chief Legal Officer
Michael J. Macaluso	Chief Financial Officer





PORT
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Report of Independent Auditor

To the Board of Commissioners of
Tampa Port Authority
Tampa, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Tampa Port Authority (the "Port Authority") as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Port Authority, as of September 30, 2013, and the respective changes in its financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Prior Year Comparative Information

We have previously audited the Port Authority's 2012 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the business-type activities and discretely presented component unit in our report dated March 8, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2012 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port Authority's basic financial statements. The introductory section and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *State of Florida Rules of the Auditor General* and is also not a required part of the basic financial statements.

The schedule of expenditures of federal awards and state financial assistance is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 24, 2014, on our consideration of the Port Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
March 24, 2014

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

The following management's discussion and analysis ("MD&A") of the financial performance and activity of the Tampa Port Authority ("Port Authority") is intended to provide an introduction to and understanding of the financial statements of the Port Authority for the fiscal year ("FY") ended September 30, 2013, with selected comparisons to the prior fiscal year ended September 30, 2012. The information represented should be read in conjunction with the financial statements, notes and supplemental schedules found in this report.

Introduction

The Port Authority is a body politic and corporate pursuant to the provisions of Chapter 95-488, Laws of Florida, Acts of 1945 ("Enabling Act"). The Enabling Act provides that the Port Authority will have exclusive jurisdiction, control, supervision and management over all publicly-owned docks and wharves in Hillsborough County, Florida. The Port Authority is governed by seven board members, five of whom are residents of Hillsborough County and appointed by the Governor of the State of Florida to either two-year or four-year terms. In addition, the Mayor of the City of Tampa, ex-officio; and a Commissioner of the Board of County Commissioners of Hillsborough County, ex-officio, serve on the Port Authority's Board. Of the Board members appointed by the Governor, two members must have maritime industry background in accordance with a modification made to the Enabling Act by the State of Florida legislature in June 2005.

The Port Authority consists of approximately 2,600 acres and is primarily a landlord port serving the greater Tampa Bay area. The Port Authority is a self-supporting organization and generates revenues from port users to fund all operating expenses and debt service requirements. Capital projects are funded by issuing bonds and short-term financings, awards of federal and state grants, ad valorem tax revenue, and surplus operating funds above those needed to cover operating expenses and debt service. While the Port Authority has the ability to levy up to .50 mills in ad valorem taxes each year, the Port Authority's FY2013 millage rate was \$.1850 mills.

The Port Authority publishes a uniform tariff which contains standardized rates for conducting various port activities on port-owned facilities including wharfage, dockage, transit, storage, warehousing and handling of cargo to and from vessels. In addition to the revenue generated from these activities, the Port Authority leases its properties to various maritime and other businesses for which it collects rents and negotiated commodity rates, and in certain instances also receives certain guaranteed revenue streams.

The following MD&A of Port Authority activities and financial performance provides an introduction to the financial statements of the Port Authority for the fiscal year ended September 30, 2013.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

The notes to the financial statements are essential to a full understanding of the data contained in the financial statements. This report also presents certain required statistical and supplementary information regarding capital assets and long-term debt activity conducted during the fiscal year, including commitments made for capital expenditures.

Overview of the Financial Statements

Governmental accounting policy, practice and procedures fall under the auspices of the Government Accounting Standards Board ("GASB"). The Port Authority's financial transactions and subsequent statements are prepared according to the GASB Statement 34 reporting model, as mandated by the GASB. The purpose of the GASB 34 reporting model is to consolidate two basic forms of governmental accounting, governmental (such as municipalities) and proprietary (those entities which generate their own revenues and therefore are similar to a private business such as the Port Authority) operations, into statements that give the reader a clearer picture of the financial position of the government as a whole. The Port Authority is considered a proprietary form of government and its financial transactions are recorded in a single Enterprise Fund.

In the fiscal year ended September 30, 2013, the Port Authority implemented GASB Statement 61, *The Financial Reporting Entity: Omnibus*; GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* and GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. There were no changes in the reporting entity as a result of the implementation of GASB Statement 61. There were also no changes in financial reporting or accounting treatment of the Port Authority's financial transactions as a result of the adaptation of GASB Statement 62. The implementation of GASB Statement 63 required the Port Authority to present a Statement of Net Position, replacing the previously presented Statement of Net Assets, in the Port Authority's basic financial statements. The Port Authority's implementation of GASB Statement 63 also required the Statement of Net Position to present deferred outflows and inflows of resources in separate sections following the Total Assets and Total Liabilities sections, respectively. In the case of the Port Authority, the implementation of this standard was isolated to the reclassification of derivative instrument activities to the appropriate outflow section of the Statement of Net Position.

As stated above, the Port Authority operates as a single Enterprise Fund with one component unit, Tampa Bay International Terminals, Inc. ("TBIT"). The financial statements are prepared on the accrual basis of accounting, therefore revenues are recognized when earned and expenses are recognized when incurred. Capital assets, except land, are capitalized and depreciated over their useful life. Please refer to Note 2 in the accompanying financial statements for a summary of the Port Authority's significant accounting policies. Following this MD&A are the basic financial statements and statistical and supplemental schedules of the Port Authority. These statements and schedules, along with the MD&A are designed to provide readers with a complete understanding of the Port Authority's finances.

The financial section of this annual report consists of three parts: MD&A, the basic financial statements, and the notes to the financial statements. The report includes the following three basic financial statements: the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. It should be noted that the summary financial statements for FY 2013 with comparisons to FY 2012 in the MD&A do not include

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

financial information for TBIT. Financial information for TBIT is included in the financial statements which follow the MD&A.

Financial Position Summary

The Statement of Net Position presents the financial position of the Port Authority at the end of the fiscal year. The statements include all assets, deferred outflow of resources and liabilities of the Port Authority. Net Position, the difference between total assets, deferred outflow of resources and total liabilities, is an indicator of the current fiscal health of the organization and the Port Authority's financial position over time. A summarized comparison of the Port Authority's assets, deferred outflow of resources, liabilities, and net position at September 30, 2013 and 2012 is as follows:

Tampa Port Authority
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2013

STATEMENTS OF NET POSITION

	<u>FY2013</u>	<u>FY2012</u>
(in thousands)		
ASSETS		
Current assets	\$ 87,489	\$ 95,909
Noncurrent assets		
Capital related, net	548,810	527,683
Noncapital	<u>6,809</u>	<u>8,323</u>
Total assets	<u>\$ 643,108</u>	<u>\$ 631,915</u>
 DEFERRED OUTFLOW OF RESOURCES	 <u>\$ 6,301</u>	 <u>\$ 9,279</u>
LIABILITIES		
Current liabilities	\$ 19,203	\$ 22,555
Noncurrent liabilities	<u>118,959</u>	<u>131,870</u>
Total liabilities	<u>\$ 138,162</u>	<u>\$ 154,425</u>
 NET POSITION		
Net investment in capital assets	\$ 433,916	\$ 404,031
Restricted	9,421	8,250
Unrestricted	<u>67,910</u>	<u>74,488</u>
Total net position	<u>\$ 511,247</u>	<u>\$ 486,769</u>

At September 30, 2013, the Port Authority's assets and deferred outflow of resources exceeded liabilities by \$511.2 million, a \$24.5 million increase over September 30, 2012. For the fiscal year ended September 30, 2013, the largest portion of the Port Authority's net position represents its investment in capital assets, less the related debt outstanding used to acquire those capital assets. The Port Authority uses these capital assets to provide services to the passengers, visitors, customers, and tenants of the Port of Tampa. The funding required to repay the Port Authority's debt must be provided annually from Port Authority operations.

The Port Authority's non-current assets as of September 30, 2013 amounted to \$555.6 million, of which capital assets were \$548.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, facility and infrastructure improvements and enhancements, equipment, furniture and fixtures, and construction work in progress. Capital asset acquisitions are capitalized at cost and depreciated over estimated useful lives using the straight-line method. (Refer to Note 2 Capital Assets of the accompanying notes to the financial statements for a more complete description.) The total increase in the Port Authority's investment

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

in capital assets after accumulated depreciation for FY2013 was 4.0%, or \$21.1 million due to the reasons stated below.

The following major projects totaling \$36.6 million comprised the majority of the increase in the Port Authority's capital assets:

- Construction on new Berths 151 and 152
- Continued construction of the Petroleum Terminal Facility and related improvements
- Addition of a reclaimed water line to Port Sutton
- Ongoing maintenance dredging
- Spoil Island 3D improvements and expansion

The Port Authority's capital program is funded through a combination of ad valorem taxes, federal and state grants, surplus operating funds, and revenue bond issues. Additional information on the Port Authority's capital assets can be found in Note 2 in the accompanying notes to the financial statements.

The Statement of Revenues, Expenses and Change in Fund Net Position is an indicator of whether the overall fiscal condition of the Port Authority has improved or worsened during the year. Following is a summary of the Statements of Revenues, Expenses, and Changes in Fund Net Position:

Tampa Port Authority
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2013

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

	<u>FY2013</u>	<u>FY2012</u>
(in thousands)		
Operating revenues		
Port usage fees	\$ 31,539	\$ 32,835
Land and building leases	11,726	9,934
Other operating revenue	<u>825</u>	<u>893</u>
Total operating revenue	<u>44,090</u>	<u>43,662</u>
Operating expenses	<u>24,259</u>	<u>23,632</u>
Operating income before depreciation	19,831	20,030
Depreciation and amortization expense	<u>21,120</u>	<u>21,425</u>
Operating loss after depreciation	<u>(1,289)</u>	<u>(1,395)</u>
Non-operating revenues (expenses)		
Ad valorem taxes	10,926	11,512
Interest income	2,398	2,058
Other non-operating revenues	1,514	1,100
Interest expense	(5,041)	(5,457)
Amortization of bond issue costs	(170)	(691)
Amortization of bond premiums	234	236
Other non-operating expenses	<u>(2,035)</u>	<u>(2,059)</u>
Net Non-operating revenue	<u>7,826</u>	<u>6,699</u>
Income before capital contributions	6,537	5,304
Capital grants and contributions	<u>17,941</u>	<u>21,438</u>
Increase in net position	24,478	26,742
Total net position at beginning of year	<u>486,769</u>	<u>460,027</u>
Total net position at end of year	<u>\$ 511,247</u>	<u>\$ 486,769</u>

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

Financial Operations Highlights

Listed below are the highlights of changes between the fiscal years ended September 30, 2013 and 2012, as shown in the Statements of Revenues, Expenses and Changes in Fund Net Position above:

- Operating revenues increased by 1.0% from \$43.7 million to \$44.1 million primarily due to an increase in port user throughput fees resulting from ethanol shipments through the Tampa Gateway Rail Facility and increased cargo shipments, specifically, cement, limestone and citrus products.
- Operating expenses increased from \$23.6 million in FY2012 to \$24.3 million in FY2013. In FY2013, several employee positions were filled which had been vacant in FY2012. Also, the Port Authority initiated a number of community marketing and outreach programs in FY2013 designed to promote the Port of Tampa's economic impact on the local, state, national and global economies.
- Depreciation and amortization decreased \$.3 million from \$21.4 million to \$21.1 million. The decrease is primarily due to the amortization of FY2010 dredging costs which were fully amortized in FY2012.
- Non-operating revenues, net of non-operating expenses, increased by \$1.1 million. Interest Expense decreased due to the refinancing of a portion of the Port Authority's debt in FY2012 which resulted in lower interest rates. Interest Income was higher resulting from higher average investment balances and lower bond amortization costs as a result of the aforementioned refinancing of the Port Authority's debt portfolio with a bank loan as opposed to municipal bonds. It should be noted that these favorable impacts on non-operating revenues, net of non-operating expenses, were offset by lower ad valorem tax revenue as a result of a lower millage rate approved by the Port Authority's Board of Commissioners in FY2013.
- Capital grants decreased in FY2013 by \$3.5 million from FY2012. Grant revenues are recognized as the grant funds are expended on the project to which the funds are allocated. In FY2013, construction activity and related expenditures on the Port's Petroleum Terminal Facility, for which grant funds were allocated, decreased as the facility neared completion in FY2013, which resulted in a decrease in the recognition of grant revenues.

Debt Administration

The Port Authority had outstanding revenue bonds and notes of \$116.2 million as of September 30, 2013.

To take advantage of lower interest rates, two refunding revenue notes were issued during the year ended September 30, 2012. Details regarding the current outstanding long-term debt transactions can be found in Note 10 of the accompanying notes to the financial statements.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2013

The Port Authority's bonds earned the following ratings, as provided by the major rating agencies: "A" by Fitch, "A2" by Moody's, and "A-" by Standard & Poor's, all with stable outlooks.

The Port Authority's bond covenants require that revenues available to pay debt service, as defined in the bond resolutions, exceed 120% of the annual debt service amount. The debt service coverage test for fiscal years 2013 and 2012 was met and exceeded for both years.

Request for Information

This financial report is designed to provide a general overview of the Port Authority finances and to demonstrate the Port Authority's accountability for the funds it receives and expends. Questions concerning this report or requests for additional information should be addressed to Lisa Bristol, Senior Accounting Manager, Tampa Port Authority, 1101 Channelside Drive, Tampa, FL 33602. Information may also be obtained on the Port Authority's website at www.tampaport.com.



PORT
TAMPA BAY™

TAMPA PORT AUTHORITY
STATEMENT OF NET POSITION

SEPTEMBER 30, 2013 (WITH COMPARATIVE TOTAL FOR 2012)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2013	2012
ASSETS				
Current assets				
Cash and cash equivalents	\$ 66,011,172	\$ 1,376,772	\$ 67,387,944	\$ 72,971,764
Investments	173,312	-	173,312	172,984
Accounts receivable, net	4,486,443	5,926	4,492,369	3,068,700
Due from other governments	4,543,100	-	4,543,100	10,413,688
Notes receivable	620,917	-	620,917	577,477
Net investment in lease	655,510	-	655,510	655,510
Interest receivable	342,850	-	342,850	19,150
Prepaid expenses and other current assets	1,234,748	3,407	1,238,155	1,097,530
Restricted assets:				
Cash and cash equivalents	6,869,642	-	6,869,642	6,550,967
Investments	2,551,027	-	2,551,027	1,699,212
Total current assets	87,488,721	1,386,105	88,874,826	97,226,982
Noncurrent assets				
Capital assets, net of depreciation	548,809,722	-	548,809,722	527,683,415
Notes receivable	3,143,088	-	3,143,088	3,760,774
Net investment in lease	1,463,407	-	1,463,407	2,118,917
Lease acquisition costs, net of amortization	922,087	-	922,087	956,239
Bond issuance costs, net of amortization	1,043,758	-	1,043,758	1,214,173
Leasehold rights, net of amortization	237,048	-	237,048	271,673
Total noncurrent assets	555,619,110	-	555,619,110	536,005,191
Total assets	\$ 643,107,831	\$ 1,386,105	\$ 644,493,936	\$ 633,232,173
DEFERRED OUTFLOW OF RESOURCES				
Interest rate swap	\$ 6,301,254	\$ -	\$ 6,301,254	\$ 9,279,420

The accompanying notes are an integral part of this statement.

TAMPA PORT AUTHORITY
STATEMENT OF NET POSITION (CONTINUED)

SEPTEMBER 30, 2013 (WITH COMPARATIVE TOTAL FOR 2012)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2013	2012
LIABILITIES				
Current liabilities				
Accounts payable	\$ 2,470,577	\$ -	\$ 2,470,577	\$ 2,078,897
Construction contracts and retainages payable	1,775,716	-	1,775,716	6,437,136
Accrued liabilities	3,947,471	-	3,947,471	3,643,334
Accrued bond interest	1,125,197	-	1,125,197	1,180,110
Long-term debt due within one year	9,712,145	-	9,712,145	8,960,985
Unearned revenue	172,341	-	172,341	258,223
Total current liabilities	19,203,447	-	19,203,447	22,558,685
Noncurrent liabilities				
Bonds, notes and loans payable, net	105,225,598	-	105,225,598	114,687,452
Unearned revenue	1,154,888	-	1,154,888	1,221,197
Deposits	5,109,053	-	5,109,053	5,513,736
Derivative instruments - interest rate swap liability	6,301,254	-	6,301,254	9,279,420
Other obligation	1,167,885	-	1,167,885	1,167,885
Total noncurrent liabilities	118,958,678	-	118,958,678	131,869,690
Total liabilities	138,162,125	-	138,162,125	154,428,375
NET POSITION				
Net investment in capital assets	433,916,164	-	433,916,164	404,031,274
Restricted				
Bond debt service	9,261,154	-	9,261,154	8,090,664
Capital projects	159,515	-	159,515	159,515
Unrestricted	67,910,127	1,386,105	69,296,232	75,801,765
Total net position	511,246,960	1,386,105	512,633,065	488,083,218
Total liabilities and net position	\$ 649,409,085	\$ 1,386,105	\$ 650,795,190	\$ 642,511,593

The accompanying notes are an integral part of this statement.

TAMPA PORT AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED SEPTEMBER 30, 2013 (WITH COMPARATIVE TOTAL FOR 2012)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2013	2012
Operating revenues				
Port usage fees	\$ 31,539,064	\$ -	\$ 31,539,064	\$ 32,834,894
Land and buildings leases	11,725,390	-	11,725,390	9,934,009
Other operating revenues	825,308	122,026	947,334	948,464
Total operating revenues	44,089,762	122,026	44,211,788	43,717,367
Operating expenses				
Personnel	10,689,730	-	10,689,730	10,511,591
Promotional	700,919	5,739	706,658	334,317
Administrative	12,333,208	44,242	12,377,450	12,831,383
Depreciation and amortization	21,120,408	-	21,120,408	21,424,429
Bad Debt	534,822	-	534,822	-
Total operating expenses	45,379,087	49,981	45,429,068	45,101,720
Total operating (loss) income	(1,289,325)	72,045	(1,217,280)	(1,384,353)
Non-operating revenues (expenses)				
Ad valorem taxes	10,926,276	-	10,926,276	11,512,264
Interest income	2,398,494	-	2,398,494	2,058,329
Other non-operating revenues	1,513,184	-	1,513,184	1,100,143
Interest expense	(5,041,257)	-	(5,041,257)	(5,456,634)
Amortization of bond issue costs	(169,547)	-	(169,547)	(690,716)
Amortization of bond premiums and discounts	233,711	-	233,711	235,915
Impairment of goodwill	-	-	-	(724,880)
Other non-operating expenses	(2,034,806)	-	(2,034,806)	(2,555,482)
Total non-operating revenues (expenses)	7,826,055	-	7,826,055	5,478,939
Income before capital contributions	6,536,730	72,045	6,608,775	4,094,586
Capital grants and contributions	17,941,072	-	17,941,072	21,438,130
Increase in net position	24,477,802	72,045	24,549,847	25,532,716
Total net position, beginning of year	486,769,158	1,314,060	488,083,218	462,550,502
Total net position, end of year	\$ 511,246,960	\$ 1,386,105	\$ 512,633,065	\$ 488,083,218

The accompanying notes are an integral part of this statement.

TAMPA PORT AUTHORITY

STATEMENT OF CASH FLOWS

YEAR ENDED SEPTEMBER 30, 2013 (WITH COMPARATIVE TOTAL FOR 2012)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2013	2012
Cash flows from operating activities				
Received from customers	\$ 41,580,323	\$ 122,026	\$ 41,702,349	\$ 45,138,354
Payments to suppliers for goods and services	(12,776,215)	(62,764)	(12,838,979)	(12,508,662)
Payments to employees for services	(10,385,593)	-	(10,385,593)	(7,975,296)
Net cash provided by operating activities	18,418,515	59,262	18,477,777	24,654,396
Cash flows from non-capital financing activities				
Ad valorem taxes received, net of fees paid	10,926,276	-	10,926,276	11,512,264
Payment of ad valorem taxes	(386,734)	-	(386,734)	(268,224)
Other (expenses)	(134,019)	-	(134,019)	(692,114)
Net cash provided by non-capital financing activities	10,405,523	-	10,405,523	10,551,926
Cash flows from capital and related financing activities				
Capital grants and contributions received	23,811,660	-	23,811,660	13,667,782
Acquisition and construction of capital assets	(46,839,358)	-	(46,839,358)	(42,512,132)
Principal payments on debt	(8,887,286)	-	(8,887,286)	(16,457,285)
Proceeds from the issuance of debt	-	-	-	8,857,100
Loss on debt refunding	-	-	-	(698,606)
Debt issuance costs	-	-	-	(180,869)
Accretion on debt	134,878	-	134,878	252,840
Interest payments on debt	(4,820,746)	-	(4,820,746)	(5,729,515)
Net cash used in capital and related financing activities	(36,600,852)	-	(36,600,852)	(42,800,685)
Cash flows provided by investing activities				
Proceeds from (loss on) the sale of investments	(852,143)	-	(852,143)	1,906,277
Proceeds from repayment of notes receivable	574,246	-	574,246	539,885
Proceeds from repayment of capital lease receivable	655,510	-	655,510	667,001
Interest and dividends received	2,074,794	-	2,074,794	2,062,199
Net cash provided by investing activities	2,452,407	-	2,452,407	5,175,362
Net increase (decrease) in cash and cash equivalents	(5,324,407)	59,262	(5,265,145)	(2,419,001)
Cash and cash equivalents at beginning of year	78,205,221	1,317,510	79,522,731	81,941,732
Cash and cash equivalents at end of year	\$ 72,880,814	\$ 1,376,772	\$ 74,257,586	\$ 79,522,731
Cash and cash equivalents	\$ 66,011,172	\$ 1,376,772	\$ 67,387,944	\$ 72,971,764
Restricted cash and cash equivalents	6,869,642	-	6,869,642	6,550,967
	\$ 72,880,814	\$ 1,376,772	\$ 74,257,586	\$ 79,522,731

The accompanying notes are an integral part of this statement.

TAMPA PORT AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)

YEAR ENDED SEPTEMBER 30, 2013 (WITH COMPARATIVE TOTAL FOR 2012)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2013	2012
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (1,289,325)	\$ 72,045	\$ (1,217,280)	\$ (1,384,353)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	21,051,631	-	21,051,631	21,326,061
Amortization	68,777	-	68,777	98,368
(Increase) decrease in:				
Accounts receivable	(1,417,743)	(5,926)	(1,423,669)	745,391
Prepaid expenses and deposits	(137,218)	(3,407)	(140,625)	15,090
Increase (decrease) in:				
Accounts payable	395,130	(3,450)	391,680	641,948
Accrued liabilities	304,137	-	304,137	2,536,295
Deferred revenue	(152,191)	-	(152,191)	(1,610,101)
Deposits	(404,683)	-	(404,683)	2,285,697
Total adjustments	19,707,840	(12,783)	19,695,057	26,038,749
Net cash provided by operating activities	\$ 18,418,515	\$ 59,262	\$ 18,477,777	\$ 24,654,396
Supplemental schedule of noncash financing and investing activities				
Construction contracts and retainages payable	\$ (4,661,420)	\$ -	\$ (4,661,420)	\$ 3,652,396
Amortization of debt issuance costs	\$ 63,295	\$ -	\$ 63,295	\$ (454,801)
Proceeds from refunding bond	\$ -	\$ -	\$ -	\$ 19,675,000
Payment to refunded bond escrow agent	\$ -	\$ -	\$ -	\$ (19,675,000)
Impairment of goodwill	\$ -	\$ -	\$ -	\$ 724,880
Write-off of prepaid expenses	\$ -	\$ -	\$ -	\$ 495,001

The accompanying notes are an integral part of this statement.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 1 – Organization and reporting entity

Financial Reporting Entity, Organization and Operations - The Tampa Port Authority (the "Port Authority") and the Hillsborough Port District (the "Port District") exist pursuant to the provisions of Chapter 95-488, Laws of Florida (the "Special Act"). The Port Authority is the governing body of the Port District and consists of seven members, five members appointed by the Governor of the State of Florida, the Mayor of the City of Tampa and a member of the Hillsborough County Board of County Commissioners. The Port District encompasses all of Hillsborough County, including the City of Tampa and portions of Tampa Bay within Hillsborough County.

Among other provisions, the Special Act gives the Port Authority the right to acquire property through the power of eminent domain, purchase, gift, grant, franchise, lease or contract. The Port Authority is also empowered to fix uniform rates and charges for wharfage, dockage and handling to and from vessels, where such facilities are owned by the Port Authority or otherwise, insofar as it may be permissible under the Constitution of Florida and the Constitution and Laws of the United States of America. All general cargo terminals within the Port District operate subject to the uniform tariff governing use of the facilities and services and established rates, charges, rules and regulations as published by the Port Authority.

The Special Act provides that the Port Authority has the specific responsibility for planning and carrying out plans for the long range development of the facilities of and traffic through the Port District. Prior to ownership, control or operation of any facility, the Port Authority must hold a public hearing. The Port Authority has broad powers to acquire, construct, operate and lease facilities.

Discretely Presented Component Unit - As required by accounting principles generally accepted in the United States of America ("GAAP"), these financial statements cover the Port Authority as primary government, as well as its component unit, Tampa Bay International Terminals, Inc. ("TBIT"). According to Governmental Accounting Standards Board ("GASB") Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statement No. 14 and No. 34*, a component unit is a legally separate entity for which the primary government is financially accountable. A legally separate entity should be included as a component unit if one of the following criteria are met: the primary government appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is the potential financial benefit or burden to the primary government; or the nature and significance of the relationship between the primary government and the organization is such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

TBIT is included as a component unit, in accordance with GASB Statement No. 61, due to the following: the Port Authority can appoint the voting majority of the organization's governing body and impose its will on TBIT, and TBIT is fiscally dependent on the Port Authority for its operations and capital funding.

A component unit may be classified as either a blended component unit or a discretely presented component unit, depending on the nature of the entity's relationship with the primary government. Component units that meet the criteria for discrete presentation in accordance with GASB Statement No. 61 are presented in a separate component unit column in the financial statements in order to clearly distinguish the balances and transactions of the component unit from those of the primary government. TBIT is the Port Authority's only component unit and it is presented discretely and is identified as a component unit throughout this report. Further information for TBIT may be obtained at the component unit's administrative offices, located at 1101 Channelside Drive, Tampa, Florida 33602. Also see notes 3, 9, and 13.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 2 – Summary of significant accounting policies

Basis of Presentation – The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with Port Authority's financial statements for the year ended September 30, 2012, from which the summarized information was derived.

Measurement Focus and Basis of Accounting - The Port Authority's financial statements are presented in accordance with accounting principles generally accepted in the United States. The operations of the Port Authority are recorded in a proprietary fund. Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on the determination of net income and capital maintenance. All Port Authority financial transactions are grouped in one major fund type, the Enterprise Fund. Enterprise funds are used to account for operations that are financed primarily through user charges, or where the governing body has concluded that the determination of net income is appropriate.

Proprietary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets, deferred outflow of resources and liabilities associated with the operation of the fund are included on the Statement of Net Position. Fund equity is segregated into its net position components. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Cash and Cash Equivalents - Cash consists of checking accounts, collectively designated as demand deposits. The Port Authority considers all highly liquid investments with original maturities of three months or less to be cash equivalents for purposes of the statement of cash flows. Cash equivalents are recorded at amortized cost, which approximates market value.

Investments - The Port Authority invests in short to medium term repurchase agreements and guaranteed investment contracts. The Port Authority follows the guidelines of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments that mature within one year of acquisition are stated at cost or amortized cost. Investments with the remaining maturity of more than one year at the time of purchase are carried at fair value. The fair value of investments has been determined through the depositories' pricing service as established by general industry practices. Any realized gains and losses in fair value are reported in the operations of the current period.

Accounts Receivable - The Port Authority records accounts receivable at estimated net realizable value. Accordingly, accounts receivable are shown net of allowances for doubtful accounts. The allowance for doubtful accounts was approximately \$535,000 at September 30, 2013.

Capital Assets - Capital assets include land, buildings, dredging, equipment and furnishings, infrastructure (e.g., roads, sidewalks and similar items), and construction work in progress.

Capital assets used by the Port Authority are recorded at cost or estimated historical cost. Contributed capital assets are recorded at estimated fair market value at the time received. Net interest costs are capitalized on projects during the construction period. Depreciation is calculated using the straight-line method over estimated useful lives ranging from 5 to 40 years for buildings, 10 to 50 years for infrastructure depreciation, 3 to 15 years for dredging, and 3 to 25 years for equipment and furnishings.

Additionally, assets/improvements abandoned by a lessee are recorded in capital assets at adjusted book value at the date of abandonment, with a corresponding entry to other nonoperating revenues.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 2 – Summary of significant accounting policies (continued)

While the Port Authority's capitalization threshold is \$5,000, tangible personal property items with a cost below \$5,000 are recorded and inventoried in accordance with Section 274.002, Florida Statutes, and Rule 10.400 of the Auditor General of the State of Florida, *Local Government-Owned Tangible Personal Property*.

No valuation has been placed on the Port Authority's title to or rights in submerged lands, bay lands and oyster shell, which lie within the boundaries of the Port District.

Lease Acquisition Costs - Lease acquisition costs represent funds expended by the Port Authority to perpetuate the opportunity to continually lease certain facilities within the Port District. These costs are capitalized by the Port Authority and amortized over the initial term of the lease agreement.

Intangible Assets - Intangible assets consist of financing costs, which are stated at cost. Amortization is determined using the straight-line method over the period of estimated future benefit of the assets. Financing costs are amortized over the term of the related indebtedness.

Amortization - Bond issue costs, bond discounts, leasehold rights, dredging and lease acquisition costs are generally being amortized on a straight-line basis over the term of the related debt or period of benefit in the case of leasehold rights, dredging and lease acquisition costs.

Restricted Assets - The amounts reserved for bond debt service and capital projects are legally restricted by bond indentures. When both restricted and unrestricted resources are available for use, it is the Port Authority's policy to use restricted resources first and then unrestricted resources when they are needed.

Ad Valorem Taxes - In accordance with Florida Statutes, the Port Authority has the right to levy up to a millage rate of one-half mill (\$0.50 per \$1,000 value) ad valorem property tax. The Port Authority levied a millage rate of .1850 mill (\$.1850 per \$1,000 value) ad valorem property tax during fiscal year 2013.

Ad valorem taxes are based on assessed values at January 1 and are levied on November 1 of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of each year. Ad valorem tax revenue is recorded when it becomes available.

Revenue is available when it is due and collectible within the current period or soon enough thereafter to pay the liabilities of the current period. No accrual for the ad valorem tax levy becoming due in November 2013 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

Compensated Absences - In accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, the Port Authority accrues a liability for compensated absences, as well as certain other salary related costs associated with the payment of compensated absences. Vacation and sick leave are accrued as a liability as the employees earn the benefits.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 2 – Summary of significant accounting policies (continued)

Use of Estimates - The preparation of financial statements in conformity with GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

Deferred Losses on Refunding of Debt - In accordance with GAAP, losses incurred on proprietary fund debt refunding are deferred and amortized. The amount deferred is reported as a component of the debt liability and is deducted from long-term bonds payable. The amount amortized, using the effective interest method, is reported as a component of interest expense. The amortization period of deferred refunding losses, is the remaining life of the old debt or the life of the new debt, whichever is shorter.

Operating Revenues - Total operating revenues of the Port Authority for the years ended September 30, 2013 amounted to approximately \$44 million, approximately 98% of which is made up of port usage fees and rental income comprised of port usage fees of approximately \$32 million (of which dockage, wharfage, and terminal operations are approximately \$26 million) and rental income of approximately \$12 million.

Determination of Operating vs. Non-Operating Revenues and Expenses - The Port Authority derives the largest portion of its operating revenues from vessel traffic and cargo moving through the port and across its docks. Additionally, the Port Authority is considered a landlord port in that it leases out its properties to various cargo operations and commercial property for varying terms of up to 40 years (with additional options) in return for rental payments and financial guarantees from those operators.

The expense associated with operating revenue generation is recorded in three major categories: personnel, promotional, and administrative expenses. Personnel expenses include all payments made by the Port Authority directly to the employee or on the employee's behalf. Promotional expenses are those incurred in the business of promoting and marketing the Port of Tampa in order to attract new businesses. Administrative expenses include all other expenses necessary to effectively operate the Port Authority on a day-to-day basis. The Port Authority receives certain other revenue such as ad valorem tax receipts, interest income, and grant revenue that it categorizes as non-operating revenues. These types of revenue are not a direct result of vessel traffic or cargo movement.

Additionally, non-operating expenses include, among others, the interest portion of debt service payments, amortization of bond issue costs and bond discounts, ad valorem tax payments and associated fees related to the collection of ad valorem tax receipts.

Capitalized Interest - Interest costs on funds borrowed to finance the construction of property and equipment during the period of construction, net of interest income, are capitalized. Interest costs of \$1,014,409 were capitalized for the year ended September 30, 2013.

Deferred Outflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until that time. The Port Authority has one item that meets this criterion, an interest rate swap.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 2 – Summary of significant accounting policies (continued)

Accounting Pronouncements Issued but not yet Effective – GASB Statement 65, *Items Previously Reported as Assets and Liabilities*, was issued in March 2012 and is effective for the Port Authority in fiscal year 2014. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement will change the presentation of the Port Authority's balances sheet and recognition of items previously classified as assets and liabilities.

GASB Statement 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*, was issued March 2012 and is effective for the Port Authority in fiscal year 2014. This statement amends GASB Statement No. 10 by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This statement also amends GASB Statement No. 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the state service fee rate differs significantly from a current (normal) servicing fee rate. The Port Authority has not completed its assessment of this statement but does not believe it will have a material effect on the financial statements.

GASB Statement 67, *Financial Reporting for Pension Plans*—an amendment of GASB Statement No. 25 was issued June 2012 and is effective for the Port Authority in fiscal year 2014. This statement replaces the requirements of GASB Statement No. 25 as they related to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. This statement establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of the statement, as well as for non-employer governments that have a legal obligation to contribute to those plans. The Port Authority has not completed its assessment of this statement but does not believe it will have a material effect on the financial statements.

GASB Statement 68, *Accounting and Financial Reporting for Pensions*—an amendment of GASB Statement No. 27 was issued June 2012 and is effective for the Port Authority in fiscal year 2014. This statement replaces the requirements of GASB Statement No. 27, as well as the requirements of Statement No. 50, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expenses/expenditures and details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. The Port Authority has not completed its assessment of this statement.

GASB Statement 69, *Government Combinations and Disposals of Government Operations* was issued January 2013 and is effective for the Port Authority in fiscal year 2014. This statement establishes the accounting and financial reporting standards related to government combinations and disposals of government operations. The Port Authority has not completed its assessment of this statement but does not believe it will have a material effect on the financial statements.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 3 – Cash, cash equivalents, and investments

Deposits - The bank balance of the Port Authority's (primary government) deposits (unrestricted and restricted) was \$73,971,294 at September 30, 2013 and the book balance was \$72,880,814. For the component unit, the bank balance was \$1,369,564 at September 30, 2013 and the book balance of deposits was \$1,376,772. The difference between the book and bank amounts is due to outstanding checks and transfers, and deposits in transit in its demand accounts.

The Port Authority deposits cash in qualified public depositories. The deposits are fully insured by the Federal Deposit Insurance Corporation ("FDIC") and/or secured by the multiple financial institutions collateral pool established under Chapter 280, Florida Statutes. In accordance with these statutes, qualified public depositories are required to pledge eligible collateral in varying percentages. Any losses to public depositors are covered by applicable deposit insurance by the sale of pledged securities and, if necessary, by assessments against other qualified public depositories.

Of the September 30, 2013 Port Authority's bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and \$73,721,294 was collateralized by the State of Florida collateral pool. The State of Florida collateral pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if any of its member institutions fail. Required collateral is defined under Chapter 280, Florida Statutes, *Security for Public Deposits*.

For the component unit, deposits are maintained with a commercial bank, which is organized under the laws of the United States, and is insured by the FDIC up to \$250,000 for all accounts at each financial institution.

Cash on Hand - The Port Authority had cash on hand in its petty cash funds totaling approximately \$13,000 at September 30, 2013. The component unit had approximately \$7,000 cash on hand at September 30, 2013.

Investments - Section 218.415, Florida Statutes, and the Port Authority's investment policy authorize the Port Authority to invest surplus funds in the following:

- a. The Local Government Surplus Funds Trust Fund, an investment pool, under the sponsorship of the Florida State Board of Administration.
- b. Negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by the U.S. Government.
- c. Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Florida Statute 280.02.
- d. Obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, or Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.
- e. Securities of, or other interest in open-end or closed-end management type investment company or investment trust registered under the U.S. Investment Company Act of 1940, 15 U.S. C. ss.80a-1 et seq, as amended from time to time, provided the portfolio of such investment company or trust fund is limited to obligations of the U.S. Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such U.S. Government obligations, and provided such an entity takes delivery of such collateral either directly or through an authorized custodian.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 3 – Cash, cash equivalents, and investments (continued)

- f. Prime commercial paper with the highest credit quality rating from a nationally recognized agency.
- g. Tax exempt obligations rated “AA” or higher and issued by state and local governments.
- h. Investment Agreements as defined herein, subject to collateralization requirements of Chapter 280, Florida Statutes and funds pledge to bonds, such other criteria acceptable to the bond insurer(s).

The Port Authority's investments at September 30, 2013 consisted of the following:

The Port Authority invests funds throughout the year with the Florida Prime Fund Investment Pool and the Fund B Surplus Funds Trust Fund (the “Fund B”) which are investment pools administered by the Florida State Board of Administration (“FSBA”), under the regulatory oversight of the State of Florida.

The Florida PRIME has met the criteria as a “2a7-like” pool; this pool was assigned a rating of “AAAm” by the Standard and Poor’s Rating Service. As of September 30, 2013, the Port Authority had a balance of \$159,123 in the Florida PRIME. The weighted days to maturity of the Florida PRIME at September 30, 2013 was 44 days.

Fund B is accounted for using a fluctuating net asset value pool. The fair value factor at September 30, 2013 was 1.132623 and the weighted average life (based on expected cash flows) of Fund B investments is 4.04 years at September 30, 2013. However, because Fund B consists of restructured or defaulted securities, there is a considerable uncertainty regarding the weighted average life. This pool is not rated by any nationally recognized rating agency. As of September 30, 2013, the Port Authority had a Fund B balance of \$12,528 that was recorded at a fair value of \$14,189. Additional information regarding Fund B may be obtained from the Florida State Board of Administration at <http://www.sbafla.com/prime>.

Investments in securities made by the Port Authority and its component unit (unrestricted and restricted) are summarized below. The investments are classified by category of investment and show the fair value, the weighted average maturity in years, and the credit rating. The Port Authority’s investment policy does not address the means of managing its exposure to changing interest rates and the effect on the fair value of its investments.

All investment income, including changes in the fair value of investments, is reported as a part of interest income in the financial statements.

	Fair Value			
	Primary Government	Component Units	Weighted Avg. Maturity (yrs)	Credit Rating
Florida Prime Fund	\$ 159,123	\$ -	0.12	AAAm
SBA Fund B	14,189	-	4.04	not rated
Commercial paper	2,551,027	-	0.18	A1
	<u>\$ 2,724,339</u>	<u>\$ -</u>		

The weighted average maturity method expresses investment time horizons, the time when investments become due and payable, in years or months weighted to reflect the dollar size of individual investments within an investment type. In this illustration, the weighted average maturity is computed for each investment type.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 4 – Notes receivable

Notes receivable consist of the following at September 30, 2013:

Note receivable balance due from Tampa Bay Shipbuilding Company as of September 30, 2013; principal and interest payable monthly, beginning December 1, 2006 and ending on December 1, 2018	\$ 3,764,005
Less: due within one year	<u>(620,917)</u>
Non-current portion notes receivable	<u><u>\$ 3,143,088</u></u>

Note 5 – Net investment in lease

The Port Authority has a crane lease receivable under a direct financing lease. The lease is secured by equipment and is payable in 32 quarterly payments of \$163,878 beginning January 1, 2009, with an interest rate of 3.5%. The Port Authority has \$123,742 of unearned interest income related to the direct financing lease included in unearned revenue at September 30, 2013.

The minimum lease payments to be received are as follows:

<u>Year Ending September 30,</u>	
2014	\$ 655,510
2015	655,510
2016	655,510
2017	<u>152,387</u>
Total minimum lease payments	<u><u>\$ 2,118,917</u></u>

Note 6 – Lease acquisition costs

Lease acquisition costs represent funds expended by the Port Authority to perpetuate the opportunity to lease facilities within the Port District and consist of the following changes during fiscal year 2013:

Cost of lease acquisition	\$ 4,333,257
Accumulated amortization, fiscal year 2013	<u>(3,411,170)</u>
Balance, September 30, 2013	<u><u>\$ 922,087</u></u>

TAMPA PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 7 – Capital assets

A summary of changes in capital assets is as follows:

Primary Government	October 1, 2012	Additions	Transfers	Deletions	September 30, 2013
Capital assets not being depreciated					
Land	\$ 128,792,137	\$ -	\$ -	\$ -	\$ 128,792,137
Construction in progress	35,339,478	42,177,938	(18,642,156)	-	58,875,260
Total capital assets not depreciated	164,131,615	42,177,938	(18,642,156)	-	187,667,397
Capital assets being depreciated					
Buildings	162,303,608	-	(165,519)	-	162,138,089
Infrastructure	313,394,440	-	11,721,701	-	325,116,141
Dredging	74,605,285	-	5,923,718	-	80,529,003
Equipment and furnishings	12,348,674	-	1,162,256	(51,591)	13,459,339
Total capital assets depreciated	562,652,007	-	18,642,156	(51,591)	581,242,572
Less accumulated depreciation					
Buildings	43,869,257	4,322,183	-	-	48,191,440
Infrastructure	98,077,208	9,744,014	-	-	107,821,222
Dredging	49,225,729	5,487,073	-	-	54,712,802
Equipment and furnishings	7,928,013	1,498,361	-	(51,591)	9,374,783
Total accumulated depreciation	199,100,207	21,051,631	-	(51,591)	220,100,247
Total depreciable capital assets, net	363,551,800	(21,051,631)	18,642,156	-	361,142,325
Capital assets, net	\$ 527,683,415	\$ 21,126,307	\$ -	\$ -	\$ 548,809,722

Depreciation expense for the Tampa Port Authority (primary government) for the year ended September 30, 2013 was \$21,051,631 for owned assets. The Port Authority's construction in progress at September 30, 2013 primarily relates to capital improvements, development and new construction of berths and warehouse facilities, and interest costs capitalized on debt issued to finance long-term construction projects throughout the Port District.

Note 8 – Current lease agreements with tenants

Substantially all of the Port Authority's property and equipment are leased to various port operations for periods of up to 70 years. These leases are classified as operating.

TAMPA PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 8 – Current lease agreements with tenants (continued)

Future minimum rentals, including renewal options, to be received under non-cancelable operating leases are as follows:

Year Ending September 30,	
2014	\$ 10,434,396
2015	10,395,087
2016	10,409,693
2017	10,288,428
2018	10,265,631
2019 to 2023	47,693,574
2024 to 2028	42,197,349
2029 to 2033	38,713,829
2034 to 2038	35,649,711
2039 to 2043	30,646,250
2044 to 2048	23,004,421
2049 to 2053	14,711,895
2054 to 2058	11,425,260
2059 to 2063	11,734,536
2064 to 2068	11,757,348
2069 to 2073	11,310,680
2074 to 2078	9,129,138
2079 to 2083	5,635,440
2084 to 2088	4,258,274
	\$ 349,660,940

Note 9 – Accumulated unpaid employee benefits

Port Authority employees generally earn one day of vacation and one day of sick leave each month. Vacation and sick leave accumulate on a monthly basis and are fully vested when earned. Accumulated vacation and sick leave for the primary government at September 30, 2013 was \$898,226 and are included in accrued liabilities. There was no accumulated vacation and sick leave for the component unit at September 30, 2013.

TAMPA PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 10 – Bonds, notes and loans payable

The following is long-term debt activity for the year ended September 30, 2013:

	October 1, 2012	Additions	Deductions	September 30, 2013	Due within one year
Revenue bonds	\$ 123,584,815	\$ -	\$ 8,887,284	\$ 114,697,531	\$ 9,712,145
Accretion	1,345,122	134,878	-	1,480,000	-
Discount	(11,543)	-	(9,894)	(1,649)	-
Premium	1,287,941	-	243,605	1,044,336	-
Defeasance	(2,557,898)	-	(275,424)	(2,282,475)	-
	123,648,437	134,878	8,845,571	114,937,743	9,712,145
Unearned revenue	1,479,420	48,950	201,141	1,327,229	172,341
Deposits	5,513,736	2,215,531	2,620,214	5,109,053	-
Derivative instrument liability	9,279,420	-	2,978,166	6,301,254	-
Other obligation	1,167,885	-	-	1,167,885	-
Total	\$ 141,088,898	\$ 2,399,359	\$ 14,645,092	\$ 128,843,164	\$ 9,884,486

Debt maturities and related interest payments at September 30, 2013 consist of the following:

Year Ending September 30,	Principal	Interest	Total
2014	\$ 9,712,145	\$ 3,815,179	\$ 13,527,324
2015	9,909,105	3,504,286	13,413,391
2016	10,398,625	3,159,265	13,557,890
2017	10,932,145	2,790,546	13,722,691
2018	11,494,460	2,397,726	13,892,186
2019-2023	41,340,685	6,404,078	47,744,763
2024-2028	13,400,365	3,158,909	16,559,274
2029-2033	5,205,000	1,736,388	6,941,388
2034-2036	3,785,000	384,750	4,169,750
Total	\$ 116,177,530	\$ 27,351,127	\$ 143,528,657

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 10 – Bonds, notes and loans payable (continued)

In November 2003, the Port Authority issued \$11,520,790 of Revenue Refunding Bonds (Tampa Port Authority Project) Series 2003, collateralized by a pledge and lien on gross revenues of the Port Authority, with interest ranging from 3.91% to 5.22%, and with final maturities ending through December 1, 2013. Bond proceeds were used to fund the payment of the Hillsborough County Port District Second Lien Revenue Bonds (Tampa Port Authority Project) Series 1994 bonds on December 1, 2003 which were called to purchase a debt service reserve fund surety bond, and to pay bond issuance costs of the 2003 bonds. The principal balance of the Revenue Refunding Bonds at September 30, 2013 includes accreted interest of \$1,480,000. The net present value of the interest savings over the term of the bond results in an economic gain of approximately \$617,000. Additionally, the debt service savings approximated \$890,000.

In March 2005, the Port Authority issued \$56,475,000 in revenue refunding bonds Series 2005A, collateralized by a pledge and lien on gross revenues of the Port Authority, with interest rates ranging from 3% to 5%, and with final maturities ending through 2020. The Series 2005A bonds were issued to currently refund Series 1995 Special Revenue bonds. As a result of this debt, a deferred refunding loss of \$2,801,793 was recorded as a component of the debt liability and is deducted from long-term bonds payable. This deferred loss is being amortized through 2020. The unamortized loss balance at September 30, 2013 was \$1,228,183. The net present value of the interest savings over the term of the bond results in an economic gain of approximately \$1,493,000. Additionally, the debt service savings approximated \$4,024,000.

In May 2006, the Port Authority issued \$26,825,000 in revenue bonds Series 2006, collateralized by a pledge and lien on gross revenues of the Port Authority, with interest rates ranging from 4% to 5%, and with final maturities ending through 2036. The Series 2006 bonds will be used to finance all or a portion of the costs of acquiring, constructing and improving facilities of the Port.

The Port Authority entered into a revenue note with a bank in June 2008 for \$27,000,000 at an interest rate of 65% of the 1 month LIBOR, plus 87 basis points. The revenue note was used to retire the 1998 bonds and to terminate the existing synthetic forward refunding and is collateralized by a pledge and lien on gross revenues of the Port Authority. As a result of this debt, a deferred refunding loss of \$669,353 was recorded as a component of the debt liability and is deducted from long-term bonds payable. This deferred loss is being amortized through 2023. The unamortized loss balance at September 30, 2013 was \$431,361. In conjunction with the 2008 revenue note, the Port Authority entered into an agreement whereby the Port Authority swaps the interest on the variable rate debt for a fixed interest rate of 3.86% (see further discussion of the interest rate swap agreement in Note 11).

In December 2011, the Port Authority entered into a revenue note, collateralized by a pledge and lien on gross revenues of the Port Authority, with a bank in the amount of \$8,857,100 at an interest rate of 3.11%, maturing in June 2027. The revenue note was used to retire the 2002B Revenue Bonds, which included bond principal of \$8,590,000, a call premium of \$82,550, and bank loan issuance costs of \$62,000. As a result of this debt, a deferred refunding loss of \$362,932 was recorded as a component of the debt liability and is deducted from long-term bonds payable. This deferred loss is being amortized through 2027. The unamortized loss balance at September 30, 2013 was \$327,909.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 10 – Bonds, notes and loans payable (continued)

In April 2012, the Port Authority entered into a revenue note, collateralized by a pledge and lien on gross revenues of the Port Authority, with a bank in the amount of \$19,675,000 at an interest rate of 72% of the 1 month LIBOR, plus 88 basis points. The revenue note was used to retire the 2002A Revenue Bonds. As a result of this debt, a deferred refunding loss of \$335,674 was recorded as a component of the debt liability and is deducted from long-term bonds payable. This deferred loss is being amortized through 2027. The unamortized loss balance at September 30, 2013 was \$295,021. In conjunction with the 2012 revenue note, the Port Authority entered into an agreement whereby the Port Authority swaps the interest on the variable rate debt for a fixed interest rate of 5.05% (see further discussion of the interest rate swap agreement in Note 11).

Legal Debt Limit - The Port Authority has no legal debt limit as set forth in the Constitution of the State of Florida and the Florida Statutes. However, the Master Bond resolution dated April 6, 1995 establishes certain maximum debt service requirements, which are more restrictive and are based on net revenue generated by the Port Authority.

Restrictive Bond Covenants - The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of funds through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum bond coverage. The Port Authority has complied with all significant covenants.

Defeased Debt - Pursuant to the GASB Statement No. 7, *Advance Refunding Resulting in Defeasance of Debt*, the Tampa Port Authority does not report defeased/refunded bond funds on its Statement of Net Position.

The principal balance due on bond issues defeased is as follows as of September 30, 2013:

Revenue Bonds, Series 1998 Term Bonds	\$ 25,000,000
Revenue Bonds, Series 2002A Term Bonds	19,330,000
Revenue Bonds, Series 2002B Term Bonds	<u>7,900,000</u>
	<u>\$ 52,230,000</u>

Note 11 – Derivative instruments

During the year ended September 30, 2008, the Port Authority entered into a revenue note payable of \$27,000,000 which bears interest equal to 65% of one month LIBOR plus 87 basis points, and matures in 2023. At the closing of the loan, the Port Authority entered into an interest rate swap agreement whereby the Port Authority swaps their variable rate debt for a fixed interest rate of 3.86%. The swap will cover the entire principal amount of the 2008 revenue note and the term of the swap is equal to the term of the 2008 revenue note. The estimated negative fair value of the swap at September 30, 2013 is \$2,372,968.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 11 – Derivative instruments (continued)

During the year ended September 30, 2012, the Port Authority entered into a revenue note payable of \$19,675,000 which bears interest equal to 72% of one month LIBOR plus 88 basis points, and matures in 2027. At the closing of the loan, the Port Authority entered into an interest rate swap agreement whereby the Port Authority swaps their variable rate debt for a fixed interest rate of 5.05%. The swap will cover the entire principal amount of the 2012 revenue note and the term of the swap is equal to the term of the 2012 revenue note. The estimated negative fair value of the swap at September 30, 2013 is \$3,928,286.

Because interest rates have continued to decline since the Port Authority entered into the swap agreements, the swap agreements have a negative fair value as of September 30, 2013, and as such, are presented as noncurrent liabilities in the accompanying Statement of Net Position. The reported fair values are calculated using the marked-to-market method by an independent third party taking into account current interest rates and the credit worthiness of the counterparties.

Credit risk - Because the swaps have a negative fair value, the Port Authority is exposed to the credit risk of the counterparties in the amount of the swap's fair value. The 2008 swap counterparty has ratings of A3 (long-term) and P-2 (short-term) by Moody's Investors Services and BBB- (long-term) and A-3 (short-term) by Standard & Poor's at September 2013. The 2012 swap counterparty has ratings of A2 (long-term) and P-1 (short-term) by Moody's Investors Services and A (long-term) and A-1 (short-term) by Standard & Poor's at September 2013.

Basis risk - The Port Authority is exposed to basis risk because the variable rate payments payable to it are calculated on the basis of a percentage of LIBOR (a taxable rate index) and the Port Authority's variable rate interest obligations on the bonds is determined in the tax-exempt market. Should the relationship between LIBOR and the tax-exempt market change and move to converge, or should the bonds trade at levels worse (higher in rate) in relation to the tax-exempt market, the Port Authority's all in costs would increase.

Termination risk - The swaps do not contain any out of the ordinary termination events that would expose the Port Authority to significant termination risk.

The following is a schedule of expected future interest payments required under the swap agreements as of September 30, 2013:

Year Ending September 30,	
2014	\$ 1,909,214
2015	1,784,705
2016	1,638,662
2017	1,481,108
2018	1,325,789
2019 to 2023	4,159,346
2024 to 2027	796,226
	<u>\$ 13,095,050</u>

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 11 – Derivative instruments (continued)

Substantially all full-time employees of the Port Authority are participants in the Florida Retirement System (the "System"), a multiple-employer, cost-sharing public retirement system administered by the state of Florida. The System offers members both a defined benefit plan (Pension Plan) and/or a defined contribution plan (Investment Plan) to provide retirement, disability, and death benefits for active members, retirees, surviving beneficiaries, and Deferred Retirement Option Program ("DROP") participants.

Note 12 – Employee retirement plans

DROP is a program that provides for payment of retirement benefits for System members for a maximum of five years. Under this program, an employee may retire and have his benefits accumulate in the Florida Retirement System Trust Fund, earning interest, while continuing to work for a system employer. When the DROP period ends, employment terminates, the employee receives payment of the accumulated DROP benefits, and monthly Pension Plan and/or Investment Plan retirement benefits begin.

Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code. Effective July 1, 2011, the Florida Legislature passed Senate Bill 2100 making changes to the System. Benefits are computed on the basis of age, average final compensation, and service credit.

Plan members hired prior to July 1, 2011 at age 62 with 6 years of credited service or 30 years of service regardless of age are entitled to an annual retirement benefit payable monthly for life, equal to 1.6% of their final average compensation for each year of credited service. Average final compensation is the average of the employee's five highest fiscal years of salary earned during credited service. Vested employees with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

Plan members hired on or after July 1, 2011 at age 65 with 8 years of credited service or 33 years of service regardless of age to be entitled to annual retirement benefits payable monthly for life, equal to 1.6% of their final average compensation for each year of credited service. Average final compensation will be the average of the employee's eight highest fiscal years earned during credited service. Vested employees with less than 33 years of service may retire before age 65 and receive reduced retirement benefits.

There will be no Pension Plan Cost of Living Adjustment ("COLA") on service earned on or after July 1, 2011. A reduced COLA will be calculated if a member's retirement or DROP participation date is effective on or after August 1, 2011. The reduced COLA will be calculated by taking the total years of service earned prior to July 1, 2011 and dividing it by the total years of service at retirement, then multiplying it by 3%.

The Port Authority has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to Florida Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000, or by accessing the following website: http://www.dms.myflorida.com/human_resource_support/retirement/publications.

Funded Status. The FRS Annual Report July 1, 2011 – June 30, 2012 available as mentioned above, stated that the FRS pension plan was 86.38% funded at July 1, 2011 since the actuarial value of assets was \$127.89 billion compared to the actuarial accrued liability of \$148.05 billion.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 12 – Employee retirement plans (continued)

Funding Progress. As of July 1, 2011, all plan members (except those in DROP) make a 3% employee contribution on a pretax basis. Governmental employers are required to make contributions to the FRS based on actuarially determined statewide contribution rates. The FRS establishes contribution rates annually. The contribution rates by job class at September 30, 2013 were as follows for both the defined benefit and defined contribution pension plans: regular 6.95%; special risk (e.g. law enforcement personnel) 19.06%; special risk administrative support 35.96%; county elected officials 33.03%; senior management 18.31%; and DROP 12.84%. The Port Authority's contributions made to the FRS for the fiscal years ended September 30, 2013, 2012, and 2011 were \$466,556, \$354,364, and \$627,516, respectively, and were equal to the actuarially determined contribution requirements for each year.

Actuarial Methods and Assumptions. In the July 1, 2009 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included (a) a 7.75% investment rate of return and (b) projected salary increases of 5.85% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions did not include postemployment benefit increases. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility over a five-year smoothing period.

Note 13 – Other Postemployment Benefits (OPEB)

The Port Authority participates in the postemployment benefit plan administered by Hillsborough County, Florida (the "County"). Information related to the County OPEB plan follows:

In accordance with GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension, the County expenses the cost of post-employment benefits over the active service lives of its employees rather than using a "pay-as-you-go" basis. Expensing the cost of a future benefit over the active work-lives of employees is a fiscally sound approach because employees earn the future benefits over their working careers.

OPEB Plan Description. The County provides the following health-related benefits to retirees and certain former employees: (a) The County is required by Florida Statute 112.0801 to allow retirees and certain former employees to buy healthcare coverage at the same "group insurance rates" that current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an "implicit subsidy" for retirees. (b) The County offers a monthly stipend of \$5 for each year of service up to a maximum benefit of \$150 per month. The stipend is payable to regular retired employees from ages 62 to 65 and to special risk retired employees from ages 55 to 65. The stipend is to be used to offset the cost of health insurance. Although the implicit subsidy is required by state law when healthcare is offered as an employee benefit, the stipend may be cancelled at any time. This OPEB plan is a single-employer plan and does not issue a stand-alone financial report. The plan's financial activity is included in the financial activity of the County.

TAMPA PORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 13 – Other Postemployment Benefits (OPEB) (continued)

Annual OPEB cost and net OPEB Obligation. The actuary's estimate of the County's accrued OPEB liability, also known as the actuarial accrued liability, which approximates the present value of all future expected postemployment medical premiums, associated administrative costs and stipend payments (which are attributable to the past service of active and retired employees) was \$79.965 million at September 30, 2013. The County's annual OPEB cost, which is defined as annual OPEB expenses on an accrual basis, was \$6.047 million at September 30, 2013. The annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost (current and future benefits earned) each year and to amortize any unfunded actuarial liabilities over a period of time not to exceed thirty years. The County's estimated ARC for fiscal year 2013 was \$5.969 million. The net OPEB obligation, at the end of the year, is the net amount the County was obligated for at year-end and is equivalent to the annual OPEB cost for the fiscal year, plus the net OPEB obligation at the start of the fiscal year less contributions such as retiree claims and stipends paid by the County during the fiscal year. The inter-relationships between the ARC, annual OPEB cost, and net OPEB obligation are presented below:

	Fiscal Year 2013
Annual required contribution (ARC)	\$ 5,969,000
Interest on the Net OPEB obligation for fiscal year	523,000
Less amortization of Net OPEB obligation for fiscal yr.	(445,000)
Annual OPEB Cost for fiscal year	6,047,000
Net OPEB Obligation, beginning of year	11,679,000
Less contributions (claims paid etc.) for fiscal year	(5,266,000)
Net OPEB obligation, end of year	\$ 12,460,000

The County's net OPEB obligation at September 30, 2013 was \$12.460 million. The net OPEB obligation increased from the prior year primarily due to increased health care costs for retirees as well as interest imputed on the net OPEB obligation since the County did not "fund" its OPEB liabilities (see next paragraph).

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 5,973,000	70 %	\$ 8,921,000
2012	6,269,000	56 %	11,679,000
2013	6,047,000	87 %	12,460,000

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 13 – Other Postemployment Benefits (OPEB) (continued)

Funding Policy, Status and Progress. In order for OPEB obligations to be considered funded under GASB Statement No. 45 an irrevocable trust fund must be used. Since that would be considered very restrictive, the County did not “fund” the net OPEB obligation, but instead chose to appropriate and set aside an amount approximating the net OPEB obligation in the Self-Insurance Internal Service Fund. Each fund was assessed its share of OPEB costs based on an allocation using the number of employees in the fund divided by the total number of County employees. Assessments were then placed in the Self-Insurance Internal Service Fund. Even though money set aside exceeded the net OPEB obligation, the County is not considered to have funded any of the obligation since an irrevocable trust fund was not used. It is the County’s intent to continue setting aside an amount equivalent to the annual OPEB cost in future years. The County, however, has no legal or contractual obligation to do so. The status of the plan as of September 30, 2013, was as follows:

Actuarial valuation date	September 30, 2013
Actuarial value of plan assets	\$ -- *
Actuarial accrued liability (AAL)	79,965,000
Unfunded actuarial accrued liability (UAAL)	79,965,000
Actuarial value of plan assets/AAL (funded ratio)	0 % *
Covered payroll (active plan members)	507,657,000
UAAL as a percentage of covered payroll	15.8 % *

* Although \$14.891 million were set aside in the Self-Insurance Internal Service Fund to more than offset the County’s net OPEB obligation of \$12.460 million at September 30, 2013, the amount considered to be funded was zero since an irrevocable trust fund was not established.

The calculation of these actuarial estimates is based on a number of estimates and assumptions, including interest rates on investments, the healthcare cost trend, future employment and average retirement age, life expectancy, and healthcare costs per employee, many of which factors are subject to future economic and demographic variations. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multi-year trend information on whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 13 – Other Postemployment Benefits (OPEB) (continued)

The entry age actuarial cost method was used in the September 30, 2013 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return, a 4.5% discount rate, a 2.5% inflation rate, an initial annual healthcare cost trend rate of approximately 9.0% (approximately 8.0% post-Medicare) grading down about 1% each year to an ultimate rate of 5.0%. In the September 30, 2011 actuarial report, the approximate average age of employees was reported to be 47, with 13 years of service completed and 12 years of additional service estimated. The actuarial value of the County's assets was determined using the fair value of cash and investments at September 30, 2013. The County's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period used by the County at September 30, 2013, was 30 years.

The Port Authority's share of the other post-employment benefits liability for the year ended September 30, 2013 is \$-0-.

Note 14 – Florida Ports Financing Commission

The Port Authority is a participant in a program of the Florida Ports Financing Commission (the "Ports Commission") whereby the Ports Commission lends certain bonds proceeds to finance, refinance or reimburse the cost of acquiring and constructing capital projects for certain participating ports within the state of Florida. The Ports Commission has received and provided funding to various Florida ports through two different bond issuances: The \$222,320,000 Revenue Bonds (State Transportation Trust Fund), Series 1996, and \$153,115,000 Revenue Bonds, (State Transportation Trust Fund - Intermodal Program), Series 1999.

Subsequently, the Port Authority entered into a loan agreement with the Ports Commission to make semi-annual payments of principal and interest on bond proceeds borrowed by the Port Authority (the "Basic Payments"). Pursuant to its loan agreement, the Port Authority has assigned all of its rights, title and interest in moneys due to the Port Authority from the State Transportation Trust Fund pursuant to Sections 320.20(3) and 320.20(4), Florida Statutes, to repay its loan.

In effect, the Basic Payments required to be paid by the Port Authority pursuant to its loan agreement with the Ports Commission are payable solely from moneys due to the Port Authority from the State Transportation Trust Fund pursuant to Sections 320.20(3) and 320.20(4), Florida Statutes, which provides that \$15,000,000 and \$10,000,000, respectively, in certain revenues derived from the registration of motor vehicles in Florida be deposited annually in the State Transportation Trust Fund for funding certain Port projects.

The Port Authority has been allocated approximately \$61.7 million from Ports Commission bond proceeds, which amounts were deposited into interest earning escrow accounts for certain projects, specifically, cargo and cruise berth and terminal improvements; intermodal road, rail and other infrastructure improvements; cargo-handling equipment; and dredge material disposal site development. The Port Authority, like all participants in the program, has agreed to provide moneys (from sources other than proceeds borrowed under the loan agreement with the Ports Commission) to fund a portion of the cost of such projects. These moneys will be utilized by the Port Authority to pay the costs of such projects on a matching basis with moneys received by the Port Authority pursuant to its loan agreement with the Ports Commission. The Port Authority has drawn down approximately \$61.7 million from its escrow account to fund such projects as of September 30, 2013.

TAMPA PORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

Note 15 – Risk management

The Port Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Port Authority manages the exposure to these risks through the purchase of commercial insurance with high limits of coverage. Specific details regarding deductibles and coverage can be found in the supplementary schedules of the Comprehensive Annual Financial Report of the Port Authority. The Port Authority has not significantly reduced insurance coverage from the prior year nor did the amount of settlement exceed the insurance coverage for each of the past three fiscal years.

Note 16 – Commitments and contingencies

Litigation - There are several matters pending claims and lawsuits in which the Port Authority is involved. In the opinion of the Port Authority's management, the ultimate resolution of these claims would not be material to the financial position of the Port Authority.

Commitments - The Tampa Port Authority had contractual commitments for various projects that amounted to approximately \$28 million as of September 30, 2013.

Note 17 – General cargo terminal services

In December 2010, the Port Authority entered into a month-to-month agreement with Ports Florida wherein Ports Florida provides general cargo terminal services at the Port of Tampa. Under the terms of the agreement the Port Authority receives all revenue generated by the general cargo terminal operations including revenue from any lease and sub-lease arrangements at the terminal facilities and pays Ports Florida \$23,300 per week, which may be increased or decreased depending upon the volume of cargo activity at the general cargo terminal facilities, for providing the cargo terminal services.

Note 18 – Change in accounting principles

The Port Authority implemented GASB Statement 61, *The Financial Reporting Entity: Omnibus*, GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* and GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, in the fiscal year ending September 30, 2013. There were no changes in the reporting entity as a result of the adaptation of GASB Statement 61. There were no changes in accounting treatment as a result of the adaptation of GASB Statement 62. The implementation of GASB Statement 63 required the Port Authority to present a Statement of Net Position, replacing previously presented Statement of Net Assets, in the Port Authority's basic financial statements. The Port Authority's implementation also required the Statement of Net Position to present deferred outflows and inflows of resources in separate sections following total assets and total liabilities sections, respectively. In the case of the Port Authority, the implementation of this standard was isolated to reclassification of derivative instrument activities to the appropriate outflow section of the Statement of Net Position.

Note 19 – Subsequent events

Subsequent events were evaluated through March 24, 2014, which is the date the financial statements were available to be issued.





PORT
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STATISTICAL SECTION

This part of the Tampa Port Authority comprehensive annual financial report presents detail information which provides further clarification to the information contained in the financial statements, note disclosures, and all required supplementary information. The information contained in this section includes important indicators about the Tampa Port Authority's overall financial well being. Reports in this section have been prepared according to GASB guidelines.

Contents

Financial Trends Information:

The following schedules contain trend information to help the reader understand how the Tampa Port Authority's financial performance and condition has changed over the past few years.

1. Net Position by Component – Table 1
2. Changes in Fund Net Position – Table 2

Revenue Capacity Information:

The following schedules contain information to help the reader assess the Tampa Port Authority's most significant sources of revenue.

1. Operating Revenue by Type and Related Averages – Table 3
2. Principal Revenue Sources and Revenue per Categories – Table 4
3. Wharfage Revenue and Dockage Revenue – Ten Largest Customers – Table 5
4. Revenue Rates – Table 6
5. Top Ten Customers – Table 7

Debt Capacity Information:

The following schedules contain information to help the reader assess the Tampa Port Authority's capability of meeting its current level of debt service and its ability to issue future debt.

1. Ratios of Outstanding Debt by Type – Table 8
2. Revenue Bond Coverage – Table 9
3. Summary of Surplus Port Revenues after Debt and Operating Costs – Table 10

STATISTICAL SECTION – Continued

Demographics and Economic Information:

The following schedules contain information to help the reader understand demographics and economic indicators related to the Port Authority's financial activities in their current environment.

1. Hillsborough County, FL Demographic and Economic Statistics – Table 11
2. Hillsborough County, FL Principal Employers – Table 12
3. Hillsborough County, FL Property Tax Millage Rates – Table 13
4. Hillsborough County, FL Property Tax Payers – Table 14

Operating Information:

The following schedules contain information directly related to the operating indicators, the capital assets, and the number of personnel employed by the Port Authority.

1. Schedule of Revenue by Activity – Table 15
2. Cargo Statistics, TEUs, and Passenger Counts – Table 16
3. Capital Assets – Table 17
4. Staffing by Division/Department – Table 18

Other Port Financial Information:

1. Cruise Statistics – Table 19
2. Insurance Coverage – Table 20
3. Financial Highlights – Table 21

SEC Rule 15c2-12 Reporting:

1. Port of Tampa Tonnage Distribution – Table 22
2. Port Usage Fees – Table 23
3. Summary of Leases of Principal Tenants – Table 24

Table 1

TAMPA PORT AUTHORITY
Net Position by Component
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net Position at Year-End										
Net investment in										
capital assets	\$ 233,241	\$ 259,457	\$ 296,454	\$ 319,218	\$ 324,479	\$ 353,335	\$ 377,444	\$ 384,655	\$ 404,031	\$ 433,916
Restricted	\$ 63,053	\$ 23,484	\$ 36,720	\$ 36,971	\$ 36,655	\$ 31,787	\$ 21,752	\$ 15,435	\$ 8,250	\$ 9,421
Unrestricted	\$ 23,258	\$ 45,003	\$ 26,585	\$ 30,437	\$ 38,751	\$ 44,988	\$ 52,688	\$ 59,937	\$ 74,488	\$ 67,910
Total Net Position	<u>\$ 319,552</u>	<u>\$ 327,944</u>	<u>\$ 359,759</u>	<u>\$ 386,626</u>	<u>\$ 399,885</u>	<u>\$ 430,110</u>	<u>\$ 451,884</u>	<u>\$ 460,027</u>	<u>\$ 486,769</u>	<u>\$ 511,247</u>

Table 2

TAMPA PORT AUTHORITY
Changes in Fund Net Position
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operating Revenue										
Port Usage Fees	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539
Land & Building Leases	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725
Tenant Utilities	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 531	\$ 591	\$ 545	\$ 476
Other Port Operating Revenue	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 683	\$ 514	\$ 348	\$ 349
Total Operating Revenue	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 39,247	\$ 39,847	\$ 40,627	\$ 42,094	\$ 43,662	\$ 44,089
Non-Operating Revenue										
Operating Assistance Grants	\$ 1,166	\$ 1,268	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523	\$ 4,041	\$ 21,438	\$ 17,941
Interest Income	\$ 3,555	\$ 3,497	\$ 4,207	\$ 5,253	\$ 3,281	\$ 1,730	\$ 1,472	\$ 1,032	\$ 2,058	\$ 2,398
Ad Valorem Tax Receipts	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490	\$ 11,838	\$ 11,512	\$ 10,926
Other Non-Operating Income	\$ 1,140	\$ 3,851	\$ 1,666	\$ 1,229	\$ 1,773	\$ 3,558	\$ 6,732	\$ 1,827	\$ 1,336	\$ 1,757
Total Non-Operating Revenue	\$ 28,471	\$ 26,725	\$ 27,263	\$ 37,154	\$ 25,465	\$ 41,050	\$ 32,217	\$ 18,738	\$ 36,344	\$ 33,022
Total Revenues	\$ 60,060	\$ 61,674	\$ 66,571	\$ 74,069	\$ 64,712	\$ 80,897	\$ 72,844	\$ 60,832	\$ 80,006	\$ 77,111
Operating Expenses										
Personnel	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690
Promotional	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266	\$ 302	\$ 328	\$ 701
Administrative	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,895	\$ 13,063	\$ 12,792	\$ 12,868
Depreciation & Amortization Expense	\$ 10,165	\$ 11,102	\$ 12,527	\$ 14,450	\$ 16,536	\$ 17,714	\$ 19,047	\$ 20,296	\$ 21,425	\$ 21,120
Total Operating Expenses	\$ 27,438	\$ 29,631	\$ 32,440	\$ 35,886	\$ 39,079	\$ 40,581	\$ 41,788	\$ 44,039	\$ 45,057	\$ 45,379
Non-Operating Expenses										
Interest Expense	\$ 9,094	\$ 8,254	\$ 7,623	\$ 7,978	\$ 7,891	\$ 7,457	\$ 6,944	\$ 6,684	\$ 5,457	\$ 5,041
Bond Related Costs	\$ 395	\$ 2,563	\$ 1,073	\$ 463	\$ 218	\$ 215	\$ 214	\$ 205	\$ 691	\$ 170
Tax Collector/Property Appraiser	\$ 1,083	\$ 1,266	\$ 1,470	\$ 1,850	\$ 1,441	\$ 1,431	\$ 1,307	\$ 998	\$ 796	\$ 910
Other non-operating expense	\$ 1,012	\$ 1,569	\$ 2,150	\$ 1,025	\$ 2,823	\$ 987	\$ 817	\$ 763	\$ 1,263	\$ 1,133
Total Non-Operating Expenses	\$ 11,584	\$ 13,652	\$ 12,316	\$ 11,316	\$ 12,373	\$ 10,090	\$ 9,282	\$ 8,650	\$ 8,207	\$ 7,254
Total Expenses	\$ 39,022	\$ 43,283	\$ 44,756	\$ 47,202	\$ 51,452	\$ 50,671	\$ 51,070	\$ 52,689	\$ 53,264	\$ 52,633
Change in Fund Net Position	\$ 21,038	\$ 18,391	\$ 21,815	\$ 26,867	\$ 13,260	\$ 30,226	\$ 21,774	\$ 8,143	\$ 26,742	\$ 24,478

Table 3

TAMPA PORT AUTHORITY
Operating Revenue by Type and Related Averages
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operating Revenue:										
Dockage										
Dockage - Cargo	\$ 4,201	\$ 4,615	\$ 5,199	\$ 4,771	\$ 4,449	\$ 4,112	\$ 4,313	\$ 4,413	\$ 4,451	\$ 5,051
Dockage - Cruise	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784	\$ 908	\$ 1,057	\$ 954
Dockage - Other	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967	\$ 571	\$ 645	\$ 488
Subtotal - Dockage	<u>\$ 5,897</u>	<u>\$ 6,130</u>	<u>\$ 6,901</u>	<u>\$ 6,236</u>	<u>\$ 5,887</u>	<u>\$ 5,580</u>	<u>\$ 6,064</u>	<u>\$ 5,892</u>	<u>\$ 6,153</u>	<u>\$ 6,493</u>
Wharfage										
Wharfage - Cargo	\$ 7,175	\$ 8,363	\$ 8,658	\$ 8,695	\$ 8,660	\$ 8,269	\$ 8,372	\$ 8,388	\$ 8,410	\$ 11,918
Wharfage - Cruise	\$ 4,385	\$ 4,310	\$ 5,119	\$ 4,449	\$ 4,463	\$ 4,669	\$ 4,690	\$ 5,105	\$ 5,698	\$ 5,271
Wharfage - Other (a)	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 5,140	\$ 4,648	\$ 4,154	\$ 2,285
Subtotal - Wharfage	<u>\$ 12,141</u>	<u>\$ 13,701</u>	<u>\$ 14,939</u>	<u>\$ 14,018</u>	<u>\$ 15,710</u>	<u>\$ 15,829</u>	<u>\$ 18,202</u>	<u>\$ 18,141</u>	<u>\$ 18,262</u>	<u>\$ 19,474</u>
Land & Building Leases	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725
Other Operating Revenue	<u>\$ 6,211</u>	<u>\$ 6,809</u>	<u>\$ 9,049</u>	<u>\$ 8,536</u>	<u>\$ 6,208</u>	<u>\$ 8,776</u>	<u>\$ 6,857</u>	<u>\$ 8,466</u>	<u>\$ 9,313</u>	<u>\$ 6,397</u>
Total Operating Revenue	<u>\$ 31,589</u>	<u>\$ 34,949</u>	<u>\$ 39,308</u>	<u>\$ 36,915</u>	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>
Cargo Tonnage (to nearest thousand) (b)	15,049	16,477	16,738	15,578	14,377	13,211	14,567	13,701	13,356	13,349
Average Wharfage Revenue per Cargo Ton (whole \$)	<u>\$ 0.48</u>	<u>\$ 0.51</u>	<u>\$ 0.52</u>	<u>\$ 0.56</u>	<u>\$ 0.60</u>	<u>\$ 0.63</u>	<u>\$ 0.57</u>	<u>\$ 0.61</u>	<u>\$ 0.63</u>	<u>\$ 0.89</u>
Cruise Passengers (to nearest thousand)	792	772	911	781	768	803	807	876	974	854
Average Wharfage Revenue per Passenger (whole \$)	<u>\$ 5.54</u>	<u>\$ 5.58</u>	<u>\$ 5.62</u>	<u>\$ 5.70</u>	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.83</u>	<u>\$ 5.85</u>	<u>\$ 6.17</u>
Berth linear feet	10,375	10,375	11,855	11,855	11,855	12,855	16,655	17,235	17,235	18,435
Average Dockage Revenue per Berth Linear Feet	<u>\$ 568.39</u>	<u>\$ 590.84</u>	<u>\$ 582.12</u>	<u>\$ 526.02</u>	<u>\$ 496.58</u>	<u>\$ 434.07</u>	<u>\$ 364.09</u>	<u>\$ 341.86</u>	<u>\$ 357.01</u>	<u>\$ 352.21</u>
Leased Acreage (actual in hundreds)	1,298	1,325	1,300	1,290	1,290	1,285	1,270	1,260	1,310	1,287
Average per Acre (whole \$)	<u>\$ 5,655</u>	<u>\$ 6,271</u>	<u>\$ 6,476</u>	<u>\$ 6,298</u>	<u>\$ 7,319</u>	<u>\$ 7,519</u>	<u>\$ 7,483</u>	<u>\$ 7,615</u>	<u>\$ 7,583</u>	<u>\$ 9,110</u>

(a) Includes amounts collected in lieu of wharfage and product into and out of leased facilities by rail, truck, and pipeline.

(b) Includes tonnage handled through Tampa Port Authority-owned facilities only; private facility tonnage is excluded.

Table 4

TAMPA PORT AUTHORITY
Principal Revenue Sources and Revenue per Categories
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Port Usage Fees Revenues:										
Dockage	\$ 5,897	\$ 6,130	\$ 6,901	\$ 6,236	\$ 5,887	\$ 5,580	\$ 6,064	\$ 5,892	\$ 6,153	\$ 6,493
Wharfage	\$ 11,560	\$ 12,673	\$ 13,777	\$ 13,144	\$ 13,123	\$ 12,938	\$ 13,357	\$ 13,508	\$ 14,135	\$ 13,939
Wharfage (in lieu of wharfage)	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 3,723	\$ 4,633	\$ 4,127	\$ 5,535
Parking and related	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208	\$ 5,659	\$ 5,896	\$ 4,935
Teminal Operations	\$ 767	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357	\$ 1,490	\$ 1,744	\$ 411
Other Usage Fees	\$ 284	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 200	\$ 212	\$ 780	\$ 226
Total Port Usage Fees	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539
Percentage of Total Revenue	38.1%	41.1%	44.1%	36.8%	43.8%	35.8%	41.1%	51.6%	41.0%	40.9%
Land & Building Leases:										
Land & Building Leases	\$ 7,292	\$ 8,239	\$ 8,349	\$ 8,102	\$ 9,432	\$ 9,552	\$ 9,476	\$ 9,583	\$ 9,897	\$ 11,722
Cruise Terminal Rentals	\$ 40	\$ 55	\$ 45	\$ 23	\$ 5	\$ 110	\$ 13	\$ 12	\$ 37	\$ 3
Port Property Access Fees	\$ 8	\$ 15	\$ 25	\$ -	\$ 5	\$ -	\$ 15	\$ -	\$ -	\$ -
Total Land & Building Leases	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725
Percentage of Total Revenue	12.2%	13.5%	12.6%	11.0%	14.6%	11.9%	13.0%	15.8%	12.4%	15.2%
Tenant Utilities:										
Tenant Water	\$ 28	\$ 21	\$ 20	\$ 25	\$ 23	\$ 17	\$ 16	\$ 17	\$ 17	\$ 19
Dockside Water	\$ 566	\$ 501	\$ 593	\$ 598	\$ 527	\$ 501	\$ 514	\$ 573	\$ 526	\$ 456
Electricity	\$ 33	\$ 8	\$ 11	\$ 6	\$ 2	\$ 1	\$ 2	\$ 1	\$ 2	\$ 1
Total Tenant Utilities	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 532	\$ 591	\$ 545	\$ 476
Percentage of Total Revenue	1.0%	0.9%	0.9%	0.8%	0.9%	0.6%	0.7%	1.0%	0.7%	0.6%
Other Port Operating Revenue:										
Work Permits	\$ 52	\$ 50	\$ 45	\$ 48	\$ 32	\$ 29	\$ 11	\$ 8	\$ 9	\$ 2
Fingerprinting/Badging	\$ 581	\$ 610	\$ 798	\$ 793	\$ 810	\$ 624	\$ 606	\$ 430	\$ 276	\$ 277
Security Training Fees	\$ 30	\$ 11	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License Fees	\$ 60	\$ 64	\$ 68	\$ 64	\$ 77	\$ 66	\$ 65	\$ 76	\$ 63	\$ 70
Total Other Port Operating Revenue	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 682	\$ 514	\$ 348	\$ 349
	1.2%	1.2%	1.4%	1.2%	1.4%	0.9%	0.9%	0.8%	0.4%	0.5%
Total Operating Revenue	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 39,247	\$ 39,847	\$ 40,627	\$ 42,094	\$ 43,662	\$ 44,089
Percentage of Total Revenue	52.6%	56.7%	59.0%	49.8%	60.6%	49.3%	55.8%	69.2%	54.6%	57.2%

Table 4

TAMPA PORT AUTHORITY
Principal Revenue Sources and Revenue per Categories
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Non-Operating Revenue:										
Operating Grants	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Grants	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523	\$ 4,041	\$ 21,438	\$ 17,941
Ad Valorem Tax Receipts	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490	\$ 11,838	\$ 11,512	\$ 10,926
Interest, Unrestricted	\$ 3,020	\$ 3,057	\$ 3,877	\$ 4,544	\$ 2,634	\$ 1,073	\$ 1,030	\$ 533	\$ 746	\$ 2,040
Interest, Restricted	\$ 45	\$ 54	\$ 54	\$ 53	\$ 54	\$ 52	\$ 39	\$ -	\$ 906	\$ -
Interest, PAI Crane	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ 140	\$ 121	\$ 92	\$ 83
Interest, TBIT & TBSB Notes	\$ 490	\$ 386	\$ 276	\$ 656	\$ 593	\$ 525	\$ 454	\$ 378	\$ 314	\$ 275
Other, TBIT & TBSB Notes	\$ 298	\$ 304	\$ 263	\$ 175	\$ 175	\$ 177	\$ 184	\$ 124	\$ -	\$ -
Dredge and Fill Income	\$ 29	\$ 43	\$ 17	\$ 57	\$ 79	\$ 1,362	\$ 247	\$ 475	\$ -	\$ 179
Gain/Loss on Sale of Investment	\$ (165)	\$ 905	\$ 564	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain/Loss on Disposal of Capital Assets	\$ 271	\$ 211	\$ (1,020)	\$ (269)	\$ 95	\$ 19	\$ (422)	\$ -	\$ 8	\$ 12
Harbormaster Fees	\$ 572	\$ 732	\$ 738	\$ 696	\$ 978	\$ 891	\$ 864	\$ 822	\$ 845	\$ 820
Conference Donations	\$ 74	\$ 229	\$ 770	\$ 105	\$ 102	\$ 70	\$ 55	\$ 54	\$ 43	\$ 43
Amortization Premiums	\$ -	\$ 157	\$ 273	\$ 276	\$ 275	\$ 274	\$ 270	\$ 264	\$ 266	\$ 234
Other Miscellaneous Revenue	\$ 61	\$ 1,170	\$ 61	\$ 89	\$ 69	\$ 769	\$ 5,343	\$ 88	\$ 174	\$ 469
Total Non-Operating Revenue	\$ 28,471	\$ 26,725	\$ 27,263	\$ 37,154	\$ 25,465	\$ 41,050	\$ 32,217	\$ 18,738	\$ 36,344	\$ 33,022
Percentage of Total Revenue	47.4%	43.3%	41.0%	50.2%	39.4%	50.7%	44.2%	30.8%	45.4%	42.8%
Total Revenue	\$ 60,060	\$ 61,674	\$ 66,571	\$ 74,069	\$ 64,712	\$ 80,897	\$ 72,844	\$ 60,832	\$ 80,006	\$ 77,111

Table 5

**Tampa Port Authority
Ten Largest Customers
Current Fiscal Year and Ten Fiscal Years Prior
(Unaudited)**

Wharfage Revenue

FY2013			FY2004		
Customer	Revenue	Percentage of Total Wharfage	Customer	Revenue	Percentage of Total Wharfage
Carnival Cruise Line	\$ 3,464,036	17.8%	Central Florida Pipeline	\$ 2,496,866	20.6%
Central Florida Pipeline	2,661,255	13.7%	Carnival Cruise Lines	1,912,079	15.7%
Cemex	1,936,300	9.9%	Vulcan Materials	821,326	6.8%
Tarmac America Titan	1,283,700	6.6%	Transmontaigne Inc	768,041	6.3%
Royal Caribbean	1,070,478	5.5%	Royal Caribbean	714,951	5.9%
Transflo Terminal Service	1,033,060	5.3%	C F Industries (fertilizer)	704,928	5.8%
Zim Israeli Navigation Company	938,288	4.8%	Martin Operating	701,945	5.8%
Norwegian Cruise Line	735,624	3.8%	C F Industries (ammonia terminal)	415,277	3.4%
Martin Marietta Aggregate	702,956	3.6%	Martin Marietta Materials, Inc.	410,764	3.4%
Vulcan Materials	669,669	3.4%	Murphy Oil USA, Inc.	384,170	3.2%
Ten largest customers	14,495,366	74.4%	Ten largest customers	9,330,347	76.9%
Other	4,978,500	25.6%	Other	2,810,653	23.1%
Total Wharfage Revenue	<u>19,473,866</u>	<u>100.0%</u>	Total Wharfage Revenue	<u>12,141,000</u>	<u>100.0%</u>

Dockage Revenue

FY2013			FY2004		
Customer	Revenue	Percentage of Total Dockage	Customer	Revenue	Percentage of Total Dockage
Central Florida Pipeline	1,678,976	25.9%	Central Florida Pipeline	939,336	15.9%
Ports America	963,290	14.8%	Carnival Cruise Lines	434,736	7.4%
C F Industries	620,158	9.6%	Ports America	352,838	6.0%
Carnival Cruise Line	416,829	6.4%	Royal Caribbean	339,711	5.8%
Transmontaigne Inc	332,696	5.1%	Transmontaigne Inc	334,007	5.7%
Royal Caribbean	313,997	4.8%	Cargill Grain	261,220	4.4%
Martin Marietta Aggregate	250,189	3.9%	C F Industries (fertilizer)	252,712	4.3%
Norwegian Cruise Line	188,986	2.9%	C F Industries (ammonia terminal)	229,185	3.9%
Tarmac America Titan	177,555	2.7%	Martin Operating	208,276	3.5%
Onesteel Recycling Inc	173,321	2.7%	Martin Marietta Materials, Inc.	175,953	3.0%
Ten largest customers	5,115,997	78.8%	Ten largest customers	3,527,974	59.9%
Other	1,377,577	21.2%	Other	2,369,026	40.1%
Total Dockage Revenue	<u>6,493,574</u>	<u>100.0%</u>	Total Dockage Revenue	<u>5,897,000</u>	<u>100.0%</u>

Table 6

**Tampa Port Authority
Revenue Rates
Last Ten Fiscal Years**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
DOCKAGE RATES:										
Vessels, Barges & Tug Boats:										
0-199 ft	\$ 1.90	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.25	\$ 2.32	\$ 2.32	\$ 2.46	\$ 2.46	\$ 2.54
200-299	2.15	2.26	2.46	2.66	2.96	3.05	3.05	3.23	3.23	3.33
300-349	2.31	2.43	2.58	2.73	2.96	4.15	3.05	3.23	3.23	3.33
350-399	2.58	2.71	2.76	2.81	2.96	4.15	3.05	3.23	3.23	3.33
400-449	3.46	3.63	3.72	3.81	4.03	4.15	4.15	4.40	4.40	4.53
450-499	3.46	3.63	3.72	3.81	4.03	4.15	4.15	4.40	4.40	4.53
500-549	4.73	4.97	5.06	5.15	5.41	5.57	5.57	5.91	5.91	6.09
550-599	4.73	4.97	5.06	5.15	5.41	5.57	5.57	5.91	5.91	6.09
600-649	5.49	5.76	5.87	5.98	6.28	6.47	6.47	6.86	6.86	7.07
650-699	5.49	5.76	5.87	5.98	6.28	6.47	6.47	6.86	6.86	7.07
700-799	7.08	7.43	7.53	7.63	7.97	8.21	8.21	8.71	8.71	8.98
800-899	8.51	8.94	9.07	9.20	9.60	9.89	9.89	10.50	10.50	10.81
900 ft +	10.16	10.67	10.83	10.99	11.49	11.83	11.83	12.55	12.55	12.92
Passenger Vessels:										
0- 550 ft	4.36	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.49
551-600	6.14	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32
601-650	6.34	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.53
651-700	6.60	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80
701-725	7.00	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21
726-750	7.26	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48
751 ft +	7.92	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.16
WHARFAGE RATES:										
General Cargo/Breakbulk:										
All articles (not provided for below)	2.12	2.25	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Automobiles (new)/each	-	-	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
Automobiles (used)/each	3.75	3.98	5.60	5.60	7.10	7.10	7.10	7.10	7.10	7.10
Livestock	3.77	4.00	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20
Citrus & Citrus Products	1.76	1.87	1.96	1.96	1.96	1.96	1.96	1.96	1.96	1.96

Table 6

**Tampa Port Authority
Revenue Rates
Last Ten Fiscal Years**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Containers (loaded)	1.86	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97
USDA Bagged Goods (Public Law 480)	0.20	0.21	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22
Citrus Concentrate (drums or tanks)	1.45	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54
Cordage	1.50	1.59	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67
Fertilizer (in bags)	1.57	1.66	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74
Flour or Rice (in bags)	1.19	1.26	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32
Forest Products	1.50	1.59	1.59	1.59	1.59	1.59	-	1.59	1.59	1.59
Lumber & Logs (per thousand board feet))	1.35	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43
Frozen Meat and/or Poultry	2.06	2.18	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29
Fruits and Vegetables (fresh)	1.81	1.92	2.00	2.02	2.02	2.02	2.02	2.02	2.02	2.02
Iron & Steel Articles	1.81	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92
Iron & Steel Wire Coils and Reinforcing Rods	-	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Mobile & Modular Homes (under 10,000 lbs) each	19.60	20.78	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82
Mobile & Modular Homes (over 10,000 lbs) net ton	2.64	2.80	2.94	2.94	2.94	2.94	2.94	2.94	2.94	2.94
Paper Waste (in bales domestic moves only)	1.15	1.22	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28
Project Cargo (weight or measurement)	-	2.25	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36
Scrap Metal	2.25	2.39	2.36	2.39	2.39	2.39	2.39	2.39	2.39	2.39
USDA Public Law 480 (bagged goods)	0.37	0.39	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
USDA Products (chilled & frozen)	1.51	1.60	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68
Vehicles (trucks, buses, tractors, etc.) net ton	1.98	2.10	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21
Yachts & Boats (less than 25' LOA) (a)	10.56	1.00	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Yachts & Boats (greater than 25' LOA) (a)	33.76	1.50	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.58
Cruise Wharfage Rates (per passenger):										
Passengers Embarking	5.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Passengers Disembarking	5.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Passengers in transit	5.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00

Table 6

**Tampa Port Authority
Revenue Rates
Last Ten Fiscal Years**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Bulk Cargo Wharfage Rates										
Aggregate (including pumice & slag)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Anhydrous Ammonia	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Bulk, Dry N.O.S.	1.12	1.12	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18
Bulk, Liquid N.O.S.	1.12	1.12	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18
Caustic Soda	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Cement	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Citrus Concentrate, (via pipeline)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07
Citrus Pellets	0.39	0.39	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Coal	0.63	0.63	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Fertilizer, N.O.S.	0.250	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.245
Fly Ash	0.84	0.84	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Grain, N.O.S.	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Gypsum	0.57	0.57	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.59
Petroleum and Petroleum Products (per barrel)	0.07	0.07	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Petroleum (Bunkering) (per barrel)	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Petroleum Coke	0.63	0.63	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Phosphate Products (other than crude rock)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphate Rock, (wet or dry)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphoric Acid	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Pomace	0.65	0.65	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68
Potash	0.27	0.27	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28
Salt	0.50	0.50	0.53	0.53	0.53	0.53	0.53	-	-	-
Sand	0.71	0.71	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Seawater	0.25	0.25	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26
Sulphur	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Sulphuric Acid	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42
Tallow	0.57	0.57	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60

(a) Prior to 2005, rates were based on a per vessel charge. Starting in 2005, the rate is calculated by LOA.

Table 7

TAMPA PORT AUTHORITY
Top Ten Customers
Current Fiscal Year and Ten Fiscal Years Prior
(Unaudited)

2013			
Customer	Type of Business	Revenue	% of Total Operating Revenue
Carnival Cruise Line	Cruise industry	\$ 6,111,588	13.9%
Central Florida Pipeline	Petroleum	4,631,617	10.5%
Cemex	Cementitious and aggregate	3,176,010	7.2%
Royal Caribbean	Cruise industry	1,967,586	4.5%
Ports America	Terminal operator for general cargo	1,796,219	4.1%
Tarmac America Titan	Cementitious and aggregate	1,721,746	3.9%
Transmontaigne Inc	Petroleum	1,392,216	3.2%
Norwegian Cruise Line	Cruise industry	1,370,768	3.1%
Transflo Terminal Service	Petroleum	1,329,602	3.0%
Gulf Marine Repair Inc	Ship repairs	1,280,304	2.9%
	Total top ten customers	24,777,656	56.3%
	Others	19,312,106	43.7%
	Total Operating Revenue - FY2013	\$ 44,089,762	100.0%

2004			
Customer	Type of Business	Revenue	% of Total Operating Revenue
Central Florida Pipeline	Petroleum	\$ 4,161,444	13.2%
Carnival Cruise Lines	Cruise industry	3,186,799	10.1%
Vulcan Materials	Limestone	1,368,877	4.3%
Transmontaigne Inc	Petroleum	1,280,069	4.1%
Royal Caribbean	Cruise industry	1,191,585	3.8%
C F Industries (fertilizer)	Phosphate	1,174,880	3.7%
Martin Operating	Liquid sulphur	1,169,908	3.7%
C F Industries (ammonia terminal)	Anhydrous Ammonia	692,129	2.2%
Martin Marietta Materials, Inc.	Cementitious and aggregate	684,606	2.2%
Murphy Oil USA, Inc.	Petroleum	640,283	2.0%
	Total top ten customers	15,550,580	49.3%
	Others	16,038,420	50.7%
	Total Operating Revenue - FY2004	31,589,000	100.0%

Table 8

TAMPA PORT AUTHORITY
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Second Lien Revenue Bonds	Special Revenue & Refunding Revenue Bonds	Revenue Bond/Notes	Refunding Revenue Bonds	Total	Percentage of Personal Income (1)	Per Capita (1)
2004	\$ -	\$ 64,985,000	\$ 60,000,000	\$ 41,509,220	\$ 166,494,220	0.48%	\$ 155
2005	\$ -	\$ -	\$ 60,000,000	\$ 92,982,947	\$ 152,982,947	0.41%	\$ 139
2006	\$ -	\$ -	\$ 86,825,000	\$ 73,727,571	\$ 160,552,571	0.38%	\$ 142
2007	\$ -	\$ -	\$ 81,860,000	\$ 73,275,849	\$ 155,135,849	0.35%	\$ 134
2008	\$ -	\$ -	\$ 78,600,000	\$ 72,819,151	\$ 151,419,151	0.33%	\$ 128
2009	\$ -	\$ -	\$ 76,345,000	\$ 68,956,534	\$ 145,301,534	0.33%	\$ 121
2010	\$ -	\$ -	\$ 74,590,000	\$ 64,321,016	\$ 138,911,016	0.29%	\$ 114
2011	\$ -	\$ -	\$ 72,765,000	\$ 59,512,282	\$ 132,277,282	0.27%	\$ 107
2012	\$ -	\$ -	\$ 70,494,815	\$ 54,435,122	\$ 124,929,937	0.24%	\$ 99
2013	\$ -	\$ -	\$ 67,057,531	\$ 49,120,000	\$ 116,177,531	0.23%	\$ 91

(1) Refer to Table 11 for detail of population and per capita information.

Table 9

TAMPA PORT AUTHORITY
Revenue Bond Coverage
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	(a)		(b)			(c)		(d)	(e)
Fiscal Year	Gross Revenues		Operating Expenses		Net Revenue Available for Debt Service	Principal	Debt Service Interest	Total	Coverage Ratio
2004	\$ 40,947	\$	17,273	\$	23,674	\$ 7,870	\$ 9,314	\$ 17,184	1.38
2005	\$ 42,641	\$	18,529	\$	24,112	\$ 6,945	\$ 8,148	\$ 15,093	1.60
2006	\$ 46,089	\$	19,913	\$	26,176	\$ 5,023	\$ 7,709	\$ 12,732	2.06
2007	\$ 43,178	\$	21,436	\$	21,742	\$ 6,155	\$ 7,979	\$ 14,134	1.54
2008	\$ 43,626	\$	22,543	\$	21,083	\$ 5,468	\$ 7,674	\$ 13,142	1.60
2009	\$ 44,018	\$	22,867	\$	21,151	\$ 6,725	\$ 7,276	\$ 14,001	1.51
2010	\$ 43,233	\$	22,741	\$	20,492	\$ 6,424	\$ 6,993	\$ 13,417	1.53
2011	\$ 43,829	\$	23,743	\$	20,086	\$ 6,723	\$ 6,691	\$ 13,414	1.50
2012	\$ 44,895	\$	23,632	\$	21,263	\$ 6,422	\$ 6,141	\$ 12,563	1.69
2013	\$ 46,875	\$	24,259	\$	22,616	\$ 8,837	\$ 5,780	\$ 14,617	1.55

(a) Gross Revenues means rents, fees, charges and other income derived from the operation of port facilities and certain income derived from investments.

(b) Operating expenses exclude depreciation, bond interest, amortization, and extraordinary losses. No adjustment has been made for payments made to other governments.

(c) Up until 2004, TPA had both Senior and Junior Lien debt. The coverage ratio requirement was 1.00-1.25. After 2004, TPA had only Senior Lien debt and the coverage ratio requirement is 1.25.

(d) Debt service requirement does not include capitalization of interest, debt service on defeased bonds, nor amortized bond issue costs and discounts.

(e) Net revenue available for debt service divided by total debt service requirements.

Table 10

TAMPA PORT AUTHORITY
Summary of Surplus Port Revenues after Debt and Operating Costs
Available for Capital Program
Last Ten Fiscal Years
(Unaudited)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operating Revenue										
Port Usage Fees	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539
Land & Building Leases	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725
Tenant Utilities	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 531	\$ 591	\$ 545	\$ 476
Other Port Operating Revenue	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 683	\$ 514	\$ 348	\$ 349
Total Operating Revenue	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 39,247	\$ 39,847	\$ 40,627	\$ 42,094	\$ 43,662	\$ 44,089
Non-Operating Revenue										
Grants, Operating	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income, Unrestricted	\$ 3,510	\$ 3,443	\$ 4,153	\$ 5,200	\$ 3,227	\$ 1,674	\$ 1,624	\$ 684	\$ 1,152	\$ 2,123
Other Non-Operating Income	\$ 4,682	\$ 2,881	\$ 2,288	\$ 1,063	\$ 1,152	\$ 2,497	\$ 982	\$ 1,051	\$ 81	\$ 663
Total Non-Operating Revenue	\$ 9,358	\$ 7,692	\$ 6,781	\$ 6,263	\$ 4,379	\$ 4,171	\$ 2,606	\$ 1,735	\$ 1,233	\$ 2,786
Gross Revenue Available for Debt (a)	\$ 40,947	\$ 42,641	\$ 46,089	\$ 43,178	\$ 43,626	\$ 44,018	\$ 43,233	\$ 43,829	\$ 44,895	\$ 46,875
Less: Annual debt service requirement (b)	\$ 17,184	\$ 15,093	\$ 12,732	\$ 14,134	\$ 13,142	\$ 14,001	\$ 13,417	\$ 13,414	\$ 12,563	\$ 14,617
Net Revenue Available for payment of Operating Expenses:	\$ 23,763	\$ 27,548	\$ 33,357	\$ 29,044	\$ 30,484	\$ 30,017	\$ 29,816	\$ 30,415	\$ 32,332	\$ 32,258
Operating Expenses (c)										
Personnel	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690
Promotional	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266	\$ 302	\$ 328	\$ 701
Administrative	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,895	\$ 13,063	\$ 12,792	\$ 12,868
Total Operating Expenses	\$ 17,273	\$ 18,529	\$ 19,913	\$ 21,436	\$ 22,543	\$ 22,867	\$ 22,741	\$ 23,743	\$ 23,632	\$ 24,259
Surplus Port Revenues (d)	\$ 6,490	\$ 9,019	\$ 13,444	\$ 7,609	\$ 7,941	\$ 7,150	\$ 7,075	\$ 6,672	\$ 8,700	\$ 7,999

(a) Gross revenue as defined in the Senior Lien Bond Resolution available to pay debt; excludes capital grants, ad valorem taxes, and other revenue which is restricted to the Port's Capital Program.

(b) Debt service requirement excludes capitalization of interest, debt service on defeased bonds, nor amortized bond issue costs and discounts.

(c) Operating expenses exclude depreciation, bond interest, amortization, and extraordinary losses. No adjustment has been made to operating expense for payments to other governments.

(d) Surplus Port revenue represents excess Port revenues after debt service and operating expenses.

Table 11

HILLSBOROUGH COUNTY, FLORIDA
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income (in thousands)	Personal Income Per Capita	Median Age	Public High School Graduation Rates	Total Public School Enrollment	Unemployment Rate
2003	1,078,600	31,932,807	29,606	35	75.8	191,186	5.1
2004	1,109,680	34,848,801	31,404	36	79.3	197,500	4.3
2005	1,139,510	37,379,401	32,803	36	79.5	193,669	3.6
2006	1,172,970	42,675,000	36,382	36	77.3	193,480	3.3
2007	1,184,686	44,394,128	37,473	36	79.1	193,062	4.0
2008	1,196,773	45,385,156	37,923	36	80.0	191,965	6.3
2009	1,214,050	43,600,982	35,914	36	84.6	193,239	10.7
2010	1,233,373	47,339,654	38,382	35	84.4	194,353	11.4
2011	1,267,775	49,671,035	39,180	35	86.4	200,074	10.5
2012	1,247,440	51,109,828	40,972	36	86.4	202,000	8.5
	(a) (c)	(a)	(a)	(c)	(b)	(c)	(c)

Sources: (a) U.S. Census Bureau, U.S. Department of Commerce Bureau of Economic Analysis
(b) Hillsborough County, Florida Detailed Profile (<http://www.city-data.com/county/HillsboroughCounty-FL.html>)
(c) Hillsborough County City-County Planning Commission

Table 12

HILLSBOROUGH COUNTY, FLORIDA

Principal Employers

Current Year and Ten Years Prior

Employer	Type of Operation	2013			2004		
		Employees	%	Rank (a)	Employees	%	Rank (a)
Hillsborough County School Board	Public education	25,936	3.9	1	22,650	3.8	1
MacDill Air Force Base	Military base	14,500	2.2	2	5,756	1.0	6
University of South Florida	Education services	10,837	1.6	3	7,794	1.3	4
Hillsborough County Government	Government	10,238	1.5	4	10,220	1.7	3
Tampa International Airport	International airport	7,500	1.1	5	7,626	1.3	5
Verizon Communications Inc.	Telecommunications	7,000 E	1.0	6	14,000	2.3	2
Publix Super Markets, Inc.	Supermarkets	6,826	1.0	7	4,672	0.8	7
Tampa General Hospital	Medical facilities	6,500	1.0	8	3,432	0.6	12
Florida Hospital	Medical facilities	5,179 E	0.8	9	--	--	--
James A. Haley VA Hospital	Veterans hospital	4,700 E	0.7	10	2,751	0.5	13
H. Lee Moffit Cancer Center	Medical facilities	4,187 E	0.6	11	--	--	--
City of Tampa	Government	4,000	0.6	12	4,525	0.8	8
Busch Entertainment Corporation	Tourist attraction	3,737 E	0.6	13	2,710	0.5	14
US Postal Service	Postal services	3,285	0.5	14	3,525	0.6	11
St. Joseph Hospital	Medical facilities	3,133 E	0.5	15	3,907	0.7	9
Hillsborough Community College	Education services	2,569 E	0.4	16	2,103	0.4	16
Tampa Electric Company	Electric utility	2,541	0.4	17	3,543	0.6	10
SweetBay Supermarkets	Supermarket	2,532 E	0.4	18	2,698	0.5	15
Total		<u>125,200</u>	<u>18.8</u>		<u>101,912</u>	<u>17.4</u>	

(a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2013 was 671,714. Total Hillsborough County employment for 2004 was 597,946.

E Estimated using the prior year's figure because the entity contacted chose not to provide the information requested.

Sources: Hillsborough County City-County Planning Commission
 Florida Agency for Workforce Innovation, Labor Statistics
 City of Tampa
 Tampa Bay Partnership

Table 13

HILLSBOROUGH COUNTY, FLORIDA
Property Tax Millage Rates for Direct and Overlapping Governments
Last Ten Years
(Millage Rates Rounded to Nearest Thousandth)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Countywide (BOCC):										
BOCC General Revenue	7.176	6.926	6.520	5.745	5.744	5.742	5.741	5.739	5.737	5.736
BOCC Library Service	0.642	0.692	0.692	0.608	0.558	0.558	0.558	0.558	0.558	0.588
Environmentally sensitive lands (voted)	0.097	0.084	0.067	0.060	0.060	0.060	0.060	0.060	0.060	0.060
Total millage	7.915	7.702	7.279	6.413	6.362	6.360	6.359	6.358	6.355	6.384
Maximum millage per statute (a)	10.097	10.084	10.067	10.060	10.060	10.060	10.060	10.060	10.060	10.060
Unincorporated Area (BOCC):										
BOCC Municipal Service										
Taxing Unit	5.062	5.162	4.995	4.376	4.375	4.375	4.375	4.375	4.375	4.375
Parks and Recreation (voted)	0.040	0.036	0.029	0.026	0.026	0.026	0.026	0.026	0.026	0.026
Total millage	5.102	5.198	5.024	4.402	4.401	4.401	4.401	4.401	4.401	4.401
Maximum millage per statute (a)	10.040	10.036	10.029	10.026	10.026	10.026	10.026	10.026	10.026	10.026
Countywide (Other):										
Tampa Port Authority	0.260	0.260	0.220	0.198	0.195	0.193	0.190	0.190	0.185	0.175
Southwest Florida Water Management District	0.422	0.422	0.422	0.387	0.387	0.387	0.377	0.393	0.393	0.382
School Board	8.361	7.937	7.823	7.523	7.777	7.692	7.592	7.913	7.877	7.690
Children's Board	0.500	0.500	0.500	0.463	0.500	0.500	0.500	0.500	0.500	0.483
Unincorporated Area (Other)										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.240	0.240	0.240	0.216	0.216	0.216	0.216	0.216	0.393	0.000
Hillsborough River Basin	0.285	0.285	0.285	0.255	0.255	0.242	0.242	0.230	--	--
NW Hillsborough Basin	0.268	0.268	0.268	0.242	0.242	--	--	--	--	--
Transit Authority	0.500	0.500	0.500	0.450	0.468	0.468	0.468	0.500	0.500	0.500
Municipalities:										
Tampa	6.539	6.539	6.408	5.733	5.733	5.733	5.733	5.733	5.733	5.733
Temple Terrace	4.910	4.910	4.700	4.569	4.569	5.283	5.283	6.150	6.430	6.430
Plant City	4.700	4.700	4.910	4.165	4.165	4.716	4.716	4.716	4.716	4.716
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	23.300	22.759	22.008	20.052	20.306	20.217	20.103	20.471	20.604	20.015

(a) Section 200.071, Florida Statutes, states that the maximum ad valorem tax millage for either the countywide or unincorporated area (municipal services taxing unit) of the BOCC is set at 10 mills plus any voted levies.

(b) Dependent on its location, property within Tampa may either be in the Alafia, the Hillsborough River, or the NW Hillsborough Watershed Basin.
Plant City property may be in either the Alafia or the Hillsborough River Basin.
During fiscal year 2009, the NW Hillsborough Basin was merged into the Hillsborough River Basin.

Source: Hillsborough County Tax Collector, www.hillstax.org/tax/proptaxinfo.asp

Table 14

HILLSBOROUGH COUNTY, FLORIDA

Principal Property Taxpayers

Current year and

Ten Years Prior

(amounts in thousands)

Taxpayer	Type of Business	2013			2004		
		Taxes Levied	Rank	Percentage of Total	Taxes Levied	Rank	Percentage of Total
		in thousands		Taxes Levied	in thousands		Taxes Levied
Tampa Electric Company	Electric utility	\$ 39,075	1	2.7%	\$ 30,945	1	2.4%
Verizon Communications Inc.	Telecommunications	19,845	2	1.3	23,963	2	1.8
Hillsborough County Aviation Authority	Airport	9,770	3	0.7	9,350	3	0.7
Camden Operating LP	Real estate	6,260	4	0.4	5,306	5	0.4
Highwoods/Florida Holding LP	Real estate management	5,347	5	0.4	3,350	10	0.3
Post Apartment Homes LP	Real estate	4,978	6	0.3	4,575	6	0.4
Westfield	Shopping malls	4,832	7	0.3	--	-	--
Mosaic Company	Mining, fertilizer minerals	4,164	8	0.3	--	-	--
Wal-Mart	Retail stores	4,018	9	0.3	3,644	9	0.3
Liberty Property	Property management	3,535	10	0.2	--	-	--
Tampa Sports Authority	Sports facilities	--	-	--	6,832	4	0.5
Glimcher Limited Partnership	Real estate	--	-	--	4,460	7	0.3
Cargill	Mining, fertilizer minerals	--	-	--	3,936	8	0.3
		<u>\$ 101,824</u>		<u>6.9%</u>	<u>\$ 96,361</u>		<u>7.4%</u>

Source: Hillsborough County Tax Collector

Table 15

TAMPA PORT AUTHORITY
Schedule of Revenue by Activity
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
PORT USAGE FEES, MAJOR CARGO CATEGORIES										
Bulk Cargo:										
Dockage	\$ 3,363	\$ 3,770	\$ 4,077	\$ 3,699	\$ 3,686	\$ 3,470	\$ 3,754	\$ 3,800	\$ 3,705	\$ 4,282
Wharfage	\$ 5,405	\$ 6,247	\$ 6,277	\$ 6,165	\$ 6,079	\$ 5,632	\$ 6,423	\$ 6,157	\$ 5,968	\$ 6,341
Subtotal, Bulk Cargo	<u>\$ 8,768</u>	<u>\$ 10,017</u>	<u>\$ 10,354</u>	<u>\$ 9,864</u>	<u>\$ 9,765</u>	<u>\$ 9,102</u>	<u>\$ 10,177</u>	<u>\$ 9,957</u>	<u>\$ 9,673</u>	<u>\$ 10,623</u>
Bulk Cargo Tonnage	14,073	15,416	15,533	14,266	13,144	12,116	13,706	12,722	12,195	12,318
Average Dockage & Wharfage per Ton	\$ 0.62	\$ 0.65	\$ 0.67	\$ 0.69	\$ 0.74	\$ 0.75	\$ 0.74	\$ 0.78	\$ 0.79	\$ 0.86
General Cargo:										
Dockage	\$ 838	\$ 845	\$ 1,122	\$ 1,072	\$ 763	\$ 642	\$ 559	\$ 613	\$ 746	\$ 769
Wharfage	\$ 1,770	\$ 2,116	\$ 2,381	\$ 2,530	\$ 2,581	\$ 2,637	\$ 1,949	\$ 2,232	\$ 2,442	\$ 2,327
Subtotal, General Cargo	<u>\$ 2,608</u>	<u>\$ 2,961</u>	<u>\$ 3,503</u>	<u>\$ 3,602</u>	<u>\$ 3,344</u>	<u>\$ 3,279</u>	<u>\$ 2,508</u>	<u>\$ 2,845</u>	<u>\$ 3,188</u>	<u>\$ 3,096</u>
General Cargo Tonnage	976	1,061	1,205	1,312	1,234	1,095	863	968	1,162	1,068
Average Dockage & Wharfage per Ton	\$ 2.67	\$ 2.79	\$ 2.91	\$ 2.75	\$ 2.71	\$ 2.99	\$ 2.91	\$ 2.94	\$ 2.74	\$ 2.90
Cruise:										
Dockage	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784	\$ 900	\$ 1,057	\$ 954
Wharfage	\$ 4,383	\$ 4,310	\$ 5,124	\$ 4,464	\$ 4,463	\$ 4,669	\$ 4,690	\$ 5,105	\$ 5,698	\$ 5,271
Subtotal, Cruise / Passengers	<u>\$ 5,130</u>	<u>\$ 5,095</u>	<u>\$ 6,109</u>	<u>\$ 5,256</u>	<u>\$ 5,243</u>	<u>\$ 5,477</u>	<u>\$ 5,474</u>	<u>\$ 6,005</u>	<u>\$ 6,755</u>	<u>\$ 6,225</u>
Passenger Count (a)	792	771	911	782	768	803	807	876	974	854
Average Dockage & Wharfage per Passenger	\$ 6.48	\$ 6.61	\$ 6.71	\$ 6.72	\$ 6.83	\$ 6.82	\$ 6.78	\$ 6.86	\$ 6.94	\$ 7.29
Combined Dockage & Wharfage Major Cargo Category:										
Bulk Cargo	\$ 8,768	\$ 10,017	\$ 10,354	\$ 9,864	\$ 9,765	\$ 9,102	\$ 10,177	\$ 9,957	\$ 9,673	\$ 10,623
General Cargo	\$ 2,608	\$ 2,961	\$ 3,503	\$ 3,602	\$ 3,344	\$ 3,279	\$ 2,508	\$ 2,845	\$ 3,188	\$ 3,096
Cruise	<u>\$ 5,130</u>	<u>\$ 5,095</u>	<u>\$ 6,109</u>	<u>\$ 5,256</u>	<u>\$ 5,243</u>	<u>\$ 5,477</u>	<u>\$ 5,474</u>	<u>\$ 6,005</u>	<u>\$ 6,755</u>	<u>\$ 6,225</u>
Total Combined Dockage & Wharfage Major Cargo	<u>\$ 16,506</u>	<u>\$ 18,073</u>	<u>\$ 19,966</u>	<u>\$ 18,722</u>	<u>\$ 18,352</u>	<u>\$ 17,858</u>	<u>\$ 18,159</u>	<u>\$ 18,807</u>	<u>\$ 19,616</u>	<u>\$ 19,944</u>

Table 15

TAMPA PORT AUTHORITY
Schedule of Revenue by Activity
Last Ten Fiscal Years
(Unaudited)
(amounts in thousands)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
OTHER PORT USAGE FEES:										
Dockage, non-cargo related	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967	\$ 579	\$ 645	\$ 488
In lieu of Wharfage, (shortfalls, product via rail, truck)	\$ 583	\$ 1,028	\$ 1,157	\$ 859	\$ 2,587	\$ 2,891	\$ 3,723	\$ 4,647	\$ 4,147	\$ 5,535
Parking and related	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208	\$ 5,659	\$ 5,896	\$ 4,935
Terminal Operations	\$ 667	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357	\$ 1,490	\$ 2,268	\$ 411
Other Usage Fees	\$ 384	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 495	\$ 212	\$ 263	\$ 226
Total Other Port Usage Fees:	<u>\$ 6,393</u>	<u>\$ 7,302</u>	<u>\$ 9,386</u>	<u>\$ 8,534</u>	<u>\$ 9,982</u>	<u>\$ 11,089</u>	<u>\$ 11,750</u>	<u>\$ 12,587</u>	<u>\$ 13,219</u>	<u>\$ 11,595</u>
PORT USAGE FEES, TOTAL	<u>\$ 22,899</u>	<u>\$ 25,375</u>	<u>\$ 29,352</u>	<u>\$ 27,256</u>	<u>\$ 28,334</u>	<u>\$ 28,947</u>	<u>\$ 29,909</u>	<u>\$ 31,394</u>	<u>\$ 32,835</u>	<u>\$ 31,539</u>
LAND & BUILDING LEASES	<u>\$ 7,340</u>	<u>\$ 8,309</u>	<u>\$ 8,419</u>	<u>\$ 8,125</u>	<u>\$ 9,442</u>	<u>\$ 9,654</u>	<u>\$ 9,504</u>	<u>\$ 9,595</u>	<u>\$ 9,934</u>	<u>\$ 11,725</u>
OTHER OPERATING:										
Tenant Utilities	\$ 627	\$ 530	\$ 624	\$ 582	\$ 553	\$ 520	\$ 532	\$ 591	\$ 545	\$ 476
Fingerprinting/Badging	\$ 581	\$ 610	\$ 798	\$ 841	\$ 810	\$ 624	\$ 606	\$ 430	\$ 275	\$ 277
Other Port Operating	\$ 142	\$ 125	\$ 115	\$ 112	\$ 108	\$ 94	\$ 76	\$ 84	\$ 73	\$ 72
Total Other Operating Revenue	<u>\$ 1,350</u>	<u>\$ 1,265</u>	<u>\$ 1,537</u>	<u>\$ 1,535</u>	<u>\$ 1,471</u>	<u>\$ 1,238</u>	<u>\$ 1,214</u>	<u>\$ 1,105</u>	<u>\$ 893</u>	<u>\$ 825</u>
TOTAL OPERATING REVENUE	<u>\$ 31,589</u>	<u>\$ 34,949</u>	<u>\$ 39,308</u>	<u>\$ 36,916</u>	<u>\$ 39,247</u>	<u>\$ 39,839</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>

(a) Source: Port Authority statistics

Table 16

<p style="text-align: center;">TAMPA PORT AUTHORITY Annual Cargo Tonnages and Passenger Count Last Ten Fiscal Years (in thousands)</p>										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
DRY BULK CARGO										
Cement, Bulk	427	790	998	666	345	115	99	87	85	182
Citrus Pellets	313	102	125	138	138	103	94	96	71	86
Coal	188	220	168	216	0	0	0	0	0	0
Granite Rock, Bulk	751	653	588	604	977	1,204	968	1,014	854	734
Limestone	1,478	1,728	1,708	1,676	1,136	542	816	575	887	1,415
Phosphatic Chemical, Bulk	1,175	1,161	1,253	1,103	1,108	1,349	1,230	1,280	1,375	1,227
Other Dry Bulk	423	217	341	157	147	198	243	221	160	119
TOTAL DRY BULK CARGO:	4,755	4,871	5,181	4,560	3,851	3,511	3,450	3,273	3,432	3,763
LIQUID BULK CARGO										
Ammonia, Anhydrous	692	671	477	402	434	410	502	589	444	551
Concentrate, Citrus Bulk	45	49	57	65	77	52	67	47	85	179
Petroleum Products	6,958	7,753	7,609	7,720	7,145	6,959	8,093	7,649	7,150	6,794
Sulphur, Liquid	1,394	1,802	2,025	1,329	1,321	922	1,244	1,008	929	888
Sulphuric Acid	167	201	111	108	219	179	271	96	88	53
Other Liquid Bulk	62	69	73	82	97	83	79	60	66	90
TOTAL LIQUID BULK CARGO:	9,318	10,545	10,352	9,706	9,293	8,605	10,256	9,449	8,762	8,555
TOTAL BULK CARGO:	14,073	15,416	15,533	14,266	13,144	12,116	13,706	12,722	12,194	12,318
GENERAL CARGO										
Containerized	108	131	149	297	364	397	304	311	342	363
Forest Products	20	50	62	3	8	1	0	0	0	0
General Cargo	6	10	7	19	34	24	10	3	18	16
Reefer Cargo	40	42	39	17	35	32	0	0	0	0
Scrap Metal	439	393	419	577	594	535	495	562	642	476
Steel Products	322	380	463	338	153	85	37	80	151	205
Vehicles (in tons)	41	55	66	61	46	21	17	12	9	8
TOTAL GENERAL CARGO:	976	1,061	1,205	1,312	1,234	1,095	863	968	1,162	1,068
TOTAL BULK AND GENERAL:	15,049	16,477	16,738	15,578	14,378	13,211	14,569	13,690	13,356	13,386
TOTAL TEUs (actual, includes empties)	17,277	26,646	23,167	39,435	43,892	48,788	44,000	39,632	39,882	42,198
TOTAL CRUISE PASSENGERS	792	771	911	782	768	803	807	876	974	854
TOTAL # OF SAILINGS (Actual)	205	192	219	193	178	185	187	199	213	187

Represents tonnage handled through Tampa Port Authority facilities, private facility tonnage is excluded.

Source: Port Authority Statistics

Table 17

TAMPA PORT AUTHORITY										
Capital Assets										
Last Ten Fiscal Years										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
CHANNEL WIDTH (feet)										
East Bay Channel	400	400	400	400	400	400	400	400	400	400
Ybor Channel	400	400	400	400	400	400	400	400	400	400
Port Sutton Channel	200	200	200	200	200	200	200	200	200	200
Garrison Channel	300	300	300	300	300	300	300	300	300	300
Seddon Channel	200	200	200	200	200	200	200	200	200	200
Hillsborough Bay Channel Cut D	400	400	400	400	400	400	400	400	400	400
Port Sutton Entrance Channel	200	200	200	200	200	200	200	200	200	200
Big Bend Channel E/W (Port Redwing)	200	200	200	200	200	200	200	200	200	200
CHANNEL DEPTH (feet)										
Sparkman Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Eastbay Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Ybor Channel	34	34	34	34	34	34	34	34	34	34
Port Sutton Channel	34	34	34	34	34	34	34	34	34	34
Garrison Channel (not maintained)	<34	<34	<34	<34	<34	<34	<34	<34	<34	<34
Seddon Channel (not maintained)	<34	<34	<34	<34	<34	<34	<34	<34	<34	<34
Hillsborough Bay Channel Cut D	41	41	41	41	41	41	41	41	41	41
Port Sutton Entrance Channel	43	43	43	43	43	43	43	43	43	43
Big Bend Channel E/W (Port Redwing)	34	34	34	34	34	34	34	34	34	34
BERTHING SPACE										
Wharf (linear feet)	10,375	10,375	11,855	11,855	11,855	12,855	16,655	17,235	17,235	18,435
Number of Berths	58	59	59	59	59	60	64	67	67	72
TOTAL LAND (acres)										
Port Owned/Usable - Estimated	2,512	2,551	2,551	2,454	2,454	2,454	2,485	2,485	2,595	2,620
Port Owned/Spoil Islands - Estimated	1,535	1,574	1,574	1,477	1,477	1,477	1,508	1,508	1,618	1,618
Leased - Estimated	977	977	977	977	977	977	977	977	977	1,002
	1,298	1,325	1,300	1,290	1,290	1,285	1,285	1,285	1,310	1,287
HARD SURFACED OPEN STORAGE (acres) (b)										
	83	83	83	83	83	83	83	83	83	83
COVERED STORAGE (sq. ft.)										
	471,000	471,000	506,000*	506,000	506,000	506,000	506,000	506,000	506,000	506,000
REFRIGERATED STORAGE (sq. ft.)										
	114,000	114,000	114,000	118,267	118,267	0	0	0	0	0
CRUISE TERMINAL SPACE (sq ft.)										
	236,000	236,000	201,000*	201,000	201,000	201,000	201,000	232,500	232,500	232,500
RAILROAD TRACK (miles)(Port Owned)										
	7	7	7	7	7	7	7	2.5	4	4.5

(a) Normal channel depth is listed first followed by turning basin depth

* Cruise terminal 7 was converted to warehouse space in 2006

Source: Tampa Port Authority Engineering Dept.

Table 18

TAMPA PORT AUTHORITY
STAFFING BY DIVISION/DEPARTMENT*
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>EXECUTIVE</u>										
Chief Executive Officer	3	3	4	4	4	4	5	4	4	4
Public Affairs	2	3	2	1	1	1	1	1	1	1
	5	6	6	5	5	5	6	5	5	5
<u>CHIEF COMMERCIAL OFFICER</u>										
Chief Commercial Officer	0	0	0	0	0	0	0	0	0	2
Real Estate	3	4	4	5	5	5	5	5	5	6
Parking Operations	0	0	0	0	0	0	0	0	0	2
Planning & Economic Development	1	1	1	1	1	1	1	1	1	1
Marketing and Business Development	2	2	2	2	2	2	2	3	3	4
Cargo and Cruise Marketing	4	3	3	3	3	3	1	1	1	1
Trade Development	1	1	1	1	1	1	1	1	1	1
Branding & Regional Alliance	0	0	0	0	0	0	0	0	0	2
Operations	14	13	14	13	17	15	15	16	15	16
Cruise Operations	3	2	2	2	2	2	2	3	3	3
Engineering	13	13	14	15	16	16	16	17	17	16
Facilities Management	17	17	15	17	17	18	17	18	19	18
Security	26	28	28	28	30	28	29	28	26	26
	84	84	84	87	94	91	89	93	91	98
<u>CHIEF LEGAL OFFICER</u>										
Port Counsel	4	3	4	4	4	5	4	4	4	4
Environmental Affairs	4	4	4	2	4	3	3	3	3	3
Human Resources	6	5	5	5	4	4	4	3	3	4
Procurement	0	0	0	0	0	0	2	2	3	3
Communications & Board Coordination	2	3	3	2	2	2	2	2	2	2
	16	15	16	13	14	14	15	14	15	16
<u>CHIEF FINANCIAL OFFICER</u>										
Chief Financial Officer	5	5	5	3	2	2	2	2	2	2
Finance	8	8	8	8	7	7	7	8	10	9
Chief Information Officer	3	3	3	3	3	2	2	3	3	5
	16	16	16	14	12	11	11	13	15	16
Total Positions	121	121	122	119	125	121	121	125	126	135

***Note:** Historical data has been reclassified to reflect current organizational structure and titles for comparative purposes

Source: Tampa Port Authority Human Resources Dept.

Table 19

TAMPA PORT AUTHORITY
Cruise Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Passenger Count (a)	Cruise Operating Revenue (b)	Average Revenue per Passenger	Total Operating Revenue	Percent of Cruise Operating to Total Operating
2004	791,772	\$ 7,865,987	\$ 9.93	\$ 31,588,942	24.90%
2005	771,227	\$ 7,929,271	\$ 10.28	\$ 34,948,669	22.69%
2006	910,633	\$ 9,980,840	\$ 10.96	\$ 39,307,522	25.39%
2007	781,861	\$ 8,898,562	\$ 11.38	\$ 36,914,859	24.11%
2008	767,760	\$ 8,671,080	\$ 11.29	\$ 39,247,140	22.09%
2009	802,937	\$ 9,397,927	\$ 11.70	\$ 39,846,811	23.59%
2010	807,082	\$ 9,422,843	\$ 11.68	\$ 40,627,597	23.19%
2011	875,611	\$ 9,943,952	\$ 11.36	\$ 42,093,061	23.62%
2012	974,259	\$ 10,895,959	\$ 11.18	\$ 43,661,747	24.96%
2013	854,260	\$ 9,519,536	\$ 11.14	\$ 44,089,762	21.59%

- (a) Passenger count includes passengers disembarking, embarking, and in transit from cruise ships.
- (b) Cruise revenue includes dockage, wharfage, water, parking, and miscellaneous terminal revenue.

Source: Port Authority statistics

Table 20

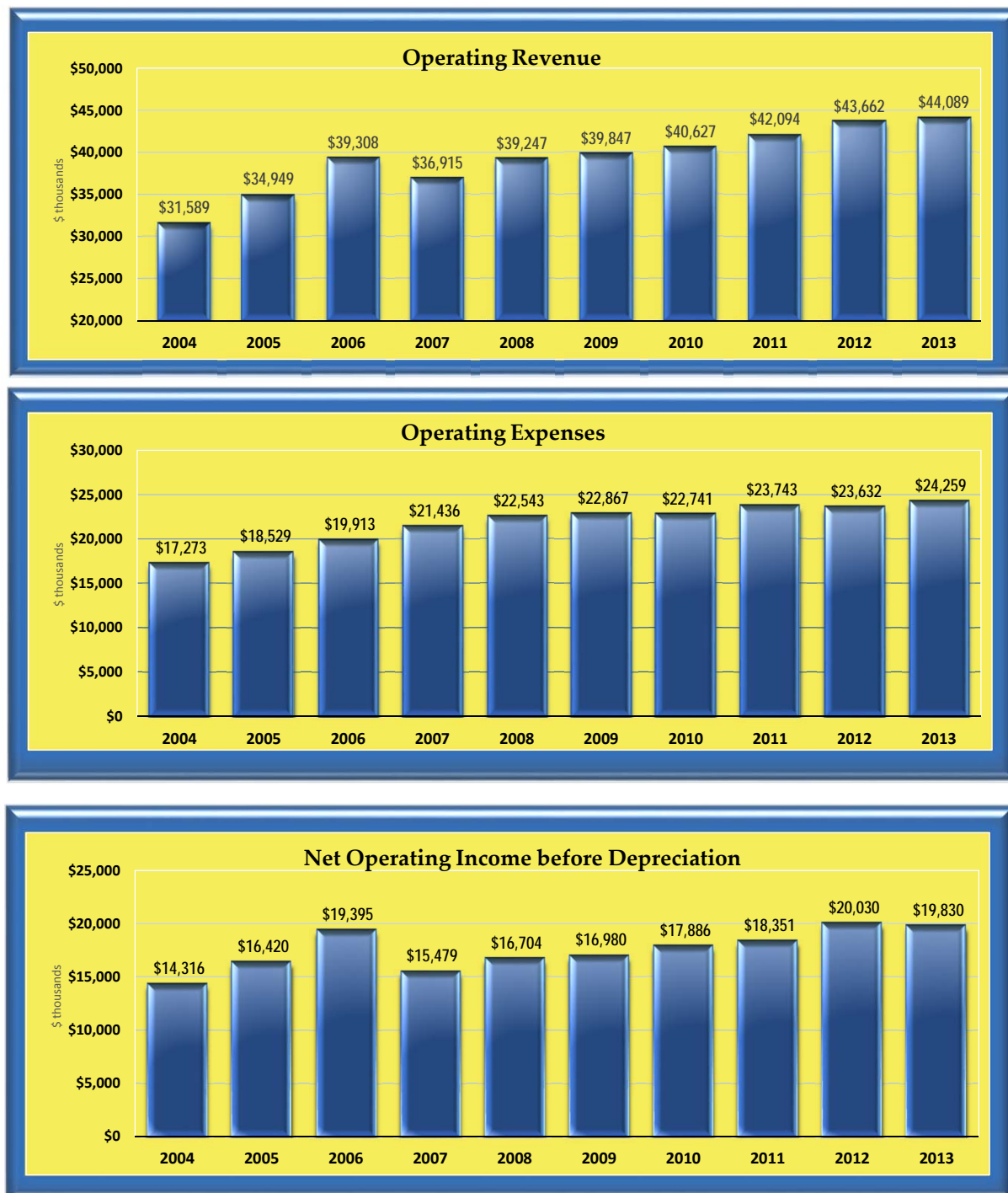
**Tampa Port Authority
Insurance Coverage
as of September 30, 2013
(Unaudited)**

	Limits of Coverage
Workers' Compensation & Employers' Liability	
<i>Workers' Compensation Limit</i>	Statutory
<i>Employers' Liability Level Limit</i>	\$ 1,000,000
General Liability	
<i>Primary Liability including Protection & Indemnity</i>	\$ 5,000,000
<i>Garage keepers</i>	\$ 1,000,000
<i>Maritime Employers Liability</i>	\$ 1,000,000
<i>Public Officials including Employment Practices</i>	\$ 5,000,000
<i>Umbrella Liability (over Primary Liability & Primary Auto)</i>	\$ 45,000,000
Primary Automobile	
<i>Liability</i>	\$ 1,000,000
<i>Personal Injury (PIP)</i>	Statutory
Employee Crime	
<i>Public Employees Dishonesty/Faithful Performance</i>	\$ 1,000,000
<i>Forgery or Alteration</i>	\$ 1,000,000
<i>Computer Fraud</i>	\$ 1,000,000
<i>Funds Transfer Fraud</i>	\$ 1,000,000
<i>Theft of Money & Securities</i>	\$ 500,000
Fire & Allied Property	
<i>Total Buildings and Allied</i>	\$ 153,722,128
<u>Sublimits:</u>	<u>Amount</u>
<i>Buildings</i>	\$ 127,022,154
<i>Personal Property</i>	\$ 14,567,711
<i>Inland Marine (Scheduled Equipment)</i>	\$ 722,139
<i>Business Income</i>	\$ 10,000,000
<i>Computer Related & Video/Radio Equipment</i>	\$ 1,410,124
National Flood	
<i>Buildings</i>	\$ 6,924,200
<i>Contents</i>	\$ 934,500
Gasoline Storage Tank Liability	\$ 2,000,000
Corporate Foreign Travel/Accident, Etc.	\$ 1,000,000

Source: Port Tampa Bay Finance department

Table 21

TAMPA PORT AUTHORITY
Financial Highlights
Last Ten Years
(Unaudited)
(amounts in thousands)





PORT
TAMPA BAY™

SEC Rule 15c2-12 Reporting

Table 22

**Tampa Port Authority
Port of Tampa Tonnage Distribution
Last Ten Fiscal Years
(Unaudited)
(in thousands)**

Fiscal Year	Phosphate	Petroleum	Coal	Sulphur	All Other	Total
2004	12,684	18,156	4,766	3,866	9,226	48,698
2005	12,251	19,269	4,812	3,856	10,028	50,216
2006	9,610	19,742	4,922	3,659	10,256	48,189
2007	8,415	19,473	4,659	3,256	9,491	45,294
2008	8,445	18,008	3,971	3,356	8,833	42,613
2009	7,812	16,766	4,310	2,547	6,375	37,810
2010	8,437	16,220	2,693	3,072	6,534	36,956
2011	6,637	15,438	2,391	3,282	6,515	34,263
2012	6,801	15,536	2,113	3,097	6,361	33,908
2013	7,225	15,547	2,237	3,002	6,899	34,910

Reported in short tons.

Represents total cargo handled at the Port of Tampa which includes TPA - owned and privately - owned terminals.

This information is provided to meet 'Continuing Disclosure' as required under SEC Fule 15c2-12.

Source: Port Authority statistics

Table 23

**Tampa Port Authority
Port Usage Fees
Last Ten Fiscal Years
(Unaudited)
(in thousands)**

Fiscal Year	Dockage		Wharfage (a)		Passenger Terminal Income		Other Port Usage Fees		Total
2004	\$	5,897	\$	12,141	\$	3,810	\$	1,051	\$ 22,899
2005	\$	6,130	\$	13,701	\$	4,168	\$	1,376	\$ 25,375
2006	\$	6,901	\$	14,939	\$	5,569	\$	1,943	\$ 29,352
2007	\$	6,236	\$	14,018	\$	5,431	\$	1,571	\$ 27,256
2008	\$	5,887	\$	15,710	\$	4,976	\$	1,761	\$ 28,334
2009	\$	5,580	\$	15,829	\$	5,892	\$	1,646	\$ 28,947
2010	\$	6,064	\$	18,202	\$	5,208	\$	435	\$ 29,909
2011	\$	5,892	\$	18,141	\$	5,659	\$	1,702	\$ 31,394
2012	\$	6,153	\$	18,262	\$	5,896	\$	2,524	\$ 32,835
2013	\$	6,493	\$	19,474	\$	4,935	\$	637	\$ 31,539

(a) Includes wharfage, amounts in lieu of wharfage, and product through facilities via truck, rail, and pipeline.

This information is provided to meet 'Continuing Disclosure' as required under SEC Rule 15c2-12.

Source: Port Authority statistics

Table 24

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
as of September 30, 2013
(Unaudited)

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	Minimum Annual Revenue	Total Revenue Received (a)
Carnival Cruise Lines (c)	06/18/2013	2.5	2	1	3,592,633	6,111,588
Central Florida Pipeline (b) (c)	10/01/1998	5	3	5	1,769,723	4,500,297
Cemex Construction Materials (b), (c)	11/01/2007	40	2	20	2,531,898	2,538,858
Ports America (c)	05/30/2006	40	0	0	609,396	1,796,219
Tarmac America Titan (c)	01/01/2002	20	3	10	1,546,996	1,721,746
Transmontaigne) (c)	09/01/2007	20	2	10	909,351	1,392,216
Transflo Terminal Services, Inc.	11/01/2012	5	3	5	296,541	1,329,602
Martin Marietta Materials, Inc. (c)	06/01/2010	10	4	5	803,853	1,212,172
Andino Cement USA, LLC	11/15/2007	40	4	10	1,133,259	1,142,547
Vulcan Materials (c)	07/01/1991	1	4/3	1/5	1,000,000	1,000,391
Gaetano Cacciatore, Inc. (c)	12/01/2005	25	8	5	971,555	977,757
Tampa Ship LLC	03/01/2007	5	2	15	951,301	951,301
OneSteel Recycling (c)	05/15/2007	10	2	10	399,440	912,559
Gulf Marine Repair (berth 251/252) (b)	11/01/2008	4	3	5	847,732	899,308
C F Industries (fertilizer facility) (b), (c)	06/01/1972	10	4	10	85,626	732,222
Trademark Metals (c)	12/01/1999	10	2	5	393,377	657,053
Murphy Oil USA, Inc. (c)	09/01/2007	20	2	10	554,979	637,772
C F Industries (ammonia terminal) (b), (c)	04/01/1993	6 1/2 yrs	3	10	156,930	544,245
Martin Operating (c)	12/16/2006	10	2	5	359,923	477,351
Sea-3 of Florida, Inc. (c)	01/01/1999	22	3	10	432,614	432,614
Cemex, Inc. (berth 31) (b), (c)	07/01/1996	2 yrs-11 mos	3	5	307,260	395,586
Gulf Marine Repair (berth 250/253) (b)	09/01/2006	10	3	10	380,996	380,996
Cargill, Inc. (salt facility) (c)	07/01/1999	20	2	10	308,178	372,753
Gulf Sulphur Services (c)	01/01/2000	5	2/3	5/3	313,300	347,615
Amalie Oil	07/01/1997	25	1	10	248,131	336,127
International Ship Repair (Metroport)	10/01/2009	5	5	5	275,412	279,692
Channelside Bay Mall, LLC	04/23/1997	39 3/4 yrs	8	5	276,638	276,638
Sulphuric Acid Trading (SATCO) (c)	11/01/1979	25	1/1	15/5	262,376	265,507
Halcrow, Inc.	02/12/2011	7	2	3	258,005	258,005
Kloeckner Metal Corp (f/k/a Namasco)	08/01/2011	3	1	5	232,399	249,973
Cemex of Louisiana (b), (c)	12/12/2001	5 1/2 yrs	4	5	241,566	241,566
Pasco Terminals (c)	11/01/2000	10	2	5	214,440	214,440
Tampa Juice Service	04/05/1995	20	2	10	57,016	206,455
Nexlube	06/06/2012	20	2	5	191,000	191,260
Cargill Grain (c)	05/01/1973	20	3	20	62,625	167,486
Marine Spill Response Corporation	01/17/2012	1	0	0	165,358	165,358
Lehigh Portland Cement (c)	09/01/2000	10	2	5	142,675	143,101
Central Florida Pipeline (b)	03/28/1995	20	2	10	51,055	131,321
Yara North America (L258) (c)	05/01/2005	10	0	0	124,862	125,160
Gladiator LLP (Titan) (c)	10/01/2006	20	4	5	124,900	124,900
Diversified Marine	07/01/2009	11	1	5	111,972	114,210
University of South Florida	06/01/2010	5	1	5	104,917	104,917
Kinder Morgan Bulk Terminals	12/23/2002	20	4	10	95,737	95,737
WCI Communities, Inc.	05/03/2005	5	7	5	82,807	82,807
TC Port Ybor LLC	04/09/2004	40	4	10	81,033	81,033
HCP Associates, Inc.	11/01/2008	5 yrs-3 mos	1	3	66,119	66,119

Table 24

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
as of September 30, 2013
(Unaudited)

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	Minimum Annual Revenue	Total Revenue Received (a)
Carolco Industries Services	01/01/2008	4	3	1	63,906	63,906
Starship Cruise Lines (c)	01/01/2006	10	2	10	60,540	63,290
Online Transport Int'L LLC	02/01/2012	2	2	1	54,000	63,278
International Ship Repair (berth 200/206)	02/01/1997	2	2/1/1	2/3/10	61,958	61,958
Ecoventure New Port Marina #1	05/19/2005	5	4	5	52,857	52,857
Maritms Operating Company, LP	01/01/1980	25	3	10	50,913	50,913
Seabulk Towing, Inc.	05/01/1998	15	0	0	45,000	47,134
Vastec, Inc.	10/01/2011	7	2	2	43,392	43,392
Superior Seafoods Inc	10/01/2012	1	0	0	35,552	38,055
Ecoventure New Port Marina #2	11/01/2005	5	4	5	37,410	37,410
Tampa Bay International Terminals	12/01/2011	4	0	0	36,000	36,000
Bronco Transport, Inc.	12/01/2011	1	0	0	25,000	26,992
Marine Towing of Tampa	01/01/2006	10	3	5	24,860	24,860
Peninsula Property Holdings VIII, LLC	12/16/2012	4	5	20	24,184	24,184
Yara North America (L100)	10/01/2007	20	2	10	21,720	21,720
Versaggi Shrimp Company	10/01/2012	1	0	0	17,776	19,001
Anova Food Inc	03/18/2008	3	2	1	15,793	15,793
Destination Tampa Bay	10/01/2008	1	4	1	15,451	15,451
Florida Rock & Tank Lines, Inc	10/01/2012	1	0	0	15,000	15,000
Lands End Marina	04/01/1997	5	2	5	13,709	13,709
American Victory Ship Memorial Museum	04/18/2000	4	4	4	12,000	12,000
Goodloe Marine, Inc.	10/01/2013	1	0	0	10,331	10,331
					<u>\$ 24,865,256</u>	<u>\$ 36,143,814</u>

(a) This table excludes tenants with lease revenue less than \$10,000 per year.

(b) 2013 Revenues reported on Table 7 of this *Comprehensive Annual Financial Report* are inclusive of multiple leases for these customers.

(c) These customers' leases/agreements include minimum annual revenue guarantees.

This information is provided to meet 'Continuing Disclosure' as required under SEC Rule 15c2-12 in accordance with Tampa Port Authority Revenue bond resolution.

Compliance Section





PORT
TAMPA BAY™



Compliance Section

This section includes compliance reports and the Schedule of Expenditures of Federal and State Financial Assistance.

**Report of Independent Auditor on Internal Control Over
Financial Reporting and on Compliance and Other Matters Based
on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards***

To the Board of Commissioners of
Tampa Port Authority
Tampa, Florida

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 financial statements of the business-type activities and the discretely presented component unit of the Tampa Port Authority (the "Port Authority"), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements, and have issued our report thereon dated March 24, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Port Authority's 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
March 24, 2014

**Report of Independent Auditor on Compliance for Each Major Federal
Program and State Financial Assistance Project and on Internal Control
Over Compliance Required by OMB Circular A-133 and
Chapter 10.550, Rules of the Auditor General**

Board of Commissioners
Tampa Port Authority
Tampa, Florida

Report on Compliance for Each Major Federal Program and State Financial Assistance Project

We have audited the Tampa Port Authority's (the "Port Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the requirements described in the Florida Department of Financial Services, *State Projects Compliance Supplement* that could have a direct and material effect on each of the Port Authority's major federal programs and state financial assistance projects for the year ended September 30, 2013. The Port Authority's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state financial assistance projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Port Authority's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General of the State of Florida*. Those standards, OMB Circular A-133 and Chapter 10.550 *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Port Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the Port Authority's compliance.

Basis for Qualified Opinion on CFDA 97.065 Port Security Grant Program

As described in the accompanying schedule of findings and questioned costs, the Port Authority did not comply with the requirements regarding CFDA 97.065 Port Security Grant Program as described in finding number 2013-01 for the Davis-Bacon Act. Compliance with such requirements is necessary, in our opinion, for the Port Authority to comply with the requirements applicable to that program.

Qualified Opinion on CFDA 97.065 Port Security Grant Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Port Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 97.065 Port Security Grant Program for the year ended September 30, 2013.

Unmodified Opinion on Each of the Other Major Federal Programs and State Financial Assistance Projects

In our opinion, the Port Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2013.

Other Matters

The Port Authority's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Port Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Management of the Port Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Port Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state financial assistance project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Port Authority's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state financial assistance project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state financial assistance project will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-01 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-02 to be a significant deficiency.

The Port Authority's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Port Authority's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
March 24, 2014

TAMPA PORT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Grantor and Program Title	CFDA/CFSA Number	Grant Number	Award Amount	Due From Other Governments October 1, 2012	Receipts	Expenditures	Due From Other Governments September 30, 2013
Federal Agency:							
Department of Homeland Security Port Security Grant Program	97.056	2009-PU-T9-K033	\$ 2,408,909	\$ -	\$ 139,163	\$ 139,163	\$ -
<i>Passed through Hillsborough County Sheriff's Office</i>							
Port Security Grant Program	97.056	2008-GB-T8-K010	887,061	526,604	991,977	465,373	-
<i>Passed through Manatee County Port Authority</i>							
Port Security Grant Program	97.056	2010-PU-TO-K044	150,000	-	150,000	150,000	-
Total Federal expenditures			3,445,970	526,604	1,281,140	754,536	-
State Agency:							
Florida Department of Transportation Intermodal Development Program	55.014						
Infrastructure improvements		41274619401	22,561,713	1,830,874	4,980,700	3,811,275	661,449
Infrastructure improvements		42250019401	12,030,326	2,106,962	2,465,473	610,041	251,530
Infrastructure improvements		42282619401	21,255,519	3,026,554	10,414,245	11,017,845	3,630,154
Infrastructure improvements		42061019401	1,254,972	695,622	1,116,847	421,225	-
Infrastructure improvements		42061029401	6,001,978	2,227,075	2,227,075	-	-
Total state financial assistance			63,104,508	9,887,087	21,204,340	15,860,386	4,543,133
Total Federal expenditures and state financial assistance			\$ 66,550,478	\$ 10,413,691	\$ 22,485,480	\$ 16,614,922	\$ 4,543,133

See notes to schedule of expenditures of federal awards and state financial assistance.

TAMPA PORT AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

SEPTEMBER 30, 2013

Note 1 – Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the Port Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2 – Contingencies

These federal and state programs are subject to financial and compliance audits by grantor agencies, which, if instances of material noncompliance are found, may result in disallowed expenditures, and affect the Port Authority's continued participation in specific programs. The amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Port Authority expects such amounts, if any, to be immaterial.

TAMPA PORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Part I - Summary of Auditors' Results

Financial Statement Section

Type of auditors' report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes x no

Significant deficiency(ies) identified?

_____ yes x no

Noncompliance material to financial statements noted?

_____ yes x no

Federal Awards and State Financial Assistance Section

Internal control over major programs:

Material weakness(es) identified?

 x yes _____ no

Significant deficiency(ies) identified?

 x yes _____ no

Type of auditors' report issued on compliance for
major programs:

Qualified

Any audit findings disclosed that are required to be reported
in accordance with section 510(a) of OMB Circular A-133 or
Chapter 10.550?

 x yes _____ no

Identification of the Major Federal Programs:

CFDA Number

97.056

Name of Federal Program

Port Security Grant Program

Identification of the Major State Projects:

CSFA Number

55.014

Name of State Project

Intermodal Development Program

Dollar threshold used to distinguish between type A and
type B programs

Federal

\$ 300,000

State

\$ 475,811

Auditee qualified as low-risk auditee

_____ yes x no

TAMPA PORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Part II – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

Part III – Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by Section 510(a) of OMB Circular A-133.

2013-01 Material Weakness in Internal Control over Compliance and Material Noncompliance

DEPARTMENT OF HOMELAND SECURITY

Port Security Grant Program – CFDA No. 97.056; Grant No. 2010-PU-TO-K044; Grant period—Year ended September 30, 2013.

Criteria: Management of the Port Authority is responsible for following the requirements of OMB Compliance Supplement Part III related to the Davis-Bacon Act. This requires the Port Authority to require the contractor or subcontractor to submit to the Port Authority weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls)

Condition/Context: During our audit it was noted that the Port Authority did not maintain adequate controls over compliance with the Davis-Bacon Act. The Port Authority did not obtain certified payrolls from the contractors/subcontractors to support the compliance with the Davis Bacon Act.

Questioned Cost: The total amount of prevailing wages paid to contractors under this grant is \$15,223.

Cause: The certified payrolls required to support compliance with the Davis Bacon Act was not obtained and reviewed by the Port Authority.

Effect: The Port Authority did not comply with the provision of obtaining certified payrolls in accordance with the Davis-Bacon Act.

Recommendation: We recommend that the Port Authority obtain and review contractor's certified payroll reports for compliance with the Davis Bacon Act.

Views of Responsible Officials and Planned Corrective Actions: Management recognizes the importance of compliance with all grant requirements including the Davis Bacon Act. Up until this point, Finance staff has relied upon the Engineering Department to review the documentation associated with the Davis Bacon Act compliance and maintain those records as part of their project file.

TAMPA PORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Part III – Federal Award Findings and Questioned Costs (continued)

Finance will now require the appropriate Davis Bacon Act compliance documentation to be attached to the pay applications submitted by vendors and will review this documentation as part of the invoice approval process prior to releasing payment to the vendor. Previously, this information was only filed in the Engineering Department's project file.

2013-02 Significant Deficiency in Internal Control over Compliance

Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance ("SEFA")

Criteria: Management of the Port Authority is responsible for preparing appropriate financial statements, including the schedule of expenditures of federal awards for the period covered by the Port Authority's financial statements providing the total Federal awards (i.e. the SEFA) expended for each individual Federal program in accordance with Sections 300(d) and 310 of OMB Circular A-133.

Condition/Context: During our audit it was noted that the Port Authority did not maintain adequate controls over preparation of the SEFA. In relation to the SEFA we noted the following: 1) the SEFA was not reconciled to the expenditures per the general ledger resulting in understatement of expenditures per SEFA by approx. \$635,000; 2) \$150,000 of expenditures for the Port Security Grant Program, CFDA No. 97.056, Grant No. 2010-PU-TO-K044, were recorded on the SEFA in FY 2013, but should have been included on the SEFA in FY 2012; 3) the funds expended for the Port Security Grant Program, CFDA No. 97.056, Grant No. 2009-PU-T9-K033, as passed through to sub-recipients were not recorded by Port Authority.

Cause: The Port Authority does not reconcile grant related expenditures per the general ledger to the SEFA on a monthly, quarterly or annual basis to ensure errors are identified timely. As a result, errors are not identified until through the current system of internal control over the SEFA preparation process.

Effect: The Port Authority's controls over the preparation of the SEFA were not operating effectively allowing amounts on the SEFA to be incorrectly reported.

Recommendation: We recommend that the Port Authority enhance its formal general ledger closing process to ensure that all grant related expenditures are properly recorded on and reconciled to the SEFA. Upon completion of the formal written closing process, any subsequent revisions should be subjected to formal approval procedures.

Views of Responsible Officials and Planned Corrective Actions: Management understands and agrees that timely reconciliation of grant related expenditures is an important function of the Finance department. With regards to 1) and 2), the SEFA expenditures misstatements in fiscal year 2013 were due to SEFA misstatements in fiscal year 2012 that were not discovered by the Finance Department and therefore were an intentional correction of a previous error. Therefore, these deficiencies would seem to relate to the finding noted in fiscal year 2012 and not to a new weakness discovered in fiscal year 2013. In fact, the discovery of these deficiencies was due to improved procedures implemented by the Finance Department as a result of the fiscal year 2012 finding. With regards to 3), Finance was unaware that funds passed through to subrecipients in fiscal year 2013 were recordable as both income and expenditures for the SEFA and therefore had recorded them only as balance sheet transactions.

TAMPA PORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Part III – Federal Award Findings and Questioned Costs (continued)

Management recognizes that the ultimate responsibility for compliance lies with the Finance department staff and we have already implemented several additional changes to enhance our reconciliation procedures. The grant function has been split into two staff positions, allowing for a second level of review and reconciliation. Reconciliation of grant revenue recognition is now performed quarterly, and grant reimbursements are reviewed by the Finance manager prior to being presented to senior management for final approval. We believe these changes will enhance and streamline the year-end reconciliation as well as reduce the possibility of errors.

Part IV – State Project Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major state projects, as required to be reported by Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*.

There were no findings required to be reported by Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*.

TAMPA PORT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2013

Summary Schedule of Prior Audit Findings Year Ended September 30, 2013

Finding 2012-01 Material Weakness in Internal Control over Financial Reporting Process

Finding: During fiscal year 2012, the Port Authority did not have a formal general ledger closing process that ensures compliance with GAAP. Also, the Port Authority did not reconcile accounts on a monthly or quarterly basis to ensure errors are identified timely. The Port Authority did not have a comprehensive review process over journal entries, reconciliations or schedules. As a result, errors are not identified until the audit process began.

Status/Corrective Action: The Port Authority enhanced its formal general ledger closing process to ensure that all accounts are properly reconciled to sub ledgers, manual journal entries required for accurate financial reporting are prepared and reviewed, and significant estimates are reviewed and updated as appropriate and in a timely manner. These processes have been written in a formal closing process which is subject to formal approval procedures.

Independent Auditor's Management Letter

Honorable Board of Commissioners
Tampa Port Authority
Tampa, Florida

We have audited the financial statements of the Tampa Port Authority (the "Port Authority"), as of and for the fiscal year ended September 30, 2013, and have issued our report thereon, dated March 24, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Florida Auditor General*. We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Report of Independent Auditor on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by OMB Circular A-133, and Chapter 10.550, *Rules of the Auditor General*; and the Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated March 24, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires our audit to include a review of the provisions of Section 218.415, *Florida Statutes*, regarding the investment of public funds. In connection with our audit, nothing came to our attention that would cause us to believe that the Port Authority was in noncompliance with Section 218.415 regarding the investment of public funds.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we noted a finding, as described in Appendix A.

Section 10.554(1)(i)5., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosure is included in the notes to the financial statements.

Section 10.554(1)(i)6.a., *Rules of the Auditor General*, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit nothing came to our attention that would cause us to believe that the Port Authority met any of the conditions described in Section 218.503(1), *Florida Statutes*.

Section 10.554(1)(i)6.b., *Rules of the Auditor General*, requires that we determine whether the annual financial report for the Port Authority for the fiscal year ended September 30, 2013, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2013. In connection with our audit, we determined that these two reports were in agreement.

Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the Port Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

The purpose of this management letter is to communicate certain matters prescribed by *Chapter 10.550 Rules of the Auditor General*. Accordingly, this management letter is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
March 24, 2014

Appendix A

2013-01: Capital assets purchased with grant funds are not separately identified as such in the capital assets module.

Recommendation: We recommend the Port Authority identify capital assets purchased with grant funds separately in the capital assets module to ensure proper subsequent disposition as per grantor's instructions.

Management's Response: Finance staff is currently working in conjunction with the Port's Engineering and Information Technology departments to implement a new job costing system which will facilitate improved tracking of grant funds by project and asset. In addition, staff will review current capital assets to identify within the capital asset module those items purchased with grant funds.