

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2010



TAMPA PORT AUTHORITY

HILLSBOROUGH COUNTY
PORT DISTRICT, FLORIDA



TAMPA PORT AUTHORITY

Hillsborough County Port District, Florida

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2010



TAMPA PORT AUTHORITY

Prepared by: Finance Department

Michael J. Macaluso, Chief Financial Officer



TAMPA PORT AUTHORITY

TAMPA PORT AUTHORITY
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2010

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Letter of Transmittal.....	i-viii
Certificate of Achievement for Excellence In Financial Reporting.....	ix
Organizational Chart	x
List of Officials	xi

FINANCIAL SECTION

Independent Auditors' Report.....	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
Proprietary Fund – Enterprise Fund:	
Tampa Port Authority and Discretely Presented Component Unit -	
Combined Statement of Net Assets	10-11
Combined Statement of Revenues, Expenses, and Changes in Fund Net Assets	12
Combined Statement of Cash Flows	13-14
Notes to Combined Financial Statements.....	15-42
Statement of Cash Flows Discretely Presented Component Unit.....	43

STATISTICAL SECTION (Unaudited)

Statistical Section Summary	44-45
-----------------------------------	-------

Table Number

Financial Trends Information

1. Net Assets by Component.....	46
2. Changes in Fund Net Assets.....	47

Revenue Capacity Information

3. Revenue by Type and Related Averages	48
4. Principal Revenue Sources and Revenue by Categories	49-50
5. Wharfage and Dockage Revenue – Ten Largest Customers	51
6. Revenue Rates	52-54
7. Top Ten Customers	55

TAMPA PORT AUTHORITY
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2010

STATISTICAL SECTION (Continued)

Table Number

Debt Capacity Information

8. Ratios of Outstanding Debt by Type	56
9. Revenue Bond Coverage	57
10. Summary of Surplus Port Revenues after Debt and Operating Costs	58

Demographics and Economics Information

11. Hillsborough County, FL Demographics and Economic Statistics	59
12. Hillsborough County, FL Principal Employers.....	60
13. Hillsborough County, FL Property Tax Millage Rates.....	61
14. Hillsborough County, FL Principal Taxpayers	62

Operating Information

15. Schedule of Revenue by Activity	63-64
16. Annual Cargo Tonnages and Passenger Count	65
17. Capital Assets.....	66
18. Staffing by Division/Department	67

Other Port Financial Information

19. Cruise Statistics.....	68
20. Insurance Coverage.....	69
21. Financial Highlights.....	70

COMPLIANCE SECTION

SEC Rule 15c2-12 Reporting

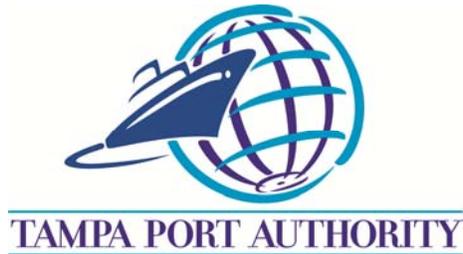
22. Port of Tampa Tonnage Distribution–Last Ten Years.....	71
23. Port Usage Fees – Last Ten Years	72
24. Summary of Leases of Principal Tenants	73-74
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	75-76
Independent Auditors’ Report on Compliance with Requirements Applicable to each Major Federal Program and State Financial Assistance Project and on Internal Control Over Compliance	77-78
25. Schedule of Expenditures of Federal Awards and State Financial Assistance	79-80
26. Schedule of Findings and Questioned Costs	81-82
Management Letter based on Rule 10.554(1)(h) of the Auditor General of the State of Florida	83-84



Introductory Section



TAMPA PORT AUTHORITY



March 31, 2011

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, 2010 is hereby submitted for your review. Responsibility for both the accuracy of the data and the completeness, reliability and fairness of 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, assure the reliability of its accounting records, and promote 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.

1101 Channelside Drive * Tampa, Florida 33602-3612 * Ph: 813-905-7678 * 800-741-2297 * Fx: 813-905-5109
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 carrying out plans for the long range development of the facilities and traffic through the Port District. Prior to purchase, ownership, control or operation of any facility, the Port Authority must hold a public hearing at which the public view is heard. 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, Rivero, Gordimer & Company, P.A. Their opinion is included in the Financial Section of this CAFR.

Relevant Financial Policies

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.

The Enabling Act authorizes the Hillsborough County Board of County Commissioners to appropriate a sum not to exceed ½ mil (50 cents per \$ 1,000 in taxable valuation) annually in ad valorem taxes on all taxable property in the Port District to pay for any lawful purpose including the operating expenses of the Port Authority. The Port Authority annually prepares and submits to the Board of County Commissioners a detailed estimate of the Port Authority's financial requirements, including its administrative and operating expenses for the upcoming fiscal year. The Board of County Commissioners has the right, before the Port Authority's Board approves its budget for administrative expenses, to revise or amend, raise, lower, or alter the Port Authority's estimate of such administrative expenses.

At the end of FY2009, the Port Authority's Board of Commissioners adopted the budget for FY2010 that reduced property taxes to .1925 mills, below the rollback rate as defined in the Florida Statutes. As a result of the reduced millage rate and decreased countywide property values, the Port Authority collected less in property tax revenues during FY2010 than FY2009.

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.

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 independent financial advisors and bond counsel when making decisions regarding treasury management and external financing requirements.

Local Economy and Outlook

The Port of Tampa is geographically located within the boundaries of Hillsborough County, Florida. Hillsborough County has experienced a population growth of 20% over the last 10 years. Most of its population lives in urban areas and is relatively young with a median age of 36 compared to the median age for all Florida residents of 38.7. Education is important to Hillsborough County residents as reflected by the fact that the percentage of residents 25 and older with a high school degree or higher is over 84%. Hillsborough County had 254 public schools, including elementary, middle, and high schools as well as charter schools and adult and career learning centers, at September 30, 2010.

Principal employers in Hillsborough County and accounting for almost 12% of the county's total employment are: Hillsborough County School Board, MacDill Air Force Base, Hillsborough County Government, Tampa International Airport, and Verizon Communications.

Principal taxpayers in Hillsborough County, Florida comprise a broad range of business types including those involved in utilities, telecommunications, airport, phosphate mining operations, real estate development and management, and retail. Table 14 in the CAFR contains a complete listing of the principal taxpayers in the County.

Strategically located along the western coast line of Central Florida, the Port of Tampa is the gateway for the local and regional economy, and is responsible, directly or indirectly, for the creation of nearly 100,000 port-related jobs and approximately \$8 billion of economic impact.

Tourism continues to be a major component of the local economy. The number of tourists visiting Florida is expected to continue to grow and Hillsborough County is expected to be on the leading edge of that growth. Busch Gardens of Tampa is one of the leading tourist attractions in the nation. There are numerous other tourist attractions in Hillsborough County including the Florida Aquarium, Adventure Island, the Museum of Science and Industry, the Lowry Park Zoo, Centro Ybor, the Channelside Shops, Tampa Bay Performing Arts Center, the new Patel Music Conservatory, and, of course, the beautiful gulf beaches, resorts, parks, and golf courses. Hillsborough County has numerous athletic facilities that play host to a number of professional sports teams, including the Tampa Bay Buccaneers (NFL), and the Tampa Bay Lightning (NHL). The Tampa Bay Rays (MLB) play at nearby Tropicana Field in St. Petersburg, Florida.

Hillsborough County, as is the case in other parts of the country, experienced a continued decline in economic growth due to the downturn in the economy. The Economic Development Department of Hillsborough County, along with other agencies, is working hard to attract major corporations that will bring more jobs to the County and further strengthen the local economy.

The Tampa Port Authority is a major player in the local economy's growth. The Port of Tampa ranks number one in the State of Florida and fourteenth among all U.S. ports in terms of cargo tonnage. The Port is the most diversified in the state and one of the nation's largest in land area. The Port of Tampa is also currently the seventh largest cruise port in the nation with three modern cruise terminals.

Summary of Tampa Port Authority's FY2010 Financial Performance

FY2010 operating revenues were at record levels, despite the declining regional economy. Even with the record operating revenues levels, the Port Authority continued to implement cost-saving measures including controlling expenses to below-budget levels. Additionally, because it realized the impact of the economic downturn on its primary stakeholders, the Port Authority has partnered with those companies to keep rates competitive to ensure the companies' ongoing viability while at the same time ensuring that the Port Authority's revenue streams remain consistent. The Port Authority's FY2010 financial performance is further addressed in the MD&A.

Out of approximately 37 million tons of cargo handled through the entire Port of Tampa, 15 million tons were handled at Port Authority facilities during FY2010. The remaining tonnage was handled through privately-owned facilities located within the Hillsborough County Port District. Over 800,000 cruise passengers came through the Port of Tampa in fiscal year 2010, this despite a general tourism decline in Florida.

Relevant Financial Policies

The Port Authority is always looking for ways to diversify its economic base. It categorizes the cargo that comes through the port as either bulk or general. These categories are further broken out by major categories such as petroleum, containerized cargo, other general cargo, and miscellaneous dry and liquid bulk products.

In addition to revenue generated by cargo passing through port facilities, cruise, ship repair activities, and land leasing are other major components of the Port Authority's operating revenue.

The Port Authority has both an Executive Steering Committee and a Capital Projects Committee that meets regularly to determine how best to allocate its limited resources, taking into consideration the economic feasibility of a project, the overall cost, how the project will be funded, how it falls within the Port Authority's Master Plan, and its overall revenue-producing potential.

To fund the Port Authority's Capital Program, the Port Authority uses its own surplus cash, after debt service and operating costs, its ad valorem tax receipts, seaport transportation and other grants, and issues bonds as needed. Additionally, it enters into cost-sharing agreements and incentives with new customers desirous of doing business at Port Authority facilities thereby creating a win-win solution for both parties.

Major Initiatives

The Port Authority each year focuses on several initiatives, a general description of each provided below. These initiatives provide the Port Authority with a guideline for maximizing its financial, operational, legislative and environmental goals. Specific accomplishments in each of these initiatives are discussed in the MD&A contained in the Financial Section of this report.

- Construction is now underway on the \$500 million I-4/Crosstown Connector project. This Florida Department of Transportation project will provide a dedicated lane for trucks entering and leaving the port, allowing direct access to the interstate system without traversing city and county roads, greatly eliminating delays and reducing environmental and maintenance costs. This project is scheduled for completion in early 2013.

- During FY2010, the Port Authority began design work on the reconstruction and reconfiguration of the Port's Petroleum Terminal Facility. When completed, the Petroleum Terminal Facility will include two redesigned berths, two new petroleum berths and a state-of-the-art manifold and piping system that will allow for maximum usage and efficiency.
- The Tampa Gateway Rail Project, scheduled to begin construction in early 2011, will provide the Port of Tampa with the only on-port unit train capability in the state of Florida. This facility, created in partnership with CSX, will bring 75-100 car long unit trains of ethanol directly onto the port where the ethanol will be blended with inbound gasoline. It will also provide the ability to handle unit trains stacked with containers directly to and from our newly expanded container terminal to points north. Construction is scheduled to be complete by 2012.
- The Port Authority has been and will continue to be very proactive at the state and federal level in its pursuit of funding for initiatives which will benefit the entire Port of Tampa and the surrounding community. These initiatives include seeking funding for dredging projects which are vital to support growing container and aggregate business, industries crucial to the future expansion of the Port. Other legislative action that the Port Authority supports is seeking additional Florida Seaports Transportation and Economic Development (FSTED) and Florida Department of Transportation (FDOT) funding. This funding is specifically dedicated to infrastructure enhancement for Florida's seaports.
- Tampa is a safe port, compliant with federal and state laws. Because security costs remain a large portion of the Port's operating expense, efforts are constantly being made to manage and control its related costs and fees. The Port Authority remains committed to identifying and implementing safeguards designed to increase security and promote public safety. As a vital economic engine for the region, the Port Authority must carefully balance the impact of the added security measures against the continued flow of commerce into and out of the Port of Tampa. As such, the Port Authority remains committed to working with our partners in the maritime community to pursue legislative changes that reduce or eliminate duplication in applying state security standards on top of the federal requirements.
- One of the Tampa Port Authority's major attributes is the availability of land for future development. The Port Authority owns nearly 2,600 acres: approximately 1,300 of the acres are leased, 977 are spoil islands, with the remaining acreage available for future development and/or leasing. These properties are leased to various port terminal operators and related businesses for periods of up to 40 years, and in some cases, with up to an additional 40-year option. The Port Authority has entered into long term leases with a number of tenants during the last several years that guarantee consistent revenue streams, development of port facilities, and that are consistent with the Port Authority's diversification needs. Many of these leases are in various stages of design, development, and construction and are expected to begin adding to the operating revenue base within the year.
- Over the next five years, the Port Authority's capital improvement plan includes capital projects totaling approximately \$200 million. Funding for these projects will be provided from a number of sources, primarily, ad valorem tax receipts, grant funding, bond issues, and the Port Authority's own revenues.
- Once again in fiscal year 2010, the Port Authority demonstrated its commitment to the environment of Tampa Bay and Hillsborough County through funding of the sovereign

lands management program. Projects under this program include environment restoration, protection of native species, public education, and enhanced awareness efforts. Port Authority dredge disposal islands have become renowned bird sanctuaries and the Port works diligently to ensure that it remains fully compliant with environmental rules and regulations. The Port Authority is sensitive to its unique and diverse environment and continues to balance environmental stewardship with industrial development.

- The Port Authority remains absolutely committed to diversification of its revenue base. Products are diverse with imported products including: petroleum and related products, liquid sulfur, steel, anhydrous ammonia, citrus concentrate, containerized cargo, aggregates (limestone and granite), and cement. The port exports products such as phosphates, scrap metal, citrus pellets, vehicles, and containerized cargo. The Port Authority has a very active Marketing Division that nurtures these product lines and travels extensively in pursuit of other entities which might be interested in doing business in the Port of Tampa. Listed below are specific initiatives currently or soon to be underway that support the Port Authority's diversification strategy. These initiatives are separated below by lines of business:

Bulk Cargo:

- Cutrale, a Brazilian company involved in the distribution of orange juice concentrate, is poised to invest over \$30 million to construct eight, 1 million gallon storage tanks and to generate over 200,000 tons of orange juice concentrate per year through the Port.
- NexLube plans to invest \$75 million to construct a used oil reprocessing and blending plant on Port Authority property.

General & Containerized Cargo:

- The Port Authority and its terminal operator, Ports America, Inc., have forged a partnership whereby the two entities contribute equally to future container terminal development. Container trade routes are constantly being pursued in support of this effort. Additionally, the Port Authority is focusing on its efforts to attract major distribution centers to the West Central Florida area as part of its container outreach program.
- The Port Authority has invested millions of dollars in its ongoing efforts at diversification and building up its container business. The number of container twenty-foot equivalent units (TEUs) shipped through the Port of Tampa is projected to reach 60,000 in FY2011 and 100,000 by FY2013.
- The Port Authority will continue to focus its efforts to develop a state-of-the-art container terminal and yard to attract and build the container operations through the Port of Tampa. The container facility has already been expanded from 25 acres to 40 acres with future plans to develop up to 160 acres over the next few years.
- One of the recent initiatives in this area is the formation of an alliance with the ports of Houston and Mobile to jointly market "The Gulf Coast Advantage" to the global container carriers with the goal of attracting a new all-water service from Asia via the Panama Canal.

- Port Authority representatives actively participate in numerous trade initiatives internationally. Two of the priority areas in which Port Authority staff is devoting their efforts are in Latin America and Asia, with the intent of increasing trade with these parts of the world. The Port Authority is also cognizant of the revenue potential should trade with Cuba resume.

Cruise:

- Royal Caribbean Cruise Lines' "Radiance of the Seas" originates sailings out of Tampa to ports including Belize and Cozumel on a 5-5-4 day sailing rotation. Royal Caribbean increased the number of sailings from twenty-eight (28) to forty-four (44) per year in FY2010. In the fall of 2011 the "Radiance of the Seas" will be replaced by the "Jewel of the Seas".
- Carnival Cruise Lines remains committed to its decision to homeport two (2) of its ships at the port to provide year-round cruise opportunities out of Tampa. The "Inspiration" offers a 5-5-4 day sailing rotation and the "Legend" offers a 7-day sailing rotation. The Port of Tampa was honored to be named Carnival's "Embarkation Port of the Year" in 2010.
- Holland America's "Ryndam" also homeports in Tampa. The vessel takes passengers on seven day cruises to the western and southern Caribbean.
- Beginning in the fall of 2011, Norwegian Cruise Lines' "Norwegian Star" will homeport in Tampa for seasonal sailings on a 5-5-4 day rotation to the western Caribbean.

Ship Building, Repair, and Maintenance:

- In addition to cargo, cruise, and land leasing operations, the Port is well-equipped to provide ship building, repair, and maintenance services as needed. Millions of dollars have been invested in Port infrastructure to provide these services and the additional jobs they create.

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, 2009. This was the tenth 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 nine years, the accomplishment of the Certificate of Achievement for the tenth 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 Rivero, Gordimer & Company, P.A.

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,



Richard A. Wainio
Port Director and CEO



Michael J. Macaluso
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Tampa Port Authority,
Hillsborough County Port
District, Florida

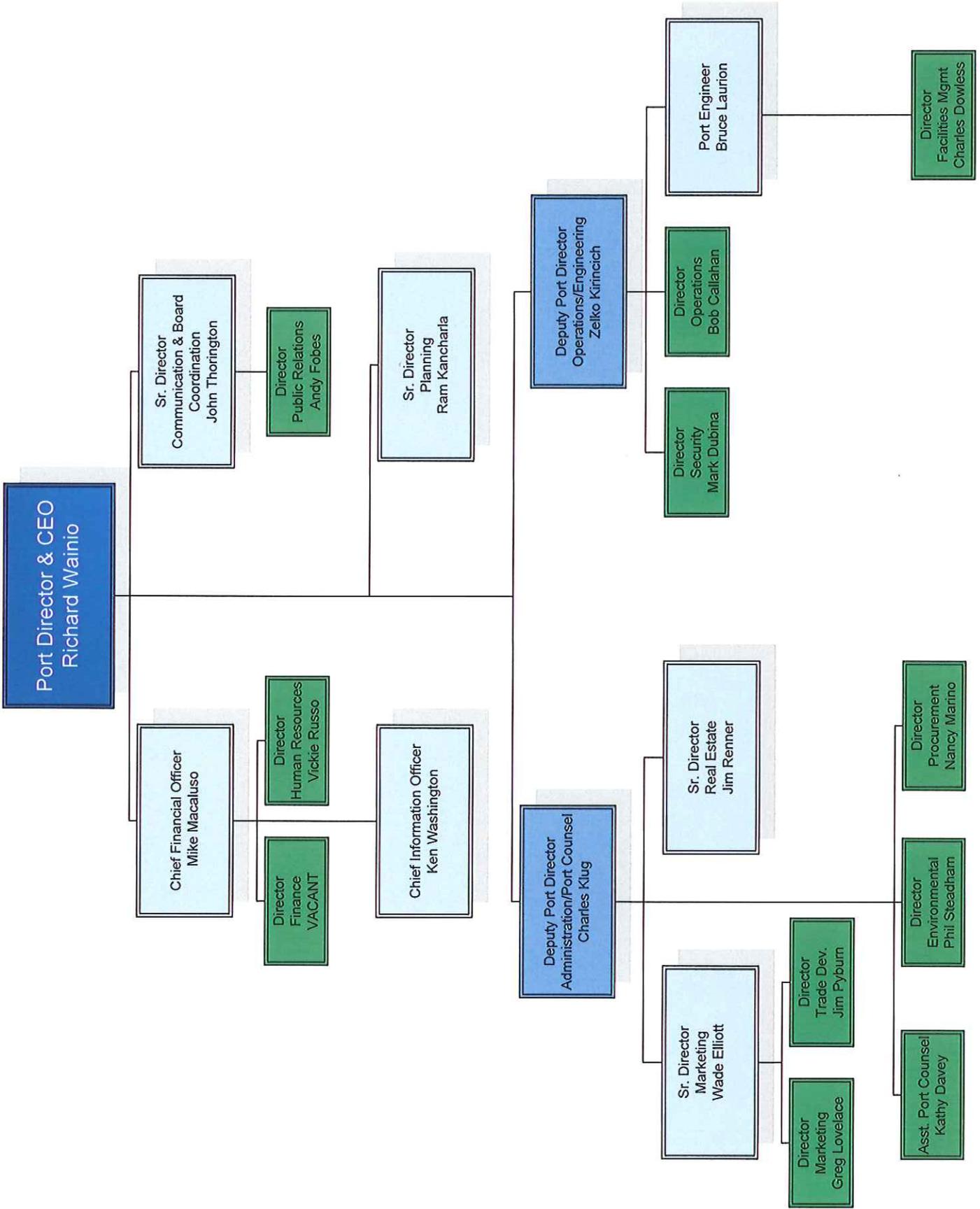
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director





TAMPA PORT AUTHORITY

List of Officials

Board of Commissioners

Lawrence R. Shipp, Jr.	Chairman of the Board
Brian Dolan	Vice Chairman
Carl Lindell, Jr.	Secretary/Treasurer
Stephen Swindal	Commissioner
Honorable Rose Ferlita Hillsborough County Commission	Commissioner
William A. "Hoe" Brown	Commissioner
Honorable Pam Iorio Mayor, City of Tampa	Commissioner

Senior Executive Staff

Richard A. Wainio	Port Director & Chief Executive Officer
Zelko N. Kirincich	Deputy Port Director - Operations & Engineering
Charles E. Klug, Esquire	Deputy Port Director - Administration & Port Counsel
Michael J. Macaluso	Chief Financial Officer



TAMPA PORT AUTHORITY



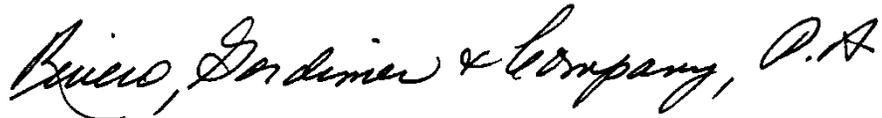
Financial Section



TAMPA PORT AUTHORITY

The information presented in the introductory section and the statistical section is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it. Our audit was made for the purpose of forming an opinion on the financial statements of the Port Authority taken as a whole.

The accompanying supplemental information, including the Schedule of Expenditures of Federal Awards and State Financial Assistance, identified in the Table of Contents, is presented for purposes of additional analysis, as required by 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 not a required part of the basic consolidated financial statements. Such information, including the Schedule of Expenditures of Federal Awards and State Financial Assistance, has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink that reads "Buicio, Gordinier & Company, P.A." The signature is written in a cursive, flowing style.

Tampa, Florida
January 18, 2011

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2010

The following management's discussion and analysis ("MD&A") of the financial performance and activity of the Tampa Port Authority ("Port Authority") is to provide an introduction to and understanding of the financial statements of the Port Authority for the fiscal year ended September 30, 2010, with selected comparisons to the prior fiscal year ended September 30, 2009. 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, which are 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 FY2010 millage rate was .1925 mills.

The Port Authority publishes a uniform tariff which contains standardized rates for various port usage fees. In addition to these published rates, 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, 2010, with selected comparative information to the fiscal year ended September 30, 2009. The information contained in this MD&A has been prepared by management and should be considered in conjunction with the financial statements and the notes thereto, which follow this section.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

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 supplementary information regarding capital assets and long-term debt activity during the 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.

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 B 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 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 assets, the statement of revenues, expenses, and changes in net assets, and the statement of cash flows. It should be noted that the summary financial statements for FY 2010 with comparisons to FY 2009 in the MD&A do not include 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 Assets presents the financial position of the Port Authority at the end of the fiscal year. The statements include all assets and liabilities of the Port Authority. Net assets, the difference between total assets and total liabilities, are 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, liabilities, and net assets at September 30, 2010 and 2009 is as follows:

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

STATEMENTS OF NET ASSETS

	FY2010	FY2009
(in thousands)		
ASSETS		
Current assets	\$ 99,728	\$ 109,908
Noncurrent assets		
Capital related, net	496,659	468,858
Noncapital	18,213	14,202
Total assets	\$ 614,600	\$ 592,968
LIABILITIES		
Current liabilities	\$ 17,073	\$ 16,929
Noncurrent liabilities	145,643	145,928
Total liabilities	162,716	162,857
NET ASSETS		
Invested in capital assets, net of related debt	377,444	353,335
Restricted assets	21,752	31,787
Unrestricted net assets	52,688	44,989
Total net assets	451,884	430,111
Total liabilities and net assets	\$ 614,600	\$ 592,968

At September 30, 2010, the Port Authority's assets exceeded liabilities by \$452 million, a \$22 million increase over September 30, 2009. For the fiscal year ended September 30, 2010, the largest portion of the Port Authority's net assets 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 resources required to repay the Port Authority's debt must be provided annually from Port Authority operations.

Capital Assets

The Port Authority's non-current assets as of September 30, 2010 amounted to \$508.1 million, of which capital assets were \$496.4 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 B6 Capital Assets for a more complete description.) The

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

total increase in the Port Authority's investment in capital assets after accumulated depreciation for 2010 was 5.8%, or \$27.5 million due to the reasons stated below.

During 2010, completed major projects totaling \$51.8 million were closed from construction-in-progress to their respective capital accounts. Major completed capital projects included:

- Berth 213 backlands development
- Port Redwing Berths 300, 301 & 302 construction
- Eastport Berth 150 construction
- Channelside Parking Garage expansion
- Hooker's Point paving and drainage improvements

Construction-in-progress projects totaling \$40.6 million as of September 30, 2010 includes the following projects:

- Container yard expansion
- Petroleum facility terminal improvements
- Roads, railroads, and general infrastructure improvements and enhancements
- Port Redwing development and shoreline protection

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

The Statement of Revenues, Expenses and Change in Fund Net Assets 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 Assets:

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

	<u>FY 2010</u>	<u>FY 2009</u>
(in thousands)		
Operating revenues		
Port usage fees	\$ 29,909	\$ 28,947
Land and building leases	9,504	9,662
Other operating revenue	1,214	1,238
	<u>40,627</u>	<u>39,847</u>
Total operating revenue		
Operating expenses	<u>22,741</u>	<u>22,868</u>
Operating income before depreciation	17,886	16,979
Depreciation and amortization expense	<u>19,047</u>	<u>17,714</u>
Operating loss after depreciation	<u>(1,161)</u>	<u>(735)</u>
Non-operating revenues (expenses)		
Ad valorem taxes	13,490	15,699
Interest income	1,472	1,730
Other non-operating revenues	6,482	3,305
Interest expense	(6,944)	(7,457)
Amortization of bond issue costs	(214)	(215)
Amortization of bond premiums	249	253
Other non-operating expenses	(2,124)	(2,416)
	<u>12,411</u>	<u>10,899</u>
Income before capital contributions	11,250	10,164
Capital grants	<u>10,523</u>	<u>20,062</u>
Increase in net assets	21,773	30,226
Net assets at beginning of year	<u>430,111</u>	<u>399,885</u>
Net assets at end of year	<u>\$ 451,884</u>	<u>\$ 430,111</u>

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

Financial Operations Highlights

Listed below are the highlights of changes in the fiscal years ended September 30, 2010 and 2009, as shown in the Statements of Revenues, Expenses and Changes in Fund Net Assets above:

- Operating revenues increased by 2.0% from \$39.8 million to \$40.6 million due to an increase in lease revenue as a result of new leases and the renegotiation of existing leases and an increase in parking revenues resulting from increased parking rates and usage of the Port Authority's parking facilities.
- Operating expenses decreased by 0.6% from \$22.9 million in FY2009 to \$22.7 million in FY2010. While the Port Authority realized increased health insurance and security-related costs in FY2010, these increases were offset by decreases in personnel costs due to the deferral in filling several positions and decreased administrative expenses resulting from deferred maintenance and professional services.
- Depreciation and amortization increased \$1.3 million from \$17.7 million to \$19 million. The increase is related to the additional depreciation associated with the Port Authority's newly completed capital assets and increased dredging amortization expenses.
- Non-operating revenues, net of non-operating expenses, increased by \$1.7 million, or 15.3%. The Port Authority recognized non-operating income of \$350,000 resulting from a lease termination payment and an additional \$4.5 million in extraordinary income due to acquisition of a dock constructed by a tenant whose lease was prematurely terminated. Interest expense was down due to the decreasing outstanding bond balance and interest income was lower due to a decline in interest rates and the depletion of bonds proceeds used for capital projects.
- Capital grants decreased from \$20.1 million in FY2009 to \$10.5 million in FY2010, or a \$9.6 million decrease. Grant revenues are recognized as the grant funds are expended on the project to which the funds are allocated. In FY2009, expenditures on projects which were allocated grant funds were greater than the funds spent in FY2010.

Debt Administration

The Port Authority had outstanding revenue bonds and notes of \$138.4 million as of September 30, 2010. Of this amount, \$7 million is current and will mature by June 1, 2011.

No new bonds were issued during the year ended September 30, 2010. Details regarding the current outstanding long-term debt transactions can be found in Note K of the accompanying notes to the financial statements.

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.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2010

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 2010 and 2009 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.tampaort.com.

Tampa Port Authority
COMBINED STATEMENT OF NET ASSETS

September 30, 2010
(With comparative total for 2009)

	Primary Government	Component Unit Tampa Bay International Terminals, Inc.	Total 2010	Total 2009
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (note C)	\$ 87,751,111	\$ 73,911	\$ 87,825,022	\$ 97,229,374
Investments (note C)	3,593,489	938,500	4,531,989	3,569,190
Accounts receivable, net of allowance for doubtful accounts	4,629,884	-	4,629,884	4,094,832
Due from other governments	1,432,591	-	1,432,591	2,960,208
Notes receivable (note D)	504,742	-	504,742	471,885
Note receivable from component unit (note D)	596,667	-	596,667	868,333
Net investment in lease (note E)	655,510	-	655,510	655,510
Interest receivable	61,335	-	61,335	492,921
Prepaid expenses and other current assets	502,798	667,884	1,170,682	1,379,614
Total current assets	99,728,127	1,680,295	101,408,422	111,721,867
NONCURRENT ASSETS				
Capital assets, net of depreciation (note H)	496,359,051	-	496,359,051	468,857,709
Notes receivable (note D)	4,878,136	-	4,878,136	5,382,878
Note receivable from component unit (note D)	-	-	-	596,667
Net investment in lease (note E)	3,441,428	-	3,441,428	4,096,938
Lease acquisition costs, net of amortization (note F)	1,125,152	-	1,125,152	1,432,669
Bond issuance costs, net of amortization	1,929,009	-	1,929,009	2,143,098
Leasehold rights, net of amortization	340,923	-	340,923	413,070
Other intangible assets (note G)	-	724,880	724,880	862,449
Total noncurrent assets	508,073,699	724,880	508,798,579	483,785,478
TOTAL ASSETS	\$ 607,801,826	\$ 2,405,175	\$ 610,207,001	\$ 595,507,345
DEFERRED OUTFLOWS				
Accumulated decrease in fair value of derivatives (note K)	\$ 6,799,086	\$ -	\$ 6,799,086	\$ 5,055,122

	Primary Government	Component Unit Tampa Bay International Terminals, Inc.	Total 2010	Total 2009
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 4,694,408	\$ 25,206	\$ 4,719,614	\$ 2,384,572
Construction contracts and retainages payable	2,119,301	-	2,119,301	4,363,829
Accrued liabilities	1,074,767	-	1,074,767	1,050,751
Accrued bond interest	1,775,205	-	1,775,205	1,836,096
Long-term debt due within one year (note K)	7,040,000	-	7,040,000	6,855,000
Note payable to primary government (note K)	-	596,667	596,667	868,333
Deferred revenue	369,689	-	369,689	442,179
Total current liabilities	<u>17,073,370</u>	<u>621,873</u>	<u>17,695,243</u>	<u>17,800,760</u>
NONCURRENT LIABILITIES				
Bonds, notes and loans payable, net (note K)	131,315,360	-	131,315,360	137,881,629
Note payable to primary government (note K)	-	-	-	596,667
Deferred revenue (note E)	1,678,983	-	1,678,983	2,617,208
Investment held for component unit	938,500	-	938,500	938,500
Deposits	3,743,322	-	3,743,322	3,323,745
Derivative instrument liability (note K)	6,799,086	-	6,799,086	5,055,122
Other obligation (note L)	1,167,885	-	1,167,885	1,167,885
Total noncurrent liabilities	<u>145,643,136</u>	<u>-</u>	<u>145,643,136</u>	<u>151,580,756</u>
Total liabilities	<u>162,716,506</u>	<u>621,873</u>	<u>163,338,379</u>	<u>169,381,516</u>
NET ASSETS				
Invested in capital assets, net of related debt	377,444,358	724,800	378,169,158	354,059,443
Restricted				
Bond debt service	6,888,293	938,500	7,826,793	8,659,807
Capital projects	14,863,608	-	14,863,608	24,065,675
Unrestricted	52,688,147	120,002	52,808,149	44,396,026
Total net assets	<u>\$ 451,884,406</u>	<u>\$ 1,783,302</u>	<u>\$ 453,667,708</u>	<u>\$ 431,180,951</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS

For the year ended September 30, 2010
(With comparative total for 2009)

	Primary Government	Component Unit Tampa Bay International Terminals, Inc.	Total 2010	Total 2009
Operating revenues				
Port usage fees	\$ 29,909,210	\$ -	\$ 29,909,210	\$ 28,946,918
Land and building leases	9,503,814	-	9,503,814	9,661,593
Other operating revenues	1,214,573	959,504	2,174,077	2,222,883
Total operating revenues	<u>40,627,597</u>	<u>959,504</u>	<u>41,587,101</u>	<u>40,831,394</u>
Operating expenses				
Personnel	10,579,894	-	10,579,894	10,089,286
Promotional	265,892	2,869	268,761	224,211
Administrative	11,895,039	51,891	11,946,930	12,628,315
Depreciation and amortization	19,047,456	-	19,047,456	17,714,319
Total operating expenses	<u>41,788,281</u>	<u>54,760</u>	<u>41,843,041</u>	<u>40,656,131</u>
Total operating (loss) income	<u>(1,160,684)</u>	<u>904,744</u>	<u>(255,940)</u>	<u>175,263</u>
Non-operating revenues (expenses)				
Ad valorem taxes	13,490,244	-	13,490,244	15,699,654
Interest income	1,471,987	53,917	1,525,904	1,783,940
Other non-operating revenues	6,482,139	-	6,482,139	3,304,902
Interest expense	(6,944,206)	(73,250)	(7,017,456)	(7,571,729)
Amortization of bond issue costs	(214,089)	-	(214,089)	(215,349)
Amortization of bond premiums	249,603	-	249,603	253,054
Other non-operating expenses	(2,123,559)	(172,883)	(2,296,442)	(2,589,395)
Total non-operating revenues (expenses)	<u>12,412,119</u>	<u>(192,216)</u>	<u>12,219,903</u>	<u>10,665,077</u>
Income before capital contributions	11,251,435	712,528	11,963,963	10,840,340
Capital grants and contributions	<u>10,522,794</u>	<u>-</u>	<u>10,522,794</u>	<u>20,062,289</u>
Increase in net assets	21,774,229	712,528	22,486,757	30,902,629
Net assets at beginning of year	<u>430,110,177</u>	<u>1,070,774</u>	<u>431,180,951</u>	<u>400,278,322</u>
Net assets at end of year	<u>\$ 451,884,406</u>	<u>\$ 1,783,302</u>	<u>\$ 453,667,708</u>	<u>\$ 431,180,951</u>

The accompanying notes are an integral part of this statement.



TAMPA PORT AUTHORITY

Tampa Port Authority
STATEMENT OF CASH FLOWS
For the year ended September 30, 2010
(With comparative total for 2009)

	Primary Government <u>Tampa Port Authority - 2010</u>	Primary Government <u>Tampa Port Authority - 2009</u>
Cash flows from operating activities		
Received from customers	\$ 40,092,545	\$ 39,941,865
Payments to suppliers for goods and services	(9,811,597)	(11,576,409)
Payments to employees for services	(10,555,878)	(10,023,417)
Related to non-operating revenues	7,338,175	5,192,433
Related to non-operating expenses	(1,554,001)	(656,117)
Net cash provided by operating activities	<u>25,509,244</u>	<u>22,878,355</u>
Cash flows from non-capital financing activities		
Payment of ad valorem taxes	(605,877)	(568,009)
Net cash used by non-capital financing activities	<u>(605,877)</u>	<u>(568,009)</u>
Cash flows from capital and related financing activities		
Capital grants and contributions received	12,050,411	20,734,770
Ad valorem taxes received, net of fees paid	13,239,182	14,836,646
Acquisition and construction of capital assets	(48,712,552)	(45,255,214)
Principal payments on debt	(6,855,000)	(6,725,000)
Interest payments on debt	(7,005,097)	(7,329,166)
Net cash used by capital and related financing activities	<u>(37,283,056)</u>	<u>(23,737,964)</u>
Cash flows provided by investing activities		
Purchase of investments	(3,593,489)	(2,630,690)
Proceeds from the sale of investments	2,630,690	3,409,979
Proceeds from repayment of notes receivable	1,340,218	1,272,833
Proceeds from repayment of capital lease receivable	655,510	493,119
Interest and dividends received	1,903,574	1,269,329
Net cash provided by investing activities	<u>2,936,503</u>	<u>3,814,570</u>
Net (decrease) increase in cash and cash equivalents	(9,443,186)	2,386,952
Cash and cash equivalents at beginning of year	<u>97,194,297</u>	<u>94,807,345</u>
Cash and cash equivalents at end of year	<u>\$ 87,751,111</u>	<u>\$ 97,194,297</u>

Tampa Port Authority
STATEMENT OF CASH FLOWS - CONTINUED

For the year ended September 30, 2010
(With comparative total for 2009)

	Primary Government Tampa Port Authority - 2010	Primary Government Tampa Port Authority - 2009
Reconciliation of operating income to net cash provided by operating activities		
Operating income (loss)	\$ (1,160,684)	\$ (735,679)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	19,047,456	17,715,319
(Loss) gain on sale of assets	436,458	(19,158)
(Increase) decrease in		
Accounts receivable	(535,052)	95,053
Prepaid expenses and deposits	36,050	226,881
Increase (decrease) in		
Accounts payable	2,313,285	975,596
Accrued liabilities	24,016	65,869
Deferred revenue	(1,010,715)	(307,246)
Deposits	419,577	1,887,531
Total adjustments	20,731,075	20,639,845
Non-operating revenues	5,238,853	2,974,189
Net cash provided by operating activities	\$ 24,809,244	\$ 22,878,355

Supplemental disclosure of non-cash investing activities

The Port Authority sold a crane during the year ended September 30, 2009 under a direct financing lease for \$4,598,000

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE A - ORGANIZATION AND REPORTING ENTITY

1. Financial Reporting Entity, Organization and Operations

The Tampa Port Authority (the "Port Authority") and the Hillsborough 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.

2. 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 the Governmental Accounting Standards Board of the Financial Accounting Foundation ("GASB") Statement No. 14, *The Financial Reporting Entity*, 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. 14, 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE A - ORGANIZATION AND REPORTING ENTITY - Continued

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. 14 are presented in a separate component unit column in the combined 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. Complete financial statements for TBIT may be obtained at the component unit's administrative offices, located at 1101 Channelside Drive, Tampa, Florida 33602. Also see notes C, D, G, J, K2, O, and S.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the Port Authority's significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Basis of Accounting

The Port Authority's financial statements are presented in accordance with accounting principles generally accepting in the United States. The Port Authority applies all applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989, and all applicable pronouncements required by the Governmental Accounting Standards Board (GASB). In accordance with GASB Statement No. 20, Paragraph 7, the Port Authority has elected to not apply FASB statements and interpretations issued after November 30, 1989.

The Port Authority is considered to be a self-supporting enterprise similar to a commercial entity organized for profit. Accordingly, these financial statements are prepared on the accrual basis of accounting similar to that prescribed for proprietary operations of state and local governments. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and measurable, and expenses are recognized in the period in which the related liability is incurred.

2. Fund Accounting and Basis of Accounting

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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 and liabilities associated with the operation of the fund are included on the statement of net assets. Fund equity is segregated into its net assets components. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

3. Cash and Cash Equivalents

Cash consists of checking accounts, collectively designated as demand deposits.

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.

The Port Authority considers all highly liquid debt instruments (including restricted assets) 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.

4. 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.

5. Accounts Receivable

The Port Authority records accounts receivable at estimated net realizable value. Accordingly, accounts receivable at September 30, 2010 are shown net of allowances for doubtful accounts. The primary government has set their allowance for doubtful accounts at approximately \$538,000. The component unit had no accounts receivable as of September 30, 2010 and therefore the allowance for doubtful accounts has been set to zero.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

6. Capital Assets

Capital assets include land, buildings, furniture, equipment, 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 furniture.

Additionally, assets/improvements abandoned by a leasee are recorded in capital assets at adjusted book value at the date of abandonment, with a corresponding entry to other non-operating revenues. During the year ended September 30, 2010, the Authority realized approximately \$4.6 million from these types of transactions.

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.

7. 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.

8. Intangible Assets

Intangible assets consist of costs in excess of net assets acquired and 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. Costs in excess of net assets (known as "goodwill") acquired is not amortized, but should be tested for impairment at least annually. Accordingly, the Port Authority is no longer amortizing its goodwill (see note G).

9. 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. Reserves for Restricted Assets

The amounts reserved for debt service and capital projects are legally restricted by bond indentures.

11. 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 .1925 mill (\$.1925 per \$1,000 value) ad valorem property tax during fiscal year 2010.

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 2010 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

12. 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.

13. 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 contributions and expenses during the reporting period. Actual results could differ from those estimated.

14. Pension Disclosure

The Port Authority utilizes GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, for the measurement, recognition, and display of pension expenses.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

15. 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.

16. Accounting Pronouncements

In June 2008, the GASB issued Statement 53 – *Accounting and Financial Reporting for Derivative Instruments*. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. By entering into these arrangements, governments receive and make payments based on market prices without actually entering into the related financial or commodity transactions. Derivative instruments associated with changing financial and commodity prices result in changing cash flows and fair values that can be used as effective risk management or investment tools. Derivative instruments, however, also can expose governments to significant risks and liabilities. Common types of derivative instruments used by governments include interest rate and commodity swaps, interest rate locks, options (caps, floors, and collars), swap options, forward contracts, and futures contracts. The Authority implemented GASB 53 during the year ended September 30, 2010. The implementation of this standard is further documented in Note K of the financial statements.

GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was issued in February 2009, and is effective for the Port Authority in fiscal year 2011. This Statement establishes clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. It is intended to improve financial reporting by providing fund balance categories and classifications that will be more easily understood. The Port Authority does not expect the adoption of GASB No. 54 to have an impact on its financial statements.

17. Operating Revenues and Economic Dependency

Total operating revenues of the Port Authority for the year ended September 30, 2010 amounted to approximately \$41 million, comprised of port usage fees of approximately \$30 million (of which dockage, wharfage, and terminal operations are approximately \$24.3 million) and rental income of approximately \$9.6 million. Port usage fees and rental income totaled approximately \$39.6 million and made up approximately 97% of the primary government's operating revenues in 2010.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

18. 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.

19. 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 \$277,928 were capitalized for the year ended September 30, 2010.

20. Reclassifications

Certain accounts in the 2009 financial statements have been reclassified for comparative purposes to conform to the presentation in the 2010 financial statements.

NOTE C - CASH AND INVESTMENTS

1. Deposits

The bank balance of the Port Authority's (primary government) deposits (unrestricted and restricted) was \$88,609,639 at September 30, 2010 and the book balance was \$87,243,042. For the component unit, the bank balance of deposits and the book balances were \$75,952 and \$73,911, respectively. The difference between the book and bank amounts is due to outstanding checks and transfers, and deposits in transit in its demand accounts.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE C - CASH AND INVESTMENTS - Continued

Of the September 30, 2010 Port Authority's bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and \$88,359,639 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*.

2. Cash on Hand

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.

The Port Authority had cash on hand in its petty cash funds totaling \$13,000. The component unit had \$50 cash on hand at the end of the fiscal year.

3. 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 United States ("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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE C - CASH 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).

There were no violations to this policy during the current fiscal year. The Port Authority’s investments at September 30, 2010, 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.

There is a risk of loss of interest on the investments if there are changes in the underlying indexed base. The FSBA met the criteria to be a “2a-7Like” pool, as defined in GASB No. 31 at September 30, 2010. Therefore, the investment was valued at share value, which approximates fair value. The total invested at September 30, 2010 through the Florida Prime Fund and Fund B was \$124,805 and \$47,421, respectively, and is included in cash and cash equivalents. The Florida Prime Fund is rated by Standards and Poors which is AAA. Fund B is not rated by any nationally recognized statistical rating agency. The weighted day to maturity of the Florida Prime Fund at September 30, 2010 was 52 days and the weighted average life of Fund B at September 30, 2010 was 7.49 years.

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. Since U.S. Treasury securities are considered to have no credit risk, they have, by definition, the highest possible 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE C - CASH AND INVESTMENTS – Continued

Investments

	<u>Fair Value</u>		<u>Weighted Avg. Maturity (yrs)</u>	<u>Credit Rating</u>
	<u>Primary Government</u>	<u>Component Units</u>		
U.S. Treasury securities	\$ 1,247,215	\$ 938,500	0.16	highest possible
Commercial paper	<u>2,346,274</u>	<u>-</u>	0.17	A1
	<u>\$ 3,593,489</u>	<u>\$ 938,500</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. The weighted average maturity for the primary government as a whole, at year end, was 0.17 years.

NOTE D - NOTES RECEIVABLE

Notes receivable consist of the following notes due from a tenant and by the component unit of the Port Authority as of September 30, 2010:

Note receivable balance due from Tampa Bay Shipbuilding Company as of September 30, 2010; principal and interest payable monthly, beginning December 1, 2006 and ending on December 1, 2018	\$ 5,382,878
Note receivable from TBIT (component unit), with a varying interest rate of 3.8% to 5.0%; principal and interest payable monthly, beginning September 1997, through May 2011 (see note K)	<u>596,667</u>
Total	5,979,545
Less: due within one year	<u>(1,101,409)</u>
Non-current portion notes receivable	<u>\$ 4,878,136</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE E – 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 \$431,465 of unearned interest income included in deferred revenue at September 30, 2010.

The minimum lease payments to be received are as follows:

<u>Year ending September 30,</u>	
2011	\$ 655,510
2012	655,510
2013	655,510
2014	655,510
2015	655,510
Thereafter	<u>819,388</u>
Total minimum lease payments	4,096,938
Less amount representing unearned lease payments	<u>(431,465)</u>
Present value of future minimum payments	<u>\$ 3,665,473</u>

NOTE F - 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 2010:

Cost of lease acquisitions	\$ 4,333,257
Accumulated amortization, fiscal year 2010	<u>(3,208,105)</u>
Balance, September 30, 2010	<u>\$ 1,125,152</u>

NOTE G - INTANGIBLE ASSETS

Component Unit - Intangible assets of the component unit consist of the following at September 30, 2010:

Cost in excess of net assets acquired (goodwill)	\$ 2,000,000
Accumulated amortization, fiscal year 2010	<u>(1,275,120)</u>
Balance, September 30, 2010	<u>\$ 724,880</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE G - INTANGIBLE ASSETS - Continued

The cost in excess of net assets acquired (known as "goodwill") is related to the acquisition of three terminal operating companies that were purchased by TBIT between July, 1989 and October, 1990. Long-lived assets to be held (such as goodwill) and used by TBIT are to be reviewed for impairment whenever changes in circumstances indicate that the carrying amount of the assets may not be recoverable. In performing the review for recoverability, TBIT would estimate the future cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the expected future net cash flows is less than the carrying amount of the asset, an impairment loss would be measured and recognized. Otherwise, an impairment loss would not be recognized. Goodwill is not impaired as of September 30, 2010.

NOTE H - CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Primary Government	September 30, 2009	Additions	Transfers	Deletions	September 30, 2010
<u>Ow ned assets</u>					
Capital assets not being depreciated					
Land	\$ 114,501,043	\$ -	\$ -	\$ -	\$ 114,501,043
Construction in progress	48,420,807	44,046,310	(51,825,212)	-	40,641,905
Total capital assets not depreciated	162,921,850	44,046,310	(51,825,212)	-	155,142,948
Capital assets being depreciated					
Buildings	146,867,682	-	15,424,035	(5,789,748)	156,501,969
Infrastructure	231,736,635	4,640,943	31,100,884	-	267,478,462
Dredging	61,191,552	-	4,468,728	-	65,660,280
Equipment and furnishing	8,128,028	245,892	831,565	-	9,205,485
Total capital assets depreciated	447,923,897	4,886,835	51,825,212	(5,789,748)	498,846,196
Less accumulated depreciation					
Buildings	34,631,765	3,804,927	-	(2,888,169)	35,548,523
Infrastructure	73,032,648	7,359,510	-	-	80,392,158
Dredging	29,320,754	6,639,852	-	-	35,960,606
Equipment and furnishing	5,002,871	725,935	-	-	5,728,806
Total accumulated depreciation	141,988,038	18,530,224	-	(2,888,169)	157,630,093
Total depreciable capital assets, net	305,935,859	(13,643,389)	51,825,212	(2,901,579)	341,216,103
Ow ned capital assets, net	\$ 468,857,709	\$ 30,402,921	\$ -	\$ (2,901,579)	\$ 496,359,051

Depreciation expense for the Tampa Port Authority (primary government) for the year ended September 30, 2010 was \$18,530,224 for owned assets. The Port Authority's construction in progress of \$40,641,905 at September 30, 2010 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. Information related to the Port Authority's intangible assets are included in note G.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE I - 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 40 years. These leases are classified as operating. Future minimum rentals, including renewal options, to be received under non-cancelable operating leases are as follows:

<u>Year ending September 30,</u>		<u>Year ending September 30,</u>	
2011	\$ 8,881,604	2041 to 2045	22,578,152
2012	9,389,532	2046 to 2050	16,011,259
2013	9,767,116	2051 to 2055	11,998,358
2014	9,870,215	2056 to 2060	11,823,380
2015	9,382,478	2061 to 2065	11,992,604
2016 to 2020	44,577,102	2066 to 2070	12,262,400
2021 to 2025	40,563,975	2071 to 2075	11,164,228
2026 to 2030	34,934,612	2076 to 2080	7,614,485
2031 to 2035	30,283,649	2081 to 2085	6,288,140
2036 to 2040	27,916,563	2086 to 2090	2,029,725
			<u>\$ 339,329,577</u>

NOTE J - 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 and component unit at September 30, 2010 was \$945,033 and \$-0- respectively, and are included in accrued liabilities.

NOTE K - BONDS, NOTES AND LOANS PAYABLE

1. Primary Government

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

	<u>September 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>September 30, 2010</u>	<u>Due within one year</u>
Revenue bonds	\$ 144,736,629	\$ 473,731	\$ 6,855,000	\$ 138,355,360	\$ 7,040,000
Deferred revenue	3,059,387	-	1,010,715	2,048,672	369,689
Investment held for component unit	938,500	-	-	938,500	-
Deposits	3,323,745	604,214	184,637	3,743,322	-
Derivative instrument liability	5,055,122	1,743,964	-	6,799,086	-
Other obligation	1,167,885	-	-	1,167,885	-
Total	<u>\$ 158,281,268</u>	<u>\$ 2,821,909</u>	<u>\$ 8,050,352</u>	<u>\$ 153,052,825</u>	<u>\$ 7,409,689</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

Revenue Bonds/Revenue note

1997 refunding revenue bonds (TBIT Project), collateralized by a pledge and lien on gross revenues of the Port Authority 3.8% to 5%, serial bonds, maturing through 2011	\$ 895,000
2002A revenue bonds, collateralized by a pledge and lien on gross revenues of the Port Authority	
4.125% to 5.75% serial bonds, maturing 2021	11,875,000
5.25% term bonds, maturing 2025	6,340,000
5.375% term bonds, maturing 2027	3,745,000
2002B revenue bonds, collateralized by a pledge and lien on gross revenues of the Port Authority	
6.25% to 6.75% serial bonds, maturing 2013	1,005,000
6.5% term bonds, maturing 2017	1,640,000
6.875% term bonds, maturing 2022	2,680,000
6.875% term bonds, maturing 2027	3,580,000
2003 revenue refunding bonds, collateralized by a pledge and lien on gross revenues of the Port Authority	
3.91% to 5.22% serial bonds, maturing in 2013	9,596,016
2005A revenue refunding bonds, collateralized by a pledge and lien on gross revenues of the Port Authority	
3% to 5% serial bonds, maturing through 2020	53,860,000
2006 revenue bonds, collateralized by a pledge and lien on gross revenues of the Port Authority	
4% to 4.125% serial bonds, maturing through 2013	1,785,000
5% term bonds, maturing 2026	4,380,000
4.75% term bonds maturing 2031	4,745,000
5% term bonds, maturing 2036	6,015,000
2008 revenue note, collateralized by a pledge and lien on gross revenues of the Port Authority 65% of LIBOR rate plus 87 basis points, maturing 2023	<u>26,800,000</u>
Total outstanding balance	138,941,016
Unamortized (discount)/premium - net	1,760,441
Less unamortized losses on defeasance	<u>(2,346,097)</u>
Carrying amount	138,355,360
Less current maturities	<u>(7,040,000)</u>
Bonds, notes and loans payable - noncurrent	<u><u>\$ 131,315,360</u></u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

Debt maturities and related interest payments at September 30, 2010 consist of the following:

Year ending September 30,	Principal	Interest	Total
2011	\$ 7,040,000	\$ 6,373,156	\$ 13,413,156
2012	7,235,000	6,179,318	13,414,318
2013	8,840,000	5,950,490	14,790,490
2014	8,761,016	5,675,211	14,436,227
2015	9,800,000	5,274,865	15,074,865
2016 - 2020	57,415,000	18,672,955	76,087,955
2021 - 2025	22,970,000	7,434,777	30,404,777
2026 - 2030	9,825,000	2,884,232	12,709,232
2031 - 2035	5,730,000	1,215,650	6,945,650
2036 - 2040	1,325,000	66,250	1,391,250
Total	<u>\$ 138,941,016</u>	<u>\$ 59,726,904</u>	<u>\$ 198,667,920</u>

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.

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, 2010 was \$565,232. 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 on page). The estimated net present value of this transaction was \$545,350.

In May 2006, the Port Authority issued \$26,825,000 in revenue bonds Series 2006, 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.

In March 2005, the Port Authority issued \$56,475,000 in revenue refunding bonds Series 2005A, 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

This deferred loss is being amortized through 2020. The unamortized loss balance at September 30, 2010 was \$1,780,865. 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 November 2003, the Port Authority issued \$11,520,790 of Revenue Refunding Bonds (Tampa Port Authority Project), Series 2003, 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, 2010 includes accreted interest of \$2,745,270. 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 April 2002, the Port Authority issued \$25,000,000 of revenue bonds, (Tampa Port Authority Project), Series 2002A, with interest ranging from 4.125% to 5.75%, with principal payments beginning 2007, and with final maturities ending through 2027. Also, in April 2002, the Port Authority issued \$10,000,000 of revenue bonds, (Tampa Port Authority Project), Series 2002B (taxable), with interest ranging from 6.25% to 6.875%, with principal payments beginning in 2007, and with final maturities ending through 2027. Bond proceeds are being expended and are being used to finance the cost of acquiring, constructing and improving the facilities of the Port Authority.

In August 1997, the Port Authority issued \$9,385,000 of refunding revenue bonds, Series 1997, with interest ranging from 3.8% to 5%, and with final maturities ending through 2011. Bond proceeds of approximately \$340,000 were used to pay bond discounts and costs associated with the issuance of the bonds. After making certain accrued interest payments and payments to reserve accounts, the remaining bond proceeds were used to advance refund the 1990 Special Purpose Revenue Bonds, (Tampa Bay International Terminals, Inc.) to take advantage of lower interest rates. The 1997 bonds are on parity with the other Port Authority bond issues. In conjunction with the issuance of these bonds, the Port Authority and TBIT entered into a Loan Agreement dated August 1, 1997 whereby TBIT pays the Port Authority an amount equal to the principal and interest due on the 1997 Bonds in accordance with an installment schedule attached to the above referenced loan agreement.

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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

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.

Knock-in Swaption - In July 2002, the Port Authority entered into a knock-in swap option agreement ("swaption") for an original notional amount that would not exceed \$32,420,000. Under the agreement, the Port Authority has received an upfront option premium of \$1,002,000 for entering into the knock-in swaption.

The Port Authority will continue to pay interest on its outstanding debt at the fixed interest rate provided by the bonds. However, the Port Authority will effectively pay a variable rate on the debt, if the Port Authority is knocked into the swap agreement. The debt service requirements to maturity of the bonds are based on the fixed rate. Only if and when the Bond Market Association ("BMA") Municipal Swap Index exceeds 6% for a period of 180 consecutive days after December 1, 2004, will the swaption provider have the option to require the Port Authority to pay interest at a variable rate. If the option is exercised, the swaption provider will pay the Port Authority a fixed rate of 5.0532%, and the Port Authority will pay the swaption provider a variable rate of BMA Municipal Swap Index plus 25 basis points. The notional amount under the agreement matches the final maturity of a portion of the Port Authority's outstanding long-term debt and will amortize with the amortization of these bonds.

The notional amount of the contract diminishes with the maturity of the Port Authority's bonds as follows:

<u>Start Date</u>	<u>Maturity Date</u>	<u>Notional Amount</u>
June 1, 2004	June 1, 2009	\$ 32,420,000
June 1, 2009	June 1, 2010	30,295,000
June 1, 2010	June 1, 2011	28,625,000
June 1, 2011	June 1, 2012	26,870,000
June 1, 2012	June 1, 2013	25,960,000
June 1, 2013	June 1, 2014	25,000,000
June 1, 2014	June 1, 2015	25,000,000
June 1, 2015	June 1, 2016	24,050,000
June 1, 2016	June 1, 2017	23,180,000
June 1, 2017	June 1, 2018	22,415,000
June 1, 2018	June 1, 2019	21,765,000
June 1, 2019	June 1, 2020	21,245,000
June 1, 2020	June 1, 2021	20,865,000
June 1, 2021	June 1, 2022	14,245,000
June 1, 2022	June 1, 2023	7,295,000

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

On August 5, 2010, the Port Authority terminated the knock in swaption agreement and paid a termination fee of \$725,000 to the swaption provider. The termination fee was negotiated by a third party swap option advisor and was based on current market conditions at that time.

On the termination date, the Port Authority had a notional amount of \$28,625,000 and an unamortized premium on the swaption agreement of approximately \$632,000. The net effect of the transaction resulted in a loss of approximately \$93,000 (\$632,000 unamortized premium less \$725,000 termination fee) which is included in other non-operating expenses in the accompanying combined statement of revenues, expenses, and changes in fund net assets.

Synthetic Forward Refunding

On October 21, 1998, the Port Authority issued \$25 million of revenue bonds (the "1998 bonds"). On April 4, 2002, the Port Authority issued \$25 million of revenue bonds (the "2002A bonds") (collectively, the "Bonds"). During the year ended September 30, 2007 the long-term interest rate environment would economically benefit the Port Authority if the Bonds could be refunded and reissued at lower rates. However, the 1998 bonds cannot be redeemed or called until June 1, 2008 and the 2002A bonds cannot be redeemed or called until June 1, 2012. Additionally, the bonds are subject to the Alternative Minimum Tax provision of current tax law and therefore could not be advance refunded.

During the year ended September 30, 2007, the Port Authority's Board of Commissioners authorized a synthetic forward refunding on the 1998 and 2002A bonds which closed December 19, 2006. The transaction allowed the Port Authority the option of taking the expected savings upfront at the time transaction is executed, or to spread the savings over the life of the bonds. The Port Authority elected to take the upfront cash proceeds of \$2,311,135. Between December 19, 2006 and June 1, 2012 (for the 2002A bonds) the Port Authority will make a decision to terminate the agreement or to let the counterparty exercise their option to require the Port Authority to issue variable rate debt which would then be swapped for fixed rate payments.

During the year ended September 30, 2008 the Port authority terminated the synthetic forward refunding on the 1998 bonds. Terminating this agreement involves making a net termination payment of \$1.7 million which involves a termination payment of \$3.1 million less \$1.4 million received upfront in December 2006.

The Port Authority has an optional right of termination at any time, with a termination payment payable by or to the Port Authority based on the current market conditions at the time of termination. If the provider defaults, the Port Authority would not be exposed to interest rate changes and would have no obligation to make a termination payment.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE – Continued

Interest Rate Swap

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.

With the implementation of GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* during the year ended September 30, 2010, the Authority has recorded the Synthetic Forward Refunding transaction and the interest rate swap transaction as effective hedging transactions. The result is an aggregate \$6,799,086 Deferred Outflows (noncurrent asset) offset by a corresponding \$6,799,086 Derivative Instrument liability (noncurrent) on the Statement of Net Assets at September 30, 2010.

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 assets.

The principal balance due on bond issues defeased is as follows as of September 30, 2010:

Revenue Bonds, Series 1973A Term Bonds	\$ 2,420,000
Special Refunding Revenue Bonds, Series 1976A Term Bonds	80,000
Refunding Revenue Bonds, Series 1977 Term Bonds	16,200,000
Refunding Revenue Bonds, Series 1995B	2,730,000
Revenue Bonds, Series 1998 Term Bonds	<u>25,000,000</u>
	<u>\$ 46,430,000</u>

2. Component Unit

Note payable of the component unit consists of the following at September 30, 2010:

Note payable to the Port Authority with a varying interest rate of 3.8% to 5.0%; principal and interest payable monthly, beginning September 1997 through May 2011; collateralized by a pledge of TBIT's gross revenues	<u>\$ 596,667</u>
---	-------------------

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE K - BONDS, NOTES AND LOANS PAYABLE – Continued

Debt maturities consisted of the following at September 30,:

Year ending September 30,

2011

\$ 596,667

On August 1, 1997, the Port Authority executed a loan agreement with TBIT (the component unit) whereby a loan payable was recorded to the Port Authority equal to the 1997 bond issuance maturity value of \$9,385,000. Additionally, the Port Authority is to maintain a debt service reserve of \$938,500, which will apply to the loan's final principal payments. TBIT receives interest earnings on the debt service reserve. Interest earned by TBIT on debt service and bond reserve funds was \$53,917 for the year ended September 30, 2010. TBIT's interest expense on the above notes was \$73,250 for the year ended September 30, 2010.

NOTE L - OTHER OBLIGATION

The Port Authority entered into a Project Cooperation Agreement with the Department of the Army - Corps of Engineers to dredge a portion of the main ship channel in the Hillsborough County Port District in April 2000. The Project is referred to as the Ybor Channel Turning Basin Project and is complete.

The Project Cooperation Agreement committed federal government funding of 75% towards project costs and required the Port Authority, a non-federal sponsor, to fund 25% of the project costs, which were paid by the Port Authority as of September 30, 2010. In addition to the 25% matching funding by the Port Authority, the agreement also required that the Port Authority be responsible for an additional 10% of total project costs. Repayment of this amount (\$1,167,885) to the Corps of Engineers may be spread over a period of up to thirty years. The repayment terms of this agreement have not been settled as of September 30, 2010.

NOTE M - EMPLOYEE RETIREMENT PLANS

1. Defined Benefit Plan

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. The System, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement, covers employees of the State of Florida and various governmental units within the state.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE M - EMPLOYEE RETIREMENT PLANS - Continued

The System provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings. Employees are not required to contribute to this retirement system.

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, 2639 Monroe Street, Building C, Tallahassee, Florida 32399-1560.

Effective July 1, 1998, the Florida Legislature established a Deferred Retirement Option Program ("DROP"). This program allows eligible employees to defer receipt of monthly retirement benefit payments while continuing employment with a System employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

2. Defined Contribution Plan

Beginning December 1, 2002, the System offered a second retirement plan option, the FRS Investment Plan. Under this plan, the employer pays all contributions which are a percentage of salary based on the System's Membership Class. The employer contributes to an account in the employee's name. The employee makes investment elections with the investment funds chosen by the Florida State Board of Administration. The retirement benefit is based on the account balance, and the benefit is vested after one year of service. If an employee leaves the job, he or she can keep the benefit in the System, or transfer his or her account to another retirement plan.

The employee can also elect to cash out the benefit when leaving but is subject to tax penalties for taking early withdrawal. An employee in this plan is not eligible for DROP. All employees in the System's defined benefit pension plan were given a choice of switching to the FRS Investment Plan within a designated time period.

3. Contributions to Florida Retirement System

For the System's fiscal year commencing July 1, 2008, the participating employer contributions are based upon statewide rates established by the State of Florida. The contributions by participating employers are the same for the defined benefit plan and the defined contribution plan. These rates are applied to employee salaries as follows: for regular employees at 10.77%, senior management at 14.57%, and Deferred Retirement Option Program (DROP) at 12.25%. The Port Authority's contributions made during the

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE N – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

years ended September 30, 2010, 2009 and 2008 were \$732,693, \$733,753, and \$705,980, respectively, equal to the actuarially determined contribution requirements for each year.

The Port Authority participates in the post-employment 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 their 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 actually earn the future benefits over their working careers.

OPEB Plan Description. The County provides the following health-related benefits to retirees and certain other employees: (a) The County is required by Florida Statute 112.0801 to allow retirees and certain other 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. The OPEB plan does not issue a stand-alone financial report; its financial activity is included in the financial activity of the County.

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 \$63.944 million at September 30, 2010. The County's annual OPEB cost, which is defined as the OPEB expenses on an accrual basis, was \$5.544 million at September 30, 2010. 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 2010 was \$5.499 million. The *net OPEB obligation* is the net amount for which the County would be obligated and is equivalent to the net OPEB obligation at the start of the fiscal year plus the annual OPEB cost for the current fiscal year less estimated contributions such as through retiree claims and stipends paid by the County. The inter-relationships between ARC, annual OPEB cost, and net OPEB obligation are presented in the following chart:

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE N – OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

	Fiscal Year 2010
Actuarially required contribution (ARC)	\$ 5,499,000
Interest on the net OPEB obligation for fiscal year	297,000
Less amortization of net OPEB obligation for fiscal year	<u>(252,000)</u>
Annual OPEB cost for fiscal year	5,544,000
Net OPEB obligation, beginning of year	6,086,000
Less contributions (claims paid, etc.) for fiscal year	<u>(4,476,000)</u>
Net OPEB obligation, end of year	<u><u>\$ 7,154,000</u></u>

The County's net OPEB obligation at September 30, 2010 was \$7.154 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).

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2008	\$ 8,958,000	44%	\$ 4,993,000
2009	\$ 5,204,000	76%	\$ 6,086,000
2010	\$ 5,544,000	81%	\$ 7,154,000

Funding Policy, Status and Progress. Because "funding" the OPEB obligations, as defined by GASB statement No. 45 require using an irrevocable trust fund, which is considered very restrictive, the County did not "fund" the net OPEB obligation, but instead chose to appropriate and set aside an equivalent amount to the Self-Insurance Internal Services Fund. Each fund was assessed its share of OPEB costs based on the number of employees in the fund, divided by the total number of County employees. Assessments were then placed to the Self-Insurance Internal Service Fund. Even though money was set aside to more than completely offset the net OPEB obligation, the County is not considered to have funded the obligation since an irrevocable trust fund was not used. It is the County's intent for future years to continue setting aside an amount equivalent to the annual OPEB cost, however, the County has no legal or contractual obligation to do so. The annual OPEB cost is the ARC plus one year's interest on the net OPEB obligation. The funded status of the plan as of September 30, 2010 follows:

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE N – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – Continued

Actuarial valuation's date	September 30, 2010
Actuarial value of plan assets	\$ - *
Actuarial accrued liability (AAL)	\$ 63,944,000
Unfunded actuarial accrued liability (UAAL)	\$ 60,978,000
Actuarial value of plan assets / AAL (funded ratio)	0% *
Covered payroll (active plan members)	\$ 520,719,000
UAAL as a percentage of covered payroll	12.3% *

*Although \$13.161 million have been set aside in the Self-Insurance Internal Service Fund to more than completely offset the County's net OPEB obligation of \$7.154 million at September 30, 2010, the amount considered to be funded was zero since an irrevocable trust fund has not been 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.

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.

The entry age actuarial cost method was used in the September 30, 2010 update of the September 30, 2009 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return and an annual healthcare cost trend rate of 9.5% initially, reduced by 1% per year, to an ultimate rate of 5.5% for fiscal year 2014. The approximate average age of employees is 46, with 12 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, 2010. 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, 2010, was 30 years.

The Port Authority's share of the other post-employment benefits liability for the year ended September 30, 2010 is \$0.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE O - RELATIONSHIP BETWEEN PRIMARY GOVERNMENT AND COMPONENT UNIT

The Port Authority entered in an Operating Agreement with its component unit, TBIT, dated January 9, 1990 and amended effective October 1, 1995 with an expiration date of December 31, 2009. The terms of the Amended Operating Agreement provided for TBIT to collect on behalf of and remit to the Port Authority certain wharfage fees derived by the Port Authority on an annual basis.

Effective May 30, 2006, the Port Authority entered into an agreement with Ports America, Inc. ("PAI") (the Concession Agreement) to provide terminal operations on its behalf and in the place of TBIT. The role of TBIT changed from that of terminal operator to PAI contract administrator for the Port Authority. Its legal status did not change, and it remains a component unit of the Port Authority. See further discussion at Note S.

In addition to the above agreement, the Port Director of the Port Authority, one individual appointed by the Port Authority's Board of Commissioners, and a member of the Port Authority's Board of Commissioners are members of the Board of Directors of TBIT.

The contract entered into between the Port Authority and TBIT, effective May 30, 2006, suspends the original agreements shown above.

NOTE P - 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 accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE P - FLORIDA PORTS FINANCING COMMISSION - Continued

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 at September 30, 2010.

NOTE Q - 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 supplemental 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 R - COMMITMENTS AND CONTINGENCIES

1. 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.

2. Special Purpose Revenue Bonds

From time to time, the Port Authority participates with its tenants in the issuance of special purpose revenue bonds, which provide funds to finance construction of capital improvements within the Port District. The Port Authority receives a security interest in the specific, project revenues to secure payment of rents and the performance of tenant obligations. The Port Authority has determined that, in general, these bonds do not represent obligations of the Port Authority, although the Port Authority does retain a lessor's interest in said capital improvements.

Upon termination or expiration of the leases, the Port Authority retains its ownership interest in said property and the right to possession reverts to the Port Authority. There are no remaining special purpose revenue bonds as of September 30, 2010.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE R - COMMITMENTS AND CONTINGENCIES - Continued

3. Knock-in Swaption

See note K.

4. Commitments

The Tampa Port Authority had contractual commitments for various projects that amounted to approximately \$23 million as of September 30, 2010.

5. Component Unit

See note S below.

6. Synthetic Forward Refunding

See note K.

NOTE S - RELATIONSHIP AMONG THE PORT AUTHORITY, TBIT AND PAI

The Port Authority is the owner of certain public berths, wharves, yards and other improvements, which are currently used as terminal facilities for the handling of general cargo in the Port of Tampa. On January 9, 1990, the Port Authority granted use of these facilities to TBIT under an Operating Agreement of that date and amended on October 1, 1995 to perform terminal operations.

During fiscal year 2003 in order to continue its business diversification strategy and to address changing logistics, procurement patterns, and shipping trends, the Port Authority sought and received proposals from interested parties to grow the Port Authority's general cargo business and to develop its container operations. On January 31, 2004, the Port Authority reached an agreement with Stevedoring Services of America ("SSA") to provide said services.

On May 31, 2006, SSA left the Port Authority's premises, and a final agreement to terminate the relationship between the Port Authority and SSA was reached on September 8, 2006.

On May 30, 2006, the Port Authority and PAI entered into a new agreement to provide terminal services at the Port of Tampa. The agreement shall continue for 10 years, ending May 29, 2016. PAI has the option of extending the terms of the agreement for an additional 10 years.

Under the agreement and in exchange for the use of the Port Authority facilities, PAI pays the Port Authority 20% of gross revenues as defined, generated each contract year by PAI from the terminal operations conducted by PAI for revenues up to \$7,000,000. For annual gross revenues which exceed \$7,000,000, PAI agrees to pay 10% to the Port Authority. PAI guarantees that the minimum annual payment will be no less than \$1,425,000. In addition, PAI provides all terminal operations' equipment necessary to handle the Port Authority's

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2010

NOTE S - RELATIONSHIP AMONG THE PORT AUTHORITY, TBIT AND PAI – Continued

terminal operations for general cargo and container cargo and is responsible for the maintenance of said equipment at its own expense.

Generally, TBIT shall account for and remit to the Port Authority all payments required by Article III of the Amended Operating Agreement. In addition, the Port Authority and TBIT agree that the reasonable net cash flow from TBIT's current book of business generated from its existing terminal operations is \$900,000 per year, with minor adjustments from year to year. The Port Authority and TBIT estimate that based on the historical performance of terminal operations by TBIT, the reasonable life of this current book of business is eight years. The Port Authority is delivering TBIT's current book of business to PAI for performance of all future terminal operation services. The Port Authority agreed to pay TBIT annually for the next eight years the reasonable cash flow of TBIT's book of business in the amount of \$900,000 per year.

TBIT shall continue to make all payments to the Port Authority under the loan agreement regarding retirement of the 1997 Special Purpose Revenue Bonds, as referenced in Note K2 of these financial statements. The outstanding principal balance due on the bonds and loan agreement is \$596,667 as of September 30, 2010.

NOTE T – SUBSEQUENT EVENTS

The Port has evaluated events and transactions occurring subsequent to September 30, 2010 as of January 18, 2011 which is the date the financial statements were available to be issued. Subsequent events occurring after January 18, 2011 have not been evaluated by management. No material events have occurred since September 30, 2010 that require recognition or disclosure in the financial statements.

Tampa Port Authority

STATEMENT OF CASH FLOWS - DISCRETELY PRESENTED COMPONENT UNIT

For the year ended September 30, 2010

	<u>Component Unit</u> Tampa Bay International Terminals, Inc.
Cash flows from operating activities	
Received from customers	\$ 959,504
Payments to suppliers for goods and services	<u>(33,004)</u>
Net cash provided by operating activities	<u>926,500</u>
Cash flows from capital and related financing activities	
Principal payments on debt	(868,333)
Interest payments on debt	<u>(73,250)</u>
Net cash used by capital and related financing activities	<u>(941,583)</u>
Cash flows provided by investing activities	
Interest and other income received	<u>53,917</u>
Net cash provided by investing activities	<u>53,917</u>
Net increase in cash and cash equivalents	38,834
Cash and cash equivalents at beginning of year	<u>35,077</u>
Cash and cash equivalents at end of year	<u>\$ 73,911</u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 904,744</u>
Adjustments to reconcile operating income to net cash provided by operating activities	
Increase in accounts payable accrued liabilities	<u>21,756</u>
Total adjustments	<u>21,756</u>
Net cash provided by operating activities	<u>\$ 926,500</u>

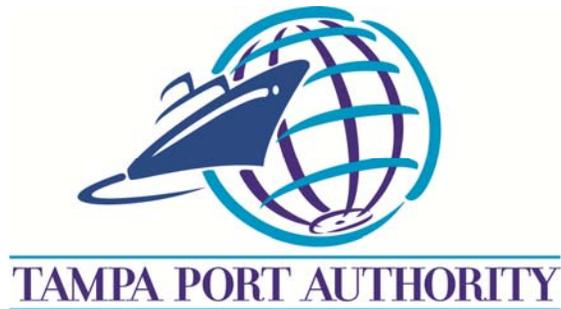
The accompanying notes are an integral part of this statement.



Statistical Section



TAMPA PORT AUTHORITY



STATISTICAL SECTION

This part of the Tampa Port Authority comprehensive annual financial report presents detailed 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 44 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 pasted few years.

- 1) Net Asset by Component – Table 1
- 2) Changes in Fund Net Assets – 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 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 debt in the future.

- 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 Principal Taxpayers - 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) Annual Cargo Tonnages and Passenger Count – Table 16
- 3) Capital Assets – Table 17
- 4) Staffing by Division/Department – Table 18

Other Information:

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

Table 1

TAMPA PORT AUTHORITY
Net Asset by Component
Last Nine Years*
(Unaudited)
(amounts in thousands)

Net Assets at Year-End	2002	2003	2004	2005	2006	2007	2008	2009	2010
Invested in capital assets, net of related debt	\$ 184,900	\$ 209,425	\$ 233,241	\$ 259,457	\$ 296,454	\$ 319,218	\$ 324,479	\$ 353,335	\$ 377,444
Restricted	\$ 98,145	\$ 117,961	\$ 63,053	\$ 23,484	\$ 36,720	\$ 36,971	\$ 36,655	\$ 31,787	\$ 21,752
Unrestricted	\$ 145	\$ (28,872)	\$ 23,258	\$ 45,003	\$ 26,585	\$ 30,437	\$ 38,751	\$ 44,988	\$ 52,842
Total Net Assets	\$ 283,190	\$ 298,514	\$ 319,552	\$ 327,944	\$ 359,759	\$ 386,626	\$ 399,885	\$ 430,110	\$ 452,038

*Total of 9 years of information available; the Port Authority adherence to GASB 34 was fully reflected in the 2003 financial statements. 2002 data is available because it was presented in the 2003 MD&A. Management determined that the costs of recalculating Fiscal Year 2001 outweighed the benefits the reader would gain from inclusion of this information.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operating Revenue										
Port Usage Fees	\$ 15,745	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909
Land & Building Leases	\$ 5,978	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504
Tenant Utilities	\$ 478	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 531
Other Port Operating Revenue	\$ 100	\$ 408	\$ 552	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 683
Total Operating Revenue	\$ 22,301	\$ 25,630	\$ 29,097	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 39,247	\$ 39,847	\$ 40,627
Non-Operating Revenue										
Operating Assistance Grants	\$ -	\$ -	\$ 1,651	\$ 1,166	\$ 1,268	\$ 340	\$ -	\$ -	\$ -	\$ -
Grants	\$ 5,926	\$ 14,270	\$ 5,416	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523
Interest Income	\$ 4,970	\$ 3,372	\$ 3,691	\$ 3,555	\$ 3,497	\$ 4,207	\$ 5,253	\$ 3,281	\$ 1,730	\$ 1,472
Ad Valorem Tax Receipts	\$ 10,891	\$ 11,962	\$ 12,907	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490
Other Non-Operating Income	\$ 1,101	\$ 1,298	\$ 1,366	\$ 1,140	\$ 3,851	\$ 1,666	\$ 1,229	\$ 1,773	\$ 3,558	\$ 6,732
Total Non-Operating Revenue	\$ 22,888	\$ 30,902	\$ 25,031	\$ 28,471	\$ 26,725	\$ 27,263	\$ 37,154	\$ 25,465	\$ 41,050	\$ 32,217
Total Revenues	\$ 45,189	\$ 56,532	\$ 54,128	\$ 60,060	\$ 61,674	\$ 66,571	\$ 74,069	\$ 64,712	\$ 80,897	\$ 72,844
Operating Expenses										
Personnel	\$ 5,517	\$ 6,372	\$ 6,735	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580
Promotional	\$ 530	\$ 493	\$ 590	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266
Administrative	\$ 3,750	\$ 6,809	\$ 8,572	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,895
Depreciation & Amortization Expense	\$ 6,956	\$ 7,996	\$ 9,242	\$ 10,165	\$ 11,102	\$ 12,527	\$ 14,450	\$ 16,536	\$ 17,714	\$ 19,047
Total Operating Expenses	\$ 16,753	\$ 21,670	\$ 25,139	\$ 27,438	\$ 29,631	\$ 32,440	\$ 35,886	\$ 39,079	\$ 40,581	\$ 41,788
Non-Operating Expenses										
Interest Expense	\$ 8,432	\$ 9,058	\$ 9,834	\$ 9,094	\$ 8,254	\$ 7,623	\$ 7,978	\$ 7,891	\$ 7,457	\$ 6,944
Bond Related Costs	\$ 277	\$ 328	\$ 328	\$ 395	\$ 2,563	\$ 1,073	\$ 463	\$ 218	\$ 215	\$ 214
Tax Collector/Property Appraiser	\$ 1,000	\$ 980	\$ 1,028	\$ 1,083	\$ 1,266	\$ 1,470	\$ 1,850	\$ 1,441	\$ 1,431	\$ 1,307
Other non-operating expense	\$ 825	\$ 1,397	\$ 2,476	\$ 1,012	\$ 1,569	\$ 2,150	\$ 1,025	\$ 2,823	\$ 987	\$ 817
Total Non-Operating Expenses	\$ 10,534	\$ 11,763	\$ 13,666	\$ 11,584	\$ 13,652	\$ 12,316	\$ 11,316	\$ 12,373	\$ 10,090	\$ 9,282
Total Expenses	\$ 27,287	\$ 33,433	\$ 38,805	\$ 39,022	\$ 43,283	\$ 44,756	\$ 47,202	\$ 51,452	\$ 50,671	\$ 51,070
Change in Fund Net Assets	\$ 17,902	\$ 23,099	\$ 15,323	\$ 21,038	\$ 18,391	\$ 21,815	\$ 26,867	\$ 13,260	\$ 30,226	\$ 21,774

Table 3

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Last Eight Years*										
Operating Revenue:										
Dockage										
Dockage - Cargo	\$ 3,707	\$ 3,977	\$ 3,984	\$ 4,201	\$ 4,615	\$ 5,199	\$ 4,771	\$ 4,449	\$ 4,112	\$ 4,313
Dockage - Cruise	\$ 620	\$ 766	\$ 722	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784
Dockage - Other	\$ 811	\$ 670	\$ 807	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967
<i>Subtotal - Dockage</i>	\$ 5,138	\$ 5,413	\$ 5,513	\$ 5,897	\$ 6,130	\$ 6,901	\$ 6,236	\$ 5,887	\$ 5,580	\$ 6,064
Wharfage										
Wharfage - Cargo	\$ 5,540	\$ 6,214	\$ 6,736	\$ 7,175	\$ 8,363	\$ 8,658	\$ 8,695	\$ 8,660	\$ 8,269	\$ 8,372
Wharfage - Cruise	\$ 2,456	\$ 2,917	\$ 4,495	\$ 4,385	\$ 4,310	\$ 5,119	\$ 4,449	\$ 4,463	\$ 4,669	\$ 4,690
Wharfage - Other (a)	\$ 864	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 5,140
<i>Subtotal - Wharfage</i>	\$ 8,860	\$ 9,726	\$ 11,859	\$ 12,141	\$ 13,701	\$ 14,939	\$ 14,018	\$ 15,710	\$ 15,829	\$ 18,202
Land & Building Leases	\$ 5,978	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504
Other Operating Revenue	\$ 2,325	\$ 4,102	\$ 5,512	\$ 6,211	\$ 6,809	\$ 9,049	\$ 8,536	\$ 6,208	\$ 8,776	\$ 6,857
Total Operating Revenue	\$ 22,301	\$ 25,630	\$ 29,097	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 37,247	\$ 39,847	\$ 40,627
Cargo Tonnage (to nearest thousand) (a)	13,642	13,372	14,043	15,049	16,477	16,738	15,578	14,377	13,211	15,025
Average Wharfage Revenue per Cargo Ton (whole \$)	\$ 0.41	\$ 0.46	\$ 0.48	\$ 0.48	\$ 0.51	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.63	\$ 0.56
Cruise Passengers (to nearest thousand)	517	587	810	792	772	911	781	768	803	807
Average Wharfage Revenue per Passenger (whole \$)	\$ 4.75	\$ 4.97	\$ 5.55	\$ 5.54	\$ 5.58	\$ 5.62	\$ 5.70	\$ 5.81	\$ 5.81	\$ 5.81
Berth linear feet	7,225	8,225	9,175	10,375	10,375	11,855	11,855	11,855	12,855	16,655
Average Dockage Revenue per Berth Linear Feet	\$ 711.14	\$ 658.12	\$ 600.87	\$ 568.39	\$ 590.84	\$ 582.12	\$ 526.02	\$ 496.58	\$ 434.07	\$ 364.09
Leased Acreage (actual in hundreds)	1,259	1,273	1,298	1,298	1,325	1,300	1,290	1,290	1,285	1,270
Average per Acre (whole \$)	\$ 4,748	\$ 5,019	\$ 4,787	\$ 5,655	\$ 6,271	\$ 6,476	\$ 6,298	\$ 7,319	\$ 7,519	\$ 7,483

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

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Port Usage Fees Revenues:										
Dockage	\$ 5,138	\$ 5,413	\$ 5,613	\$ 5,897	\$ 6,130	\$ 6,901	\$ 6,236	\$ 5,887	\$ 5,580	\$ 6,064
Wharfage	\$ 7,696	\$ 9,131	\$ 11,231	\$ 11,560	\$ 12,673	\$ 13,777	\$ 13,144	\$ 13,123	\$ 12,938	\$ 13,357
Wharfage (in lieu of wharfage)	\$ 864	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 3,723
Parking and related	\$ 1,746	\$ 2,658	\$ 3,455	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208
Terminal Operations	\$ -	\$ 416	\$ 580	\$ 767	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357
Other Usage Fees	\$ 301	\$ 98	\$ 177	\$ 284	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 200
Total Port Usage Fees	\$ 15,745	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909
Percentage of Total Revenue	34.84%	32.39%	40.06%	38.13%	41.14%	44.09%	36.80%	43.78%	35.78%	41.06%
Land & Building Leases:										
Land & Building Leases	\$ 5,943	\$ 6,377	\$ 6,177	\$ 7,292	\$ 8,239	\$ 8,349	\$ 8,102	\$ 9,432	\$ 9,552	\$ 9,476
Cruise Terminal Rentals	\$ 35	\$ 12	\$ 36	\$ 40	\$ 55	\$ 45	\$ 23	\$ 5	\$ 110	\$ 13
Port Property Access Fees	\$ -	\$ -	\$ -	\$ 8	\$ 15	\$ 25	\$ -	\$ 5	\$ -	\$ 15
Total Land & Building Leases	\$ 5,978	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504
Percentage of Total Revenue	13.23%	11.30%	11.48%	12.22%	13.47%	12.65%	10.97%	14.59%	11.94%	13.05%
Tenant Utilities:										
Tenant Water	\$ 73	\$ 44	\$ 37	\$ 28	\$ 21	\$ 20	\$ 25	\$ 23	\$ 17	\$ 16
Dockside Water	\$ 402	\$ 476	\$ 609	\$ 566	\$ 501	\$ 593	\$ 598	\$ 527	\$ 501	\$ 514
Electricity	\$ 3	\$ 2	\$ 2	\$ 33	\$ 8	\$ 11	\$ 6	\$ 2	\$ 1	\$ 2
Total Tenant Utilities	\$ 478	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 532
Percentage of Total Revenue	1.06%	0.92%	1.20%	1.04%	0.86%	0.94%	0.85%	0.85%	0.64%	0.73%
Other Port Operating Revenue:										
Work Permits	\$ 33	\$ 36	\$ 52	\$ 52	\$ 50	\$ 45	\$ 48	\$ 32	\$ 29	\$ 11
Fingerprinting/Badging	\$ -	\$ 316	\$ 432	\$ 581	\$ 610	\$ 798	\$ 793	\$ 810	\$ 624	\$ 606
Security Training Fees	\$ -	\$ -	\$ -	\$ 30	\$ 11	\$ 2	\$ -	\$ -	\$ -	\$ -
License Fees	\$ 67	\$ 56	\$ 68	\$ 60	\$ 64	\$ 68	\$ 64	\$ 77	\$ 66	\$ 65
Total Other Port Operating Revenue	\$ 100	\$ 408	\$ 552	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 682
Percentage of Total Revenue	0.22%	0.72%	1.02%	1.20%	1.19%	1.37%	1.22%	1.42%	0.89%	0.94%
Total Operating Revenue	\$ 22,301	\$ 25,630	\$ 29,097	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,915	\$ 39,247	\$ 39,847	\$ 40,627
Percentage of Total Revenue	49.35%	45.34%	53.76%	52.60%	56.67%	59.05%	49.84%	60.65%	49.26%	55.77%

Table 4

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Non-Operating Revenue:										
Operating Grants	\$ -	\$ -	\$ 1,651	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -
Capital Grants	\$ 5,926	\$ 14,270	\$ 5,416	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523
Ad Valorem Tax Receipts	\$ 10,891	\$ 11,962	\$ 12,907	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490
Interest, Unrestricted	\$ 4,199	\$ 2,649	\$ 3,093	\$ 3,020	\$ 3,057	\$ 3,877	\$ 4,544	\$ 2,634	\$ 1,073	\$ 1,030
Interest, Restricted	\$ 6	\$ 9	\$ 11	\$ 45	\$ 54	\$ 54	\$ 53	\$ 54	\$ 52	\$ 39
Interest, PAI Crane	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ 140
Interest, TBIT & TBSB Notes	\$ 765	\$ 714	\$ 587	\$ 490	\$ 386	\$ 276	\$ 656	\$ 593	\$ 525	\$ 454
Other, TBIT & TBSB Notes	\$ 292	\$ 296	\$ 294	\$ 298	\$ 304	\$ 263	\$ 175	\$ 175	\$ 177	\$ 184
Dredge and Fill Income	\$ -	\$ -	\$ 298	\$ 29	\$ 43	\$ 17	\$ 57	\$ 79	\$ 1,362	\$ 247
Gain/Loss on Sale of Investment	\$ -	\$ -	\$ -	\$ (165)	\$ 905	\$ 564	\$ 100	\$ -	\$ -	\$ -
Gain/Loss on Disposal of Fixed Assets	\$ 107	\$ 223	\$ (3)	\$ 271	\$ 211	\$ (1,020)	\$ (269)	\$ 95	\$ 19	\$ (422)
Harbormaster Fees	\$ 492	\$ 530	\$ 596	\$ 572	\$ 732	\$ 738	\$ 696	\$ 978	\$ 891	\$ 864
Conference Donations	\$ 67	\$ 96	\$ 80	\$ 74	\$ 229	\$ 770	\$ 105	\$ 102	\$ 70	\$ 55
Amortization Premiums	\$ -	\$ -	\$ -	\$ -	\$ 157	\$ 273	\$ 276	\$ 275	\$ 274	\$ 270
Other Miscellaneous Revenue	\$ 143	\$ 153	\$ 101	\$ 61	\$ 1,170	\$ 61	\$ 89	\$ 69	\$ 769	\$ 5,343
Total Non-Operating Revenue	\$ 22,888	\$ 30,902	\$ 25,031	\$ 28,471	\$ 26,725	\$ 27,263	\$ 37,154	\$ 25,465	\$ 41,050	\$ 32,217
Percentage of Total Revenue	50.65%	54.66%	46.24%	47.40%	43.33%	40.95%	50.16%	39.35%	50.74%	44.23%
Total Revenue	\$ 45,189	\$ 56,532	\$ 54,128	\$ 60,060	\$ 61,674	\$ 66,571	\$ 74,069	\$ 64,712	\$ 80,897	\$ 72,844

Table 5

**Tampa Port Authority
Wharfage Revenue
Current Year and Nine Years Prior
Ten Largest Customers**

<u>Customer</u>	<u>FY2010</u>		<u>FY2001</u>	
	<u>Revenue</u>	<u>Percentage of Total Wharfage</u>	<u>Revenue</u>	<u>Percentage of Total Wharfage</u>
Carnival Cruise Lines	3,544,562	22.39%	2,377,431	27.77%
Kinder Morgan	2,539,468	16.04%	1,245,740	14.55%
Zim Integrated Services	978,301	6.18%	917,527	10.72%
Royal Caribbean	672,792	4.25%	517,682	6.05%
Martin Marietta Materials	560,355	3.54%	477,493	5.58%
Vulcan Materials	471,667	2.98%	453,067	5.29%
Murphy Oil	437,042	2.76%	292,491	3.42%
Transmontaigne	376,469	2.38%	233,265	2.72%
Trademark Metals	347,992	2.20%	205,851	2.40%
Holland	<u>342,407</u>	<u>2.16%</u>	<u>201,318</u>	<u>2.35%</u>
Total 2010	10,271,055	64.88%	6,921,865	80.85%
Total Wharfage Revenue	17,931,147	100%	8,560,213	100%

**Tampa Port Authority
Dockage Revenue
Current Year and Nine Years Prior
Ten Largest Customers**

<u>Customer</u>	<u>FY2010</u>		<u>FY2001</u>	
	<u>Revenue</u>	<u>Percentage of Total Dockage</u>	<u>Revenue</u>	<u>Percentage of Total Dockage</u>
Kinder Morgan	1,327,941	23.80%	809,172	15.75%
Carnival Cruise Lines	485,516	8.70%	690,997	13.45%
CF Industries	476,486	8.54%	615,965	11.99%
Ports America	376,568	6.75%	364,404	7.09%
Martin Marietta Materials	257,463	4.61%	276,527	5.38%
Murphy Oil	237,432	4.25%	240,106	4.67%
Transmontaigne	207,832	3.72%	157,678	3.07%
Royal Caribbean	201,813	3.62%	125,820	2.45%
Onesteel	161,842	2.90%	107,611	2.09%
Trademark Metals	<u>142,633</u>	<u>2.56%</u>	<u>91,754</u>	<u>1.79%</u>
Total 2010	3,875,526	69.45%	3,480,034	67.73%
Total Dockage Revenue	6,063,171	100%	5,138,402	100%



TAMPA PORT AUTHORITY

Table 6

Tampa Port Authority Revenue Rates Last Ten Fiscal Years										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Last Eight Years*										
Vessels, Barges & Tug Boats										
0-199 ft	\$ 1.75	\$ 1.85	\$ 1.90	\$ 1.90	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.25	\$ 2.32	\$ 2.32
200-299	1.90	2.10	2.15	2.15	2.26	2.46	2.66	2.96	3.05	3.05
300-349	2.25	2.25	2.31	2.31	2.43	2.58	2.73	2.96	4.15	3.05
350-399	2.52	2.52	2.58	2.58	2.71	2.76	2.81	2.96	4.15	3.05
400-449	3.38	3.38	3.46	3.46	3.63	3.72	3.81	4.03	4.15	4.15
450-499	3.38	3.38	3.46	3.46	3.63	3.72	3.81	4.03	4.15	4.15
500-549	4.61	4.61	4.73	4.73	4.97	5.06	5.15	5.41	5.57	5.57
550-599	4.61	4.61	4.73	4.73	4.97	5.06	5.15	5.41	5.57	5.57
600-649	5.36	5.36	5.49	5.49	5.76	5.87	5.98	6.28	6.47	6.47
650-699	5.36	5.36	5.49	5.49	5.76	5.87	5.98	6.28	6.47	6.47
700-799	6.91	6.91	7.08	7.08	7.43	7.53	7.63	7.97	8.21	8.21
800-899	8.30	8.30	8.51	8.51	8.94	9.07	9.20	9.60	9.89	9.89
900 ft +	9.91	9.91	10.16	10.16	10.67	10.83	10.99	11.49	11.83	11.83
Passenger Vessels										
Under 550 ft	3.63	4.36	4.36	4.36	4.49	4.49	4.49	4.49	4.49	4.49
551-600	4.36	6.14	6.14	6.14	6.32	6.32	6.32	6.32	6.32	6.32
601-650	5.12	6.14	6.14	6.14	6.32	6.32	6.32	6.32	6.32	6.32
651-700	6.14	6.34	6.34	6.34	6.53	6.53	6.53	6.53	6.53	6.53
701-725	5.28	6.60	6.60	6.60	6.80	6.80	6.80	6.80	6.80	6.80
726-750	6.34	6.60	6.60	6.60	6.80	6.80	6.80	6.80	6.80	6.80
751 ft +	5.50	7.00	7.00	7.00	7.21	7.21	7.21	7.21	7.21	7.21
	6.60	7.26	7.26	7.26	7.48	7.48	7.48	7.48	7.48	7.48
	5.83	7.26	7.26	7.26	7.48	7.48	7.48	7.48	7.48	7.48
	7.00	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16
	6.05	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16
	7.26	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16
	6.60	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16
	7.92	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16

*FY 2001 Rates increased 04/01/01

Table 6

		Tampa Port Authority Revenue Rates Last Ten Fiscal Years										
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Wharfage Rates (per ton)												
All articles (not provided for below)		2.06	2.06	2.12	2.12	2.25	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
Automobiles (used)	each	3.35	3.35	3.75	3.75	3.98	5.60	5.60	7.10	7.10	7.10	7.10
Livestock		3.66	3.66	3.77	3.77	4.00	4.20	4.20	4.20	4.20	4.20	4.20
Citrus & Citrus Products		1.71	1.71	1.76	1.76	1.87	1.96	1.96	1.96	1.96	1.96	1.96
Containers (loaded)		1.81	1.81	1.86	1.86	1.97	1.97	1.97	1.97	1.97	1.97	1.97
USDA Bagged Goods (Public Law 480)		0.34	0.34	0.35	0.20	0.21	0.22	0.22	0.22	0.22	0.22	0.22
Citrus Concentrate (Drums or Tank)		1.41	1.41	1.45	1.45	1.54	1.54	1.54	1.54	1.54	1.54	1.54
Cordage		1.46	1.46	1.50	1.50	1.59	1.67	1.67	1.67	1.67	1.67	1.67
Fertilizer (in bags)		1.52	1.52	1.57	1.57	1.66	1.74	1.74	1.74	1.74	1.74	1.74
Flour or Rice (in bags)		1.16	1.16	1.19	1.19	1.26	1.32	1.32	1.32	1.32	1.32	1.32
Forest Products		-	-	1.50	1.50	1.59	1.59	1.59	1.59	1.59	1.59	-
Lumber & Logs (per MBF)		1.35	1.35	1.35	1.35	1.43	1.43	1.43	1.43	1.43	1.43	1.43
Frozen Meat and/or Poultry		2.00	2.00	2.06	2.06	2.18	2.29	2.29	2.29	2.29	2.29	2.29
Fruits and Vegetables (fresh)		1.76	1.76	1.81	1.81	1.92	2.00	2.02	2.02	2.02	2.02	2.02
Iron & Steel Articles		1.76	1.76	1.81	1.81	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
Mobile & Modular Homes (under 10,000 lbs)each		19.03	19.03	19.60	19.60	20.78	21.82	21.82	21.82	21.82	21.82	21.82
Mobile & Modular Homes (over 10,000 lbs) net ton		2.56	2.56	2.64	2.64	2.80	2.94	2.94	2.94	2.94	2.94	2.94
Paper Waste (in bales Domestic moves only)		1.12	1.12	1.15	1.15	1.22	1.28	1.28	1.28	1.28	1.28	1.28
Project Cargo (W/M)		-	-	-	-	2.25	2.36	2.36	2.36	2.36	2.36	2.36
Scrap Metal		2.11	2.11	2.25	2.25	2.39	2.39	2.39	2.39	2.39	2.39	2.39
U.S.D.A. Public Law 480 (bagged goods)		0.36	0.36	0.37	0.37	0.39	0.41	0.41	0.41	0.41	0.41	0.41
U.S.D.A. Products (chilled & frozen)		1.47	1.47	1.51	1.51	1.60	1.68	1.68	1.68	1.68	1.68	1.68
Vehicles (trucks, buses tractors, etc.) NET TON		1.92	1.92	1.98	1.98	2.10	2.21	2.21	2.21	2.21	2.21	2.21
Yachts & Boats (less than 25' LOA) (a)		10.25	10.25	10.56	10.56	1.00	1.05	1.05	1.05	1.05	1.05	1.05
Yachts & Boats (greater than 25' LOA) (a)		32.70	32.70	33.76	33.76	1.50	1.58	1.58	1.58	1.58	1.58	1.58
Passengers Embarking (per passenger)		5.25	5.25	5.25	5.75	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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Passengers Disembarking (per passenger)	5.25	5.25	5.25	5.75	6.00	6.00	6.00	6.00	6.00	6.00
Passengers in transit (per passenger)	5.25	5.25	5.25	5.75	6.00	6.00	6.00	6.00	6.00	6.00
Aggregate (including pumice & slag)	0.70	0.72	0.72	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Anhydrous Ammonia	0.355	0.355	0.355	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Bulk, Dry N.O.S.	1.03	1.06	1.06	1.12	1.12	1.18	1.18	1.18	1.18	1.18
Bulk, Liquid N.O.S.	1.03	1.06	1.06	1.12	1.12	1.18	1.18	1.18	1.18	1.18
Causitic Soda	0.37	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42
Cement	0.77	0.79	0.79	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Citrus Concentrate, (via pipeline)	0.98	1.01	1.01	1.07	1.07	1.07	1.07	1.07	1.07	1.07
Citrus Pellets	0.36	0.37	0.37	0.39	0.39	0.40	0.40	0.40	0.40	0.40
Coal	0.57	0.59	0.59	0.63	0.63	0.66	0.66	0.66	0.66	0.66
Fertilizer, N.O.S.	0.230	0.230	0.230	0.250	0.245	0.245	0.245	0.245	0.245	0.245
Fly Ash	0.77	0.79	0.79	0.84	0.84	0.88	0.88	0.88	0.88	0.88
Grain, N.O.S.	0.37	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42
Gypsum	0.52	0.54	0.54	0.57	0.57	0.59	0.59	0.59	0.59	0.59
Petroleum and Petroleum Products (per barrel)	0.07	0.07	0.07	0.07	0.07	0.08	0.08	0.08	0.08	0.08
Petroleum (Bunkering) (per barrel)	0.08	0.08	0.08	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Petroleum Coke	0.57	0.59	0.59	0.63	0.63	0.66	0.66	0.66	0.66	0.66
Phosphate Products (other than crude rock)	0.24	0.24	0.24	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphate Rock, (Wet or Dry)	0.24	0.24	0.24	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphoric Acid	0.37	0.38	0.38	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Pomace	0.59	0.61	0.61	0.65	0.65	0.68	0.68	0.68	0.68	0.68
Potash	0.24	0.25	0.25	0.27	0.27	0.28	0.28	0.28	0.28	0.28
Salt	0.46	0.47	0.47	0.50	0.50	0.53	0.53	0.53	0.53	0.53
Sand	0.65	0.67	0.67	0.71	0.71	0.75	0.75	0.75	0.75	0.75
Seawater	0.23	0.24	0.24	0.25	0.25	0.26	0.26	0.26	0.26	0.26
Sulphur	0.37	0.38	0.38	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Sulphuric Acid	0.37	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42
Tallow	0.52	0.54	0.54	0.57	0.57	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 Year and Nine Years Prior

2010

<u>Customer</u>	<u>Type of Business</u>	<u>Revenue</u>	<u>% of Total Operating Revenue</u>
Carnival Cruise Lines	Cruise Industry	7,453,377	18.35%
Kinder Morgan	Transports liquid bulk commodities, petroleum	4,560,947	11.23%
Ports America	Terminal Operator for general cargo	3,755,669	9.24%
Gulf Marine Repair	Ship repair operation	1,629,567	4.01%
Cemex	Transports misc dry bulk commodities	1,595,279	3.93%
Vulcan	Transports bulk cargo, limestone	1,431,566	3.52%
Tarmac America	Transports dry bulk commodities, misc	1,415,169	3.48%
Royal Caribbean	Cruise Industry	1,394,219	3.43%
Transmontaigne	Transports dry bulk commodities, misc	1,232,210	3.03%
CF Industries	Transports anhydrous ammonia, fertilizer	1,130,589	2.78%
			63.00%

2001

<u>Customer</u>	<u>Type of Business</u>	<u>Revenue</u>	<u>% of Total Operating Revenue</u>
Carnival Cruise Lines	Cruise Industry	3,250,918	21.40%
Kinder Morgan (ex: GATX Terminals)	Transports liquid bulk commodities, petroleum	1,982,874	13.05%
Tampa Bay International Terminals	General cargo terminal operations	1,696,409	11.17%
Tampa Bay Shipbuilding & Repair Co.	Ship repair operation	1,000,000	6.58%
Martin Gas Sales, Inc.	Transports liquid bulk commodities, petroleum	765,228	5.04%
Martin Marietta Aggregates	Transports dry bulk commodities	668,066	4.40%
Harborside Refrigerated Services	Terminal Operator for refrigerated cargo	612,604	4.03%
Trademark Metals	Ship repair operation	576,926	3.80%
CF Industries, Inc. (Ammonia facility)	Transports liquid bulk commodities, ammonia	500,236	3.29%
Vulcan /ICA Distribution	Transports dry bulk commodities, fertilizer	482,664	3.18%
			75.94%

Table 8

TAMPA PORT AUTHORITY
Ratios of Outstanding Debt by Type
Last Ten 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)
2001	\$ 9,750,908	\$ 71,770,000	\$ 25,000,000	\$ 44,810,000	\$ 151,330,908	0.53%	\$ 151
2002	\$ 10,344,738	\$ 69,650,000	\$ 60,000,000	\$ 39,950,000	\$ 179,944,738	0.60%	\$ 175
2003	\$ 10,974,740	\$ 67,390,000	\$ 60,000,000	\$ 34,865,000	\$ 173,229,740	0.56%	\$ 164
2004	\$ -	\$ 64,985,000	\$ 60,000,000	\$ 41,509,220	\$ 166,494,220	0.52%	\$ 154
2005	\$ -	\$ -	\$ 60,000,000	\$ 92,982,947	\$ 152,982,947	0.44%	\$ 137
2006	\$ -	\$ -	\$ 86,825,000	\$ 73,727,571	\$ 160,552,571	0.43%	\$ 140
2007	\$ -	\$ -	\$ 81,860,000	\$ 73,275,849	\$ 155,135,849	0.38%	\$ 132
2008	\$ -	\$ -	\$ 78,600,000	\$ 72,819,151	\$ 151,419,151	0.37%	\$ 126
2009	\$ -	\$ -	\$ 76,345,000	\$ 68,956,534	\$ 145,301,534	0.34%	\$ 121
2010	\$ -	\$ -	\$ 74,590,000	\$ 64,321,016	\$ 138,911,016	0.31%	\$ 113

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

Table 9

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

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for		Principal	Debt Service (e) Interest	Total	Coverage Ratio
			Debt Service	Debt Service				
2001	\$ 30,472	\$ 9,797	\$ 20,675	\$ 20,675	\$ 6,770	\$ 7,878	\$ 14,648	1.41
2002	\$ 32,444	\$ 13,674	\$ 18,770	\$ 18,770	\$ 7,102	\$ 8,424	\$ 15,526	1.21
2003	\$ 39,730	\$ 15,897	\$ 23,833	\$ 23,833	\$ 7,475	\$ 9,255	\$ 16,730	1.42
2004	\$ 40,947	\$ 17,273	\$ 23,674	\$ 23,674	\$ 7,870	\$ 9,314	\$ 17,184	1.38
2005	\$ 42,641	\$ 18,529	\$ 24,112	\$ 24,112	\$ 6,945	\$ 8,148	\$ 15,093	1.60
2006	\$ 46,089	\$ 19,913	\$ 26,176	\$ 26,176	\$ 5,023	\$ 7,709	\$ 12,732	2.06
2007	\$ 43,179	\$ 21,436	\$ 21,743	\$ 21,743	\$ 6,155	\$ 7,979	\$ 14,134	1.54
2008	\$ 43,626	\$ 22,543	\$ 21,083	\$ 21,083	\$ 5,468	\$ 7,674	\$ 13,142	1.60
2009	\$ 44,010	\$ 22,867	\$ 21,143	\$ 21,143	\$ 6,725	\$ 7,276	\$ 14,001	1.51
2010	\$ 43,233	\$ 22,741	\$ 20,453	\$ 20,453	\$ 6,424	\$ 6,993	\$ 13,417	1.52

(a) (b) (c) (d)

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

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

(e) 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.

Table 10

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Operating Revenue										
Port Usage Fees	\$ 15,745	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,333	\$ 28,947	\$ 29,909
Land & Building Leases	\$ 5,978	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504
Tenant Utilities	\$ 478	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 532
Other Port Operating Revenue	\$ 99	\$ 408	\$ 552	\$ 723	\$ 735	\$ 913	\$ 906	\$ 920	\$ 711	\$ 682
Total Operating Revenue	\$ 22,300	\$ 25,630	\$ 29,097	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,916	\$ 39,247	\$ 39,839	\$ 40,627
Non-Operating Revenue										
Grants, Operating	\$ -	\$ -	\$ 1,651	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -
Interest Income, Unrestricted	\$ 4,964	\$ 3,363	\$ 3,680	\$ 3,510	\$ 3,443	\$ 4,153	\$ 5,200	\$ 3,227	\$ 1,674	\$ 1,624
Other Non-Operating Income	\$ 3,208	\$ 3,451	\$ 5,302	\$ 4,682	\$ 2,881	\$ 2,288	\$ 1,063	\$ 1,152	\$ 2,497	\$ 982
Total Non-Operating Revenue	\$ 8,172	\$ 6,814	\$ 10,633	\$ 9,358	\$ 7,692	\$ 6,781	\$ 6,263	\$ 4,379	\$ 4,171	\$ 2,606
Gross Revenue Available for Debt (a)	\$ 30,472	\$ 32,444	\$ 39,730	\$ 40,947	\$ 42,641	\$ 46,089	\$ 43,179	\$ 43,626	\$ 44,010	\$ 43,233
Less: Annual debt service requirement (b)	\$ 14,648	\$ 15,526	\$ 16,730	\$ 17,184	\$ 15,093	\$ 12,732	\$ 14,134	\$ 13,142	\$ 14,001	\$ 13,417
Net Revenue Available for payment of Operating Expenses:	\$ 15,824	\$ 16,918	\$ 23,000	\$ 23,763	\$ 27,548	\$ 33,357	\$ 29,045	\$ 30,484	\$ 30,009	\$ 29,816
Operating Expenses (c)										
Personnel	\$ 5,517	\$ 6,372	\$ 6,735	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,698
Promotional	\$ 471	\$ 493	\$ 590	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266
Administrative	\$ 3,809	\$ 6,809	\$ 8,572	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,777
Total Operating Expenses	\$ 9,797	\$ 13,674	\$ 15,897	\$ 17,273	\$ 18,529	\$ 19,913	\$ 21,436	\$ 22,543	\$ 22,867	\$ 22,741
Surplus Port Revenues (d)	\$ 6,027	\$ 3,244	\$ 7,103	\$ 6,490	\$ 9,019	\$ 13,444	\$ 7,609	\$ 7,941	\$ 7,142	\$ 7,075

(a) Gross revenue as defined in the Senior Lien Bond Resolution as available to pay debt; excludes capital grants, ad valorem taxes, 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 revenues 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		Median Age	Public		Total	
		Income <i>(in thousands)</i>	Income Per Capita		High School Graduation Rates	School Enrollment	Public School Enrollment	Unemployment Rate
2000	998,948	28,645,545	28,558	35	71.4	173,953	3.3	
2001	1,021,720	29,828,798	29,055	35	74.4	179,362	4.2	
2002	1,049,740	31,150,902	29,602	36	77.5	184,483	5.3	
2003	1,078,600	31,932,807	29,748	35	75.8	191,186	5.1	
2004	1,109,680	34,848,801	31,671	36	79.3	197,500	4.3	
2005	1,139,510	37,379,401	33,034	36	79.5	193,669	3.6	
2006	1,172,970	42,675,000	36,845	36	77.3	193,480	3.3	
2007	1,204,750	44,020,000	37,627	36	79.1	193,180	4.0	
2008	1,224,520	44,583,000	37,778	36	80.0	191,965	6.3	
2009	1,234,010	**	**	36	84.6	207,000	10.7	
	(a)	(b)	(b)	(a)	(c)	(c)	(d)	

- Sources:
- (a) Hillsborough County City-County Planning Commission
 - (b) U.S. Department of Commerce Bureau of Economic Analysis
 - (c) Florida Department of Education
 - (d) Florida Agency for Workforce Innovation, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.
- ** Personal income data for fiscal year 2009 was not yet available.

Table 12

HILLSBOROUGH COUNTY, FLORIDA
Principal Employers
Latest Fiscal Year Compared to the Fiscal Year Nine Years Earlier

Employer	Type of Operation	2010			2001		
		Employees	%	Rank (a)	Employees	%	Rank (a)
Hillsborough County School Board	Public education	24,700	4.6	1	27,162	5.3	1
MacDill Air Force Base	Military base	13,300	2.5	2	4,956	1.0	7
Hillsborough County Government	Government	9,930	1.9	3	10,710	2.1	3
Tampa International Airport	International airport	7,500	1.4	4	5,914	1.1	5
Verizon Communications Inc.	Telecommunications and data processing	7,458	1.4	5	12,690	2.5	2
University of South Florida	Education services	6,151	1.1	6	8,966	1.7	4
Tampa General Hospital	Medical facilities	6,020	1.1	7	3,200	0.6	13
Publix Food Centers	Supermarkets	5,823	1.1	8	4,787	0.9	8
St. Joseph Hospital	Medical facilities	4,437	0.8	9	5,074	1.0	6
City of Tampa	Government	4,240	0.8	10	4,408	0.9	9
James A. Haley - VA Hospital	Medical facilities	4,100	0.8	11	3,500	0.7	11
H. Lee Moffit Cancer Center	Medical facilities	4,094	0.8	12	-	-	-
Busch Entertainment Corporation	Tourist attraction	3,926	0.7	13	2,894	0.6	17
Bank of America	Banks	3,682	0.7	14	3,432	0.7	12
University Community Hospital	Medical facilities	3,108	0.6	15	-	-	-
U.S. Postal Service	Postal services	3,060	0.6	16	4,185	0.8	10
SweetBay Supermarkets	Supermarket	2,670	0.5	17	2,994	0.6	16
USF Health Science Center	Medical facilities	2,480	0.5	18	-	-	-
Hillsborough Community College	Education services	2,454	0.5	19	-	-	-
Tampa Electric Company	Electric utility	2,324	0.4	20	3,144	0.6	14
Florida Department of Corrections	Prison facilities	2,100	0.4	21	-	-	-
Brandon Regional Hospital	Medical facilities	1,300	0.2	22	-	-	-
Citibank	Travelers checks and f	-	-	-	3,000	0.6	15
Tribune Company	Newspaper publishing	-	-	-	2,200	0.4	18
Chase Manhattan Bank	Financial services	-	-	-	2,002	0.4	19
USAA Insurance Company	Insurance/financial ser	-	-	-	1,543	0.3	20
Time Customer Services Inc.	Magazine subscriber	-	-	-	1,573	0.3	21
Delta Airlines Inc.	Airline	-	-	-	1,397	0.3	22
Total		124,857	23.3		119,731	23.3	

(a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2010 was not available so the 2009 figure of 535,399 was used instead. Total Hillsborough County employment for 2001 was 514,554.

(b) The number of employees for fiscal year 2010 figure was not available, so 95% of the fiscal year 2009 figure was used as an estimate in its place.

Source: Hillsborough County City-County Planning Commission, 2010

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Countywide (BOCC):										
BOCC General Revenue	7.435	7.198	7.188	7.176	6.926	6.520	5.745	5.744	5.742	5.741
BOCC Library Service	0.642	0.642	0.642	0.642	0.692	0.692	0.608	0.558	0.558	0.558
Environmentally sensitive lands (voted)	0.127	0.114	0.105	0.097	0.084	0.067	0.060	0.060	0.060	0.060
Total millage	8.204	7.954	7.935	7.915	7.702	7.279	6.413	6.362	6.360	6.359
Maximum millage per statute (a)	10.127	10.114	10.105	10.097	10.084	10.067	10.060	10.060	10.060	10.060
Unincorporated Area (BOCC):										
BOCC Municipal Service										
Taxing Unit	5.062	5.062	5.062	5.062	5.162	4.995	4.376	4.375	4.375	4.375
Parks and Recreation (voted)	0.058	0.050	0.050	0.040	0.036	0.029	0.026	0.026	0.026	0.026
Total millage	5.120	5.112	5.112	5.102	5.198	5.024	4.402	4.401	4.401	4.401
Maximum millage per statute (a)	10.058	10.050	10.050	10.040	10.036	10.029	10.026	10.026	10.026	10.026
Countywide (Other):										
Tampa Port Authority	0.290	0.290	0.290	0.260	0.260	0.220	0.198	0.195	0.193	0.190
Southwest Florida Water Management District	0.422	0.422	0.422	0.422	0.422	0.422	0.387	0.387	0.387	0.377
School Board	8.586	8.595	8.480	8.361	7.937	7.823	7.523	7.777	7.692	7.592
Children's Board	0.417	0.500	0.500	0.500	0.500	0.500	0.463	0.500	0.500	0.500
Unincorporated Area (Other)										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.240	0.240	0.240	0.240	0.240	0.240	0.216	0.216	0.216	0.216
Hillsborough River Basin	0.285	0.285	0.285	0.285	0.285	0.285	0.255	0.255	0.242	0.242
NW Hillsborough Basin	0.268	0.268	0.268	0.268	0.268	0.268	0.242	0.242	--	--
Transit Authority	0.500	0.500	0.500	0.500	0.500	0.500	0.450	0.468	0.468	0.468
Municipalities:										
Tampa	6.539	6.539	6.539	6.539	6.539	6.408	5.733	5.733	5.733	5.733
Temple Terrace	4.910	4.910	4.910	4.910	4.910	4.700	4.569	4.569	5.283	5.283
Plant City	4.700	4.700	4.700	4.700	4.700	4.910	4.165	4.165	4.716	4.716
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	23.779	23.613	23.479	23.300	22.759	22.008	20.052	20.306	20.217	20.103

(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 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



TAMPA PORT AUTHORITY

HILLSBOROUGH COUNTY, FLORIDA

Principal Taxpayers
Latest Fiscal Year Compared to the Fiscal Year Nine Years Earlier
(amounts in thousands)

Taxpayer	Type of Business	2009			2000		
		Taxes Levied (a)	Rank	Percentage of Total Taxes Levied	Taxes Levied (a)	Rank	Percentage of Total Taxes Levied
Tampa Electric Company	Electric utility	\$ 32,380	1	1.88%	30,845	1	3.09%
Verizon Communications Inc.	Telecommunications	26,455	2	1.53%	29,590	2	2.96%
Hillsborough County Aviation Authority	Airport	11,040	3	0.64%	3,303	6	0.33%
Camden Operating LP	Real estate	6,475	4	0.38%	3,245	7	0.32%
Liberty Property	Property management	4,913	5	0.28%	-	-	-
Post Apartment Homes LP	Real estate	4,586	6	0.27%	5,445	5	0.54%
Highwoods/Florida Holdings	Real estate management	4,391	7	0.25%	-	-	-
Mosaic	Mining/Fertilizer	4,206	8	0.24%	6,417	4	0.65%
Wal-Mart	Retail stores	4,048	9	0.23%	-	-	-
Brighthouse	Communications	3,432	10	0.20%	-	-	-
Tampa Sports Authority	Sports Facilities	-	-	-	8,481	3	0.85%
Busch Entertainment	Entertainment	-	-	-	2,783	8	0.28%
AT&T Communications	Communications	-	-	-	2,319	9	0.23%
		<u>\$ 101,926</u>		<u>5.90%</u>	<u>92,428</u>		<u>9.25%</u>

(a) Dollar amounts in thousands.

(b) Verizon and Verizon Data Services, Inc. were shown separately in 1999, but are now known as Verizon Communications Inc.

(c) IMC - Agrico Company and Cargill Fertilizer, Inc were shown separately in 1999, but are now known as Mosaic Company.

This chart shows the total taxes levied against the ten largest taxpayers in the most recent year as well as nine years earlier. Property located within the geographic boundaries of Hillsborough County is subject to tax levies by Hillsborough County as well as several other taxing authorities. The Hillsborough County Tax Collector collects taxes for all of these taxing authorities. Taxing authorities such as the City of Tampa and the School Board are not a part of the Hillsborough County financial reporting entity. Their tax levies, however, are included in the chart above in order to show the total taxes due from each of the ten largest taxpayers. The total taxes levied by all of these taxing authorities against property located within the geographic boundaries of Hillsborough County was \$1,942,561,000 for 2008 and \$931,014,000 for 1999.

Source: Hillsborough County Tax Collector

Table 15

Schedule of Revenue by Activity
Last Ten Years
(Unaudited)
(amounts in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
PORT USAGE FEES, MAJOR CARGO CATEGORIES										
Bulk Cargo:										
Dockage	\$ 2,917	\$ 3,218	\$ 3,058	\$ 3,363	\$ 3,770	\$ 4,077	\$ 3,699	\$ 3,686	\$ 3,470	\$ 3,754
Wharfage	\$ 4,177	\$ 4,790	\$ 5,038	\$ 5,405	\$ 6,247	\$ 6,277	\$ 6,165	\$ 6,079	\$ 5,632	\$ 6,423
Subtotal, Bulk Cargo	\$ 7,094	\$ 8,008	\$ 8,096	\$ 8,768	\$ 10,017	\$ 10,354	\$ 9,864	\$ 9,765	\$ 9,102	\$ 10,177
Bulk Cargo Tonnage	12,797	12,598	13,064	14,073	15,416	15,533	14,266	13,142	12,116	14,152
Average Dockage & Wharfage per Ton	\$ 0.55	\$ 0.64	\$ 0.62	\$ 0.62	\$ 0.65	\$ 0.67	\$ 0.69	\$ 0.74	\$ 0.75	\$ 0.72
General Cargo:										
Dockage	\$ 790	\$ 759	\$ 926	\$ 838	\$ 845	\$ 1,122	\$ 1,072	\$ 763	\$ 642	\$ 559
Wharfage	\$ 1,363	\$ 1,424	\$ 1,698	\$ 1,770	\$ 2,116	\$ 2,381	\$ 2,530	\$ 2,581	\$ 2,637	\$ 1,949
Subtotal, General Cargo	\$ 2,153	\$ 2,183	\$ 2,624	\$ 2,608	\$ 2,961	\$ 3,503	\$ 3,602	\$ 3,344	\$ 3,279	\$ 2,508
General Cargo Tonnage	845	774	979	975	1,062	1,205	1,312	1,235	1,095	872
Average Dockage & Wharfage per Ton	\$ 2.55	\$ 2.82	\$ 2.68	\$ 2.67	\$ 2.79	\$ 2.91	\$ 2.75	\$ 2.71	\$ 2.99	\$ 2.88
Cruise:										
Dockage	\$ 620	\$ 766	\$ 822	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784
Wharfage	\$ 2,156	\$ 2,917	\$ 4,495	\$ 4,385	\$ 4,310	\$ 5,119	\$ 4,449	\$ 4,463	\$ 4,669	\$ 4,690
Subtotal, Cruise / Passengers	\$ 2,776	\$ 3,683	\$ 5,317	\$ 5,132	\$ 5,095	\$ 6,104	\$ 5,241	\$ 5,243	\$ 5,477	\$ 5,474
Passenger Count (a)	517	587	810	792	772	911	781	768	803	807
Average Dockage & Wharfage per Passenger	\$ 5.37	\$ 6.27	\$ 6.56	\$ 6.48	\$ 6.60	\$ 6.70	\$ 6.71	\$ 6.83	\$ 6.82	\$ 6.78
Combined Dockage & Wharfage Major Cargo Category:										
Cruise	\$ 2,776	\$ 3,683	\$ 5,317	\$ 5,132	\$ 5,095	\$ 6,104	\$ 5,241	\$ 5,243	\$ 5,477	\$ 5,474
Bulk Cargo	\$ 7,094	\$ 8,008	\$ 8,096	\$ 8,768	\$ 10,017	\$ 10,354	\$ 9,864	\$ 9,765	\$ 9,102	\$ 10,177
General Cargo	\$ 2,153	\$ 2,183	\$ 2,624	\$ 2,608	\$ 2,961	\$ 3,503	\$ 3,602	\$ 3,344	\$ 3,279	\$ 2,508
Total Combined Dockage & Wharfage Major Cargo	\$ 12,023	\$ 13,874	\$ 16,037	\$ 16,508	\$ 18,073	\$ 19,961	\$ 18,707	\$ 18,352	\$ 17,858	\$ 18,159

Table 15

Schedule of Revenue by Activity
Last Ten Years
(Unaudited)
(amounts in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
OTHER PORT USAGE FEES:										
Dockage, non-cargo related	\$ 811	\$ 670	\$ 807	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967
In lieu of Wharfage, (shortfalls, product via rail, truck)	\$ 864	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 3,723
Parking and related	\$ 1,746	\$ 2,658	\$ 3,455	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208
Terminal Operations	\$ -	\$ 416	\$ 300	\$ 667	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357
Other Usage Fees	\$ 301	\$ 98	\$ 457	\$ 384	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 495
Total Other Port Usage Fees:	\$ 3,722	\$ 4,437	\$ 5,647	\$ 6,391	\$ 7,302	\$ 9,391	\$ 8,549	\$ 9,982	\$ 11,089	\$ 11,750
PORT USAGE FEES, TOTAL	\$ 15,745	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909
LAND & BUILDING LEASES	\$ 5,978	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,654	\$ 9,504
OTHER OPERATING:										
Tenant Utilities	\$ 478	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 582	\$ 553	\$ 520	\$ 532
Fingerprinting/Badging	\$ -	\$ 316	\$ 432	\$ 581	\$ 610	\$ 798	\$ 841	\$ 810	\$ 624	\$ 606
Other Port Operating	\$ 99	\$ 92	\$ 120	\$ 142	\$ 125	\$ 115	\$ 112	\$ 108	\$ 94	\$ 76
Total Other Operating Revenue	\$ 577	\$ 930	\$ 1,200	\$ 1,350	\$ 1,265	\$ 1,537	\$ 1,535	\$ 1,471	\$ 1,238	\$ 1,214
TOTAL OPERATING REVENUE	\$ 22,300	\$ 25,630	\$ 29,097	\$ 31,589	\$ 34,949	\$ 39,308	\$ 36,916	\$ 39,247	\$ 39,839	\$ 40,627

(a) Source: Port Authority statistics

Table 16

TAMPA PORT AUTHORITY
Annual Cargo Tonrages and Passenger Count
Last Ten Years
(in thousands)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
DRY BULK CARGO										
CEMENT, BULK	403	381	439	427	790	998	666	345	115	103
CITRUS PELLETS	337	300	189	313	102	125	138	138	103	94
COAL	44	131	136	188	220	168	216	0	0	0
GRANITE ROCK, BULK	456	612	901	751	653	588	604	977	1,204	942
LIMESTONE	1,049	1,103	1,285	1,478	1,728	1,708	1,676	1,136	542	777
PHOSPHATIC CHEMICAL, BULK	961	948	789	1,175	1,161	1,253	1,103	1,108	1,349	1,200
OTHER DRY BULK	482	535	368	424	216	341	157	147	198	285
TOTAL DRY BULK CARGO:	3,732	4,010	4,106	4,755	4,871	5,181	4,560	3,851	3,511	3,401
LIQUID BULK CARGO										
AMMONIA, ANHYDROUS	658	675	662	692	671	477	402	434	410	502
CONCENTRATE, CITRUS BULK	77	79	81	45	49	57	65	77	52	56
PETROLEUM PRODUCTS	6,110	6,083	6,400	6,958	7,753	7,609	7,720	7,143	6,960	8,595
SULPHUR, LIQUID	1,671	1,355	1,617	1,394	1,802	2,025	1,329	1,321	922	1,249
SULPHURIC ACID	485	336	138	167	201	111	108	219	179	271
OTHER LIQUID BULK	65	60	60	62	69	73	82	97	82	79
TOTAL LIQUID BULK CARGO:	9,065	8,588	8,957	9,318	10,545	10,352	9,706	9,291	8,605	10,751
TOTAL BULK CARGO:	12,797	12,598	13,064	14,073	15,416	15,533	14,266	13,142	12,116	14,152
GENERAL CARGO										
CONTAINERIZED	33	23	38	108	131	149	297	364	396	279
FOREST PRODUCTS	46	39	53	20	50	62	3	8	1	0
GENERAL CARGO	28	42	20	6	11	7	19	34	24	10
REFER CARGO	62	64	53	40	42	39	17	35	32	0
SCRAP METAL	207	195	420	439	393	419	577	594	535	531
STEEL PRODUCTS	404	338	342	322	380	463	338	154	85	35
VEHICLES (in tons)	65	72	54	41	55	66	61	46	22	17
TOTAL GENERAL CARGO:	845	774	979	975	1,062	1,205	1,312	1,235	1,095	872
TOTAL BULK AND GENERAL:	13,642	13,372	14,043	15,049	16,477	16,738	15,578	14,377	13,211	15,025
TOTAL CRUISE PASSENGERS	517	587	810	792	772	911	781	768	803	807

Table 17

TAMPA PORT AUTHORITY
Capital Assets
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
CHANNEL WIDTH (feet)										
Last Eight Years*	400	400	400	400	400	400	400	400	400	400
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	43	43	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)	7,225	8,225	9,175	10,375	10,375	11,855	11,855	11,855	12,855	16,655
Number of Berths	56	57	57	58	59	59	59	59	60	64
TOTAL LAND (acres)										
Port Owned/Usable - Estimated	2,432	2,432	2,502	2,512	2,551	2,551	2,454	2,454	2,454	2,485
Port Owned/Spoil Islands - Estimated	1,455	1,455	1,525	1,535	1,574	1,574	1,477	1,477	1,477	1,508
Leased - Estimated	977	977	977	977	977	977	977	977	977	977
Total	1,259	1,273	1,298	1,298	1,325	1,300	1,290	1,290	1,285	1,285
HARD SURFACED OPEN STORAGE (acres) (b)										
Total	83	83	83	83	83	83	83	83	83	83
COVERED STORAGE (sq. ft.)										
Total	471,000	471,000	471,000	471,000	471,000	506,000*	506,000	506,000	506,000	506,000
REFRIGERATED STORAGE (sq. ft.)										
Total	114,000	114,000	114,000	114,000	114,000	114,000	118,267	118,267	0	0
CRUISE TERMINAL SPACE (sq. ft.)										
Total	126,000	126,000	236,000	236,000	236,000	201,000*	201,000	201,000	201,000	201,000
RAILROAD TRACK (miles)(Port Owned)										
Total	2	7	7	7	7	7	7	7	7	7

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

(b) Information prior to this year not available

* Cruise terminal 7 was converted to warehouse space in 2006

Source: Tampa Port Authority Engineering Dept.

TAMPA PORT AUTHORITY
STAFFING BY DIVISION/DEPARTMENT

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
	Staffing									
EXECUTIVE/LEGAL DIVISION:	3	3	3	2	2	3	3	3	3	3
Chief Executive Officer										
DEPUTY PORT DIRECTOR OPERATIONS/ENGINEERING DIVISION:										
Deputy Port Director Operations	1	1	1	1	1	1	1	1	2	1
Facilities Management	16	16	18	17	17	15	17	17	18	17
Security (a)	0	21	23	26	28	28	28	30	28	29
Engineering	15	14	14	13	13	14	15	16	16	16
Operations	25	10	12	14	13	14	13	17	15	15
Cruise Operations	3	3	5	3	2	2	2	2	2	2
Operations/Engineering Division Subtotal	60	65	73	74	74	74	76	83	81	80
DEPUTY PORT DIRECTOR ADMINISTRATION/PORT COUNSEL DIVISION:										
Port Counsel	2	3	4	4	3	4	4	4	5	4
Real Estate Senior Director	2	2	3	3	4	4	5	5	5	5
Environmental Affairs	4	3	4	4	4	4	2	4	3	3
Senior Director, Marketing Services	2	1	2	2	2	2	2	2	3	3
Cargo Marketing	3	3	3	3	3	3	3	3	1	1
Trade Development	0	0	1	1	1	1	1	1	1	1
Procurement	0	0	0	0	0	0	0	0	0	2
Cruise Marketing	1	1	1	1	0	0	0	0	0	0
Administration/Port Counsel Division Subtotal	14	13	18	18	17	18	17	19	18	19
CHIEF FINANCIAL OFFICER DIVISION:										
Chief Financial Officer	2	2	2	5	5	5	3	2	2	2
Human Resources	6	6	7	6	5	5	5	4	4	4
Finance	8	9	10	8	8	8	8	7	7	7
Chief Information Officer	2	2	3	3	3	3	3	3	2	2
Chief Financial Officer Division Subtotal	18	19	22	22	21	21	19	16	15	15
COMMUNICATIONS/BOARD COORDINATION DIVISION										
Sr. Director Communications & Board Coordination	2	2	2	2	3	3	2	2	2	2
Public Relations	4	2	4	2	3	2	1	1	1	1
Communications/Board Coordination Div Subtotal	6	4	6	4	6	5	3	3	3	3
PLANNING & ECONOMIC DEVELOPMENT DIVISION										
1	1	1	1	1	1	1	1	1	1	1
TAMPA PORT AUTHORITY - Total Positions	102	105	123	121	121	122	119	125	121	121

(a) Security personnel were included in Operations prior to 2002.
 (b) Procurement personnel were included in Port Counsel or Chief Financial Officer departments prior to 2010.
 Source: Tampa Port Authority Human Resources Dept.

Table 19

TAMPA PORT AUTHORITY
Cruise Statistics
Last Ten 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
2001	517,235	\$ 4,660,147	\$ 9.01	\$ 22,301,242	20.90%
2002	587,470	\$ 5,696,730	\$ 9.70	\$ 25,629,438	22.23%
2003	810,114	\$ 8,175,083	\$ 10.09	\$ 29,096,585	28.10%
2004	791,772	\$ 7,887,694	\$ 9.96	\$ 31,588,942	24.97%
2005	771,550	\$ 7,929,272	\$ 10.28	\$ 34,948,669	22.69%
2006	910,633	\$ 9,980,839	\$ 10.96	\$ 39,307,522	25.39%
2007	780,882	\$ 8,898,561	\$ 11.40	\$ 36,914,859	24.11%
2008	767,760	\$ 8,671,080	\$ 11.29	\$ 39,247,140	22.09%
2009	802,937	\$ 9,397,929	\$ 11.70	\$ 39,846,811	23.59%
2010	802,775	\$ 9,455,515	\$ 11.78	\$ 40,627,597	23.27%

(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.

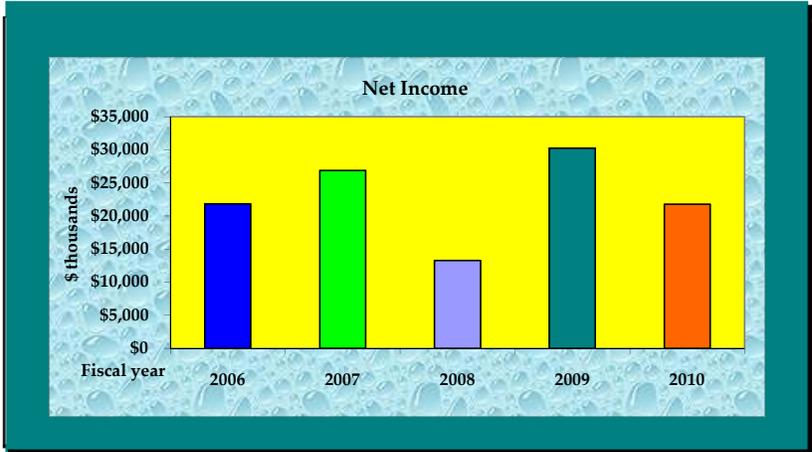
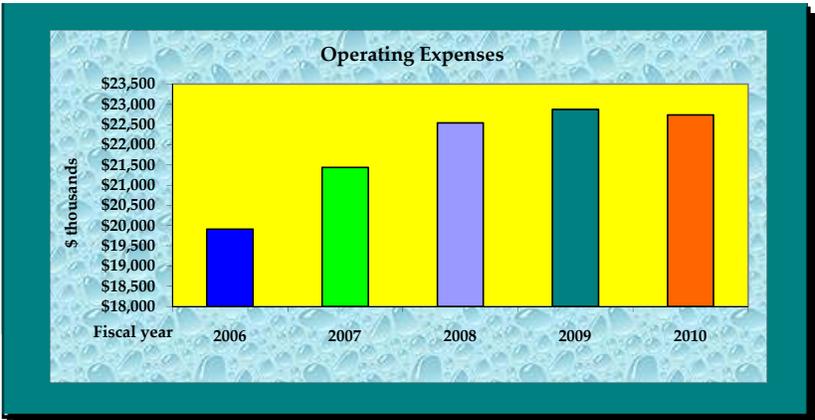
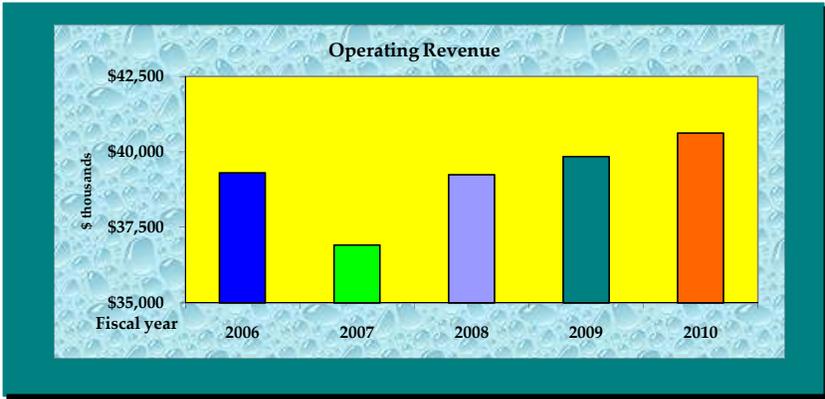
Source: Port Authority statistics

Table 20

**Tampa Port Authority
Insurance Coverage
as of September 30, 2010
(Unaudited)**

	<u>Limits of Coverage</u>
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 & Garagekeepers</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>	\$ 50,000,000
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>	\$ 114,685,154
<u>Sublimits:</u>	<u>Amount</u>
<i>Buildings</i>	\$ 88,679,624
<i>Personal Property</i>	\$ 14,456,782
<i>Inland Marine (Scheduled Equipment)</i>	\$ 356,594
<i>Business Income</i>	\$ 10,000,000
<i>Computer Related & Video/Radio Equipment</i>	\$ 1,192,155
National Flood	
<i>Buildings</i>	\$ 6,924,200
<i>Contents</i>	\$ 964,500
Gasoline Storage Tank Liability	\$ 1,000,000
Corporate Foreign Travel/Accident, Etc.	\$ 1,000,000

TAMPA PORT AUTHORITY
Financial Highlights
(Unaudited)
(amounts in thousands)





TAMPA PORT AUTHORITY



Compliance Section



TAMPA PORT AUTHORITY



TAMPA PORT AUTHORITY

Compliance Section

Included in the following section is information furnished in compliance with disclosure requirements pursuant to Securities & Exchange Commission's Rule 15c2-12. This rule requires issuers of municipal securities to provide annual updates of selected financial information to a nationally recognized municipal securities information repository. This report will be filed with the State of Florida's Municipal Advisory Council in conformance with that requirement.

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

Table 22

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

Fiscal Year	Phosphate	Petroleum	Coal	Sulphur	All Other	Total
2001	10,315	17,484	6,870	3,854	8,569	47,092
2002	12,910	17,669	6,572	3,694	8,868	49,713
2003	12,310	17,134	6,043	4,019	9,042	48,548
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	8,307	16,697	2,633	3,028	6,483	37,148

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 Rule 15c2-12.

Source: Port Authority statistics

Table 23

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

<u>Fiscal Year</u>	<u>Dockage</u>	<u>Wharfage</u>	<u>Passenger Terminal Income</u>	<u>Other Port Usage Fees</u>	<u>Total</u>
2001	\$ 5,138	\$ 8,860	\$ 1,746	\$ 301	\$ 16,045
2002	\$ 5,413	\$ 9,726	\$ 2,659	\$ 513	\$ 18,311
2003	\$ 5,513	\$ 11,859	\$ 3,456	\$ 751	\$ 21,579
2004	\$ 5,897	\$ 12,141	\$ 3,810	\$ 1,051	\$ 22,899
2005	\$ 6,130	\$ 13,701	\$ 4,170	\$ 1,377	\$ 25,378
2006	\$ 6,901	\$ 14,939	\$ 5,569	\$ 1,939	\$ 29,348
2007	\$ 6,236	\$ 14,018	\$ 5,431	\$ 1,571	\$ 27,256
2008	\$ 5,887	\$ 15,710	\$ 4,976	\$ 1,760	\$ 28,333
2009	\$ 5,580	\$ 15,829	\$ 5,892	\$ 1,646	\$ 28,947
2010	\$ 6,064	\$ 17,080	\$ 5,208	\$ 1,557	\$ 29,909

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

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
as of September 30, 2010
(Unaudited)

<u>Tenant</u>	<u>Initial Date of Lease</u>	<u>Initial Term</u>	<u>No. of Renewal Options</u>	<u>Option Term</u>	<u>2010 Minimum Annual Revenue</u>	<u>2010 Total Revenue Received (a)</u>
Carnival Cruise Lines (c)	04/01/2002	10	0	0	\$ 4,318,887	\$ 7,453,377
Kinder Morgan (GATX) (b) (c)	10/01/1998	5	3	5	\$ 1,435,275	\$ 4,107,741
Ports America (Break Bulk) (b) (c)	05/30/2006	40	0	0	\$ 1,425,000	\$ 1,494,811
Murphy Oil USA, Inc. (c)	09/01/2007	20	2	10	\$ 436,567	\$ 900,081
Trademark Metals (c)	12/01/1999	10	2	5	\$ 407,916	\$ 664,844
Vulcan (ex:Marigold) (b) (c)	10/01/2000	10	4	5	\$ 1,200,000	\$ 1,282,152
TPSI Terminals (ex: Transmontaigne) (c)	09/01/2007	20	2	10	\$ 877,253	\$ 1,117,701
One Steel (ex:Smorgon Steel Recycling) (c)	05/15/2007	10	2	10	\$ 426,995	\$ 573,328
Gaetano Cacciatore (c)	12/01/2005	25	8	5	\$ 835,409	\$ 1,007,270
Martin Marietta Materials, Inc. (c)	01/01/2004	5	2	5	\$ 598,029	\$ 972,759
Cemex (ex:RMC) (b) (c)	12/12/2001	5 1/2 yrs	4	5	\$ 395,200	\$ 797,726
Tampa Bay Shipbuilding & Repair Co.	03/01/2007	5	2	15	\$ 779,169	\$ 779,169
C F Industries, Inc. (fertilizer facility) (b) (c)	06/01/1972	10	4	10	\$ 85,626	\$ 624,150
Vulcan /ICA Distribution (Inc Fla Rock) (b) (c)	07/01/1991	1	4/3	1/5	\$ 590,494	\$ 590,494
Tarmac America LLC (Aggregates) (b) (c)	01/01/2002	20	3	10	\$ 768,000	\$ 1,111,171
Gulf Marine Repair, Inc. (Berth 250/253)	09/01/2006	10	3	10	\$ 600,552	\$ 600,552
Cemex (ex: Rinker Materials) (b)	11/01/2007	40	2	20	\$ 470,000	\$ 470,000
Sea-3 of Florida, Inc. (c)	01/01/1999	22	3	10	\$ 308,996	\$ 485,375
Channelside Bay Mall	04/23/1997	39 3/4 yrs	8	5	\$ 483,000	\$ 486,813
Martin Operating Partners (ex:Martin Gas) (c)	12/16/2006	10	2	5	\$ 390,107	\$ 469,458
Holcim (US), Inc. (c)	07/01/2005	5	2	5	\$ 250,218	\$ 263,769
C F Industries, Inc.(ammonia facility) (b) (c)	04/01/1993	6 1/2 yrs	3	10	\$ 83,240	\$ 462,785
Cargill, Inc. (salt facility) (b) (c)	07/01/1999	20	2	10	\$ 118,000	\$ 344,524
Cemex, Inc. (ex:Southdown) (b) (c)	07/01/1996	2 yrs-11 mos	3	5	\$ 210,000	\$ 307,812
Gulf Marine Repair (Berth 251/252)	11/01/2008	4	3	5	\$ 360,000	\$ 360,000
Andino Cements	11/15/2007	40	4	10	\$ 320,837	\$ 363,275
Gulf Sulphur Services (c)	01/01/2000	5	2	5	\$ 177,221	\$ 379,001
Sulphuric Acid Trading (SATCO) (c)	11/01/1979	25	1/1	15/5	\$ 262,376	\$ 362,452
International Ship Repair (Metroport)	10/01/2009	5	5	5	\$ 252,636	\$ 252,636
Amalie Oil Company	07/01/1997	25	1	10	\$ 180,366	\$ 272,033
Namasco Acquisition Corporation	07/15/2001	5	1	5	\$ 223,606	\$ 223,606
Pasco Terminals (c)	11/01/2000	10	2	5	\$ 148,938	\$ 195,415
Seabulk Towing, Inc.	05/01/1998	15	0	0	\$ 73,740	\$ 73,740
University of So Fl (Small Business Center)	06/01/2008	3	2	1	\$ 101,925	\$ 101,925
Halcrow, Inc. (ex:River Consulting)	08/06/2007	2	1	3	\$ 140,472	\$ 140,472
Lehigh Portland Cement (c)	09/01/2000	10	2	5	\$ 141,396	\$ 141,396
Ports America (Container) (b) (c)	05/30/2006	40	0	0	\$ 120,000	\$ 134,837
Tropical Shipping Company	10/01/1999	5	2	5	\$ 42,480	\$ 79,883
Cargill Financial Center (grain facility) (b) (c)	05/01/1973	20	3	20	\$ 41,625	\$ 163,248
Kinder Morgan (Central Fl Pipeline) (b)	03/28/1995	20	2	10	\$ 48,493	\$ 127,675
Tampa Juice Service, Inc.	04/05/1995	20	2	10	\$ 53,628	\$ 100,811
Yara North America (ex: Hydro-Agri) (b) (c)	10/01/2007	20	2	10	\$ 112,370	\$ 112,370
Gladiator LLP (Titan) (c)	10/01/2006	20	4	5	\$ 136,000	\$ 258,218
University of So Fl (Education Center) (b)	06/01/2008	1	2	1	\$ 94,624	\$ 94,624
Starship Cruise Line, Inc.	01/01/2006	10	2	10	\$ 45,200	\$ 51,084
Diversified Marine	07/01/2009	11	1	5	\$ 98,169	\$ 98,169
Ecoventure New Port Marina	11/01/2005	5	4	5	\$ 79,821	\$ 79,821
WCI Communities, Inc.	05/03/2005	5	7	5	\$ 77,833	\$ 77,833
International Ship Repair (Berth 200/206) (b)	02/01/1997	2	2/1/1	2/3/10	\$ 58,322	\$ 87,817
Kinder Morgan (Pt Sutton Bulk Terminals) (b)	12/23/2002	20	4	10	\$ 64,392	\$ 64,392
Carolco	01/01/2008	4	3	1	\$ 56,700	\$ 56,700
OSC America (ex: Maritrans Operating)	01/01/1980	25	3	10	\$ 48,000	\$ 48,000
HCP Associates, Inc.	11/01/2008	5 yrs-3 mos	1	3	\$ 50,496	\$ 50,496
Bronco Transportation	12/01/2006	3	2	1	\$ 14,280	\$ 14,280

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
as of September 30, 2010
(Unaudited)

<u>Tenant</u>	<u>Initial Date of Lease</u>	<u>Initial Term</u>	<u>No. of Renewal Options</u>	<u>Option Term</u>	<u>2010 Minimum Annual Revenue</u>	<u>2010 Total Revenue Received (a)</u>
Marine Towing of Tampa	01/01/2006	10	3	5	\$ 23,268	\$ 23,268
Anova	03/18/2008	3	2	1	\$ 14,346	\$ 14,346
Destination Tampa Bay	10/01/2008	1	4	1	\$ 13,728	\$ 13,728
Lands End Marina	04/01/1997	5	2	5	\$ 12,886	\$ 12,886
American Victory	04/18/2000	4	4	4	\$ 12,000	\$ 12,000
Yara North America L258	05/01/2005	10	0	0	\$ 26,924	\$ 26,924
Total Minimum and Actual Revenue					\$ 21,223,031	\$ 32,010,299

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

(b) 2010 Revenues reported on Table 7 of this Comprehensive 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 and Other Matters

As part of obtaining reasonable assurance about whether the Port Authority's financial statements are free of 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*.

This report is intended solely for the information and use of the Board of Commissioners of the Tampa Port Authority, management, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Bucio, Gordinier & Company, P.A.

Tampa, Florida
January 18, 201

Internal Control Over Compliance

Management of the Port Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the Port Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*, 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.

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 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 project will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the Port Authority's management, the Board of Commissioners of the Port Authority, others within the entity, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Tampa, Florida
January 18, 2011

Tampa Port Authority

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the year ended September 30, 2010

Federal Agency	CFDA/ CFSA Number	Grant Number	Award Amount	Accrued Revenue September 30, 2009	Receipts	Expenditures	Accrued Revenue September 30, 2010
U.S. Department of Housing and Urban Community Development Block Grants	14.246	B-03-SP-FL-0147	\$ 201,184	\$ 6,445	\$ 6,445	\$ -	\$ -
U.S. Department of Commerce ARRA-Economic Adjustment Program	11.307	04-79-73019	\$ 2,224,632	-	1,260,131	2,224,632	964,501
Total federal awards				6,445	1,266,576	2,224,632	964,501
State Agency							
Florida Department of Transportation Seaport Grants	55.005	4206119401	\$ 3,828,000	102,890	102,890	14,480	14,480
Seaport Grants	55.005	42314619401	\$ 10,450,000	2,543,736	10,194,996	7,745,131	93,871
Total Seaport Grants				2,646,626	10,297,886	7,759,611	108,351
Florida Department of Transportation Intermodal Development Program Infrastructure improvements	55.014	41274619401	\$ 12,121,920	307,137	307,139	359,741	359,739
Total state financial assistance				2,953,763	10,605,025	8,119,352	468,090
Total federal awards and state financial assistance				\$ 2,960,208	\$ 11,871,601	\$ 10,343,984	\$ 1,432,591

The accompanying notes are an integral part of this schedule.

Tampa Port Authority

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

September 30, 2010

NOTE A - 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 OMB Circular A-133, *Audits of State and 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 B - CONTINGENCIES

These federal awards 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.

NOTE C - SUBRECIPIENTS

The Port Authority did not provide federal awards or state financial assistance to subrecipients.

Tampa Port Authority

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

For the year ended September 30, 2010

Section I - Summary of Auditors' Results**Financial Statements**

Type of auditors' report issued Unqualified

Internal control over financial reporting
 Material weakness(es) identified? yes X no
 Significant deficiency(ies) identified that are not
 considered to be material weakness(es)? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards and State Financial Assistance

Internal control over major federal programs and state projects
 Material weakness(es) identified? yes X no
 Significant deficiency(ies) identified that are not
 considered to be material weakness(es)? yes X none reported

Type of auditors' report issued on compliance for major
 federal programs and state projects? Unqualified

Any audit findings disclosed that are required to be reported
 in accordance with section 510(a) of Circular A-133 and
 Chapter 10.550, *Rules of the Auditor General*? yes X no

Identification of major federal and state projects:

CFDA Number
11.307-ARRA

Name of Federal Program
Economic Adjustment Program (American
Recovery and Reinvestment Act)

CSFA Number
55.005
55.014

Name of State Projects
Seaport Grants
Intermodal Development Program

Dollar threshold used to distinguish between type A
 and type B federal projects \$ 300,000

Dollar threshold used to distinguish between type A
 and type B state projects \$ 300,000

Tampa Port Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
STATE FINANCIAL ASSISTANCE PROJECTS - CONTINUED

For the year ended September 30, 2010

Section II - Financial Statement Findings

No matters were reported

**Section III - Federal Award and State Financial Assistance
Findings and Questioned Costs**

No matters were reported

Section IV - Other Issues

A summary Schedule of Prior Audit Findings is not required because there were no prior audit findings related to State Projects.

The Rules of the Auditor General (Section 10.554(1)(i)4.), requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554(1)(i)5.), requires, based on professional judgment, the reporting of the following matters that are inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and would have an immaterial effect on the financial statements; (2) improper expenditures or illegal acts that would have an immaterial effect on the financial statements; and (3) control deficiencies that are not significant deficiencies, including, but not limited to; (a) improper or inadequate accounting procedures (e.g., the omission of required disclosures from the financial statements); (b) failures to properly record financial transactions; and (c) other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of the auditor. In connection with our audit, we did not have any such findings.

The Rules of the Auditor General (Section 10.554 (1)(i)6.) also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The required information is disclosed in the Notes to General Purpose Financial Statements (see Note A - Organization and Reporting Entity).

As required by the *Rules of the Auditor General* (Section 10.554(1)(i)7.a), a statement must be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, regarding financial emergencies. In connection with our audit, we determined that the Port Authority is not in a state of financial emergency as a consequence of the conditions described in Section 218.503(1), Florida Statutes.

As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)7.b.), we determined that the annual financial report for the Port Authority for the fiscal year ended September 30, 2010, filed with the Department of Banking Finance 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, 2010.

As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)7.c.), and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity'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.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other these specified parties.

Tampa, Florida
January 18, 2011





TAMPA PORT AUTHORITY
