



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED SEPTEMBER 30, 2011



**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, 2011**



---

**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, 2011**

**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 .....	14-15
Notes to Combined Financial Statements.....	16-45
Statement of Cash Flows Discretely Presented Component Unit.....	46

**STATISTICAL SECTION (Unaudited)**

Statistical Section Summary .....	47-48
-----------------------------------	-------

**Table Number**

**Financial Trends Information**

1. Net Assets by Component.....	49
2. Changes in Fund Net Assets.....	50

**Revenue Capacity Information**

3. Revenue by Type and Related Averages .....	51
4. Principal Revenue Sources and Revenue by Categories .....	52-53
5. Wharfage and Dockage Revenue – Ten Largest Customers .....	54
6. Revenue Rates .....	56-58
7. Top Ten Customers .....	59

**TAMPA PORT AUTHORITY**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2011**

**STATISTICAL SECTION (Continued)**

**Table Number**

**Debt Capacity Information**

8. Ratios of Outstanding Debt by Type .....	60
9. Revenue Bond Coverage .....	61
10. Summary of Surplus Port Revenues after Debt and Operating Costs .....	62

**Demographics and Economics Information**

11. Hillsborough County, FL Demographics and Economic Statistics .....	63
12. Hillsborough County, FL Principal Employers.....	64
13. Hillsborough County, FL Property Tax Millage Rates.....	65
14. Hillsborough County, FL Principal Taxpayers .....	67

**Operating Information**

15. Schedule of Revenue by Activity .....	68-69
16. Annual Cargo Tonnages and Passenger Count .....	70
17. Capital Assets.....	71
18. Staffing by Division/Department .....	72

**Other Port Financial Information**

19. Cruise Statistics.....	73
20. Insurance Coverage.....	74
21. Financial Highlights.....	75

**COMPLIANCE SECTION**

**SEC Rule 15c2-12 Reporting**

22. Port of Tampa Tonnage Distribution–Last Ten Years.....	78
23. Port Usage Fees – Last Ten Years .....	79
24. Summary of Leases of Principal Tenants .....	80-81
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> .....	83-84
Independent Auditors’ Report on Compliance with Requirements Applicable to each Major Federal Program and State Financial Assistance Project and on Internal Control Over Compliance .....	85-86
25. Schedule of Expenditures of Federal Awards and State Financial Assistance .....	87-88
26. Schedule of Findings and Questioned Costs .....	89
Management Letter based on Rule 10.554(1)(h) of the Auditor General of the State of Florida .....	90-91





TAMPA PORT AUTHORITY

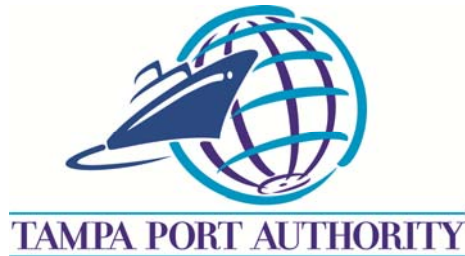




---

**TAMPA PORT AUTHORITY**

---



March 31, 2012

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, 2011 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](http://www.tampaport.com) \* E-Mail: [info@tampaport.com](mailto:info@tampaport.com)

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

### **Profile of the Port**

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

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

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

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

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 fiscal year 2010 (FY2010), the Port Authority's Board of Commissioners adopted the budget for fiscal year 2011 (FY2011) that reduced property taxes to .19 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 FY2011 than FY2010. Per Port Authority Board of Commissioners' policy, all of the ad valorem taxes distributed to the Port Authority are allocated to the Capital Program to build infrastructure, generate economic benefits and create jobs.



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, 2011.

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. Other large regional private employers include: BayCare Health Systems, Publix Super Markets, Tampa General Hospital, JPMorgan Chase, Raymond James Financial, Tech Data, MOSAIC, and Jabil Circuit.

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. Within a 100-mile radius, the Port serves a population of 8 million with 3.1 million employees and 350,000 business establishments that saw \$5.5 billion in sales in 2011.

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 of Mexico 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 twentieth 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 FY2011 Financial Performance**

FY2011 operating revenues once again achieved record levels, despite the declining regional economy. As it has consistently done in the past, the Port Authority continued to control its operating expenses in a prudent manner which resulted in operating expenses ending the fiscal year far below budget. Additionally, the Port Authority achieved its record revenue levels while continuing to keep its rates competitive to ensure the ongoing viability of its customers and tenants. The Port Authority's FY2011 financial performance is further addressed in the MD&A.

Out of approximately 34 million tons of cargo handled through the entire Port of Tampa during FY2011, almost 14 million tons were handled at Port Authority-owned facilities. The remaining tonnage was handled through privately-owned facilities located within the Hillsborough County Port District. Over 875,000 cruise passengers came through the Port of Tampa in FY2011, a 9% increase over fiscal year 2010 and the second highest total on record.

### **Relevant Financial Policies**

The Port Authority continues to diversify its economic base. It categorizes the cargo that comes through the port as either bulk or general. These categories are further classified into specific commodity categories such as petroleum, fertilizer, containerized cargo, other general cargo, and miscellaneous dry and liquid bulk products.

In addition to revenue generated by cargo passing through port facilities, the Port Authority's revenue stream is also comprised of cruise revenue, ship repair activities, and the leasing of Port land and facilities.

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 financial feasibility of a project, the overall cost, how the project will be funded, how it falls within the Port Authority's Strategic and Master Plan, and its overall revenue-producing and economic impact 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, grants from both the state and federal level, and bond proceeds. Additionally, it enters into cost-sharing and public-private partnership agreements and incentives with new customers desirous of doing new business or existing customers seeking to expand their 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.

- Construction continues on the \$600 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 late 2013.

- During FY2011, the Port Authority began design work on the expansion, reconstruction and reconfiguration of the Port's Petroleum Terminal Facility. When completed, the Petroleum Terminal Facility will include two new berths and a state-of-the-art piping system with a centralized distribution manifold that will allow for maximum usage and efficiency. The project is scheduled for completion in two years.
- The Tampa Gateway Rail Project 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 Transflo and 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 containers directly to and from our newly expanded container terminal to points north. Construction is scheduled to be complete by late 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 all 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 these 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 efficient flow of commerce into and out of the Port of Tampa. To that end, following years of statewide collective effort from port authorities and the maritime private sector, seaport security legislation was passed by the Florida Legislature in 2011 that effectively repeals the duplicative elements of Florida's security law that had long burdened the port community and port communities around the state.
- Based on the recent history of net land absorption, the Port Authority determined that projected future growth would necessitate the acquisition of new land. As a result, in FY2011 the Port Authority acquired a 31 acre property adjacent to Port Redwing and followed that acquisition with a purchase agreement for an additional 110 acres also near Port Redwing. This transaction should be completed in fiscal year 2012. These acquisitions will provide adequate land for the future expansion of the Port in future decades and will also provide the opportunity to develop diverse lines of business.
- The Port Authority also is taking measures to preserving and enhance its terminal flexibility, landside access, and navigational channels to maintain pace with the ongoing growth of its various business lines. New deep water berths are being added and have been added – most recently on Port Authority-owned property in Port Redwing. The Port Authority has also filled approximately 14 acres in the East Bay area adjacent to a 19 acres site which the Port Authority had previously purchased and is preparing the site for new berths 150-151 with the ability for additional berths in the future. These berths also give us added flexibility to handle potential new business
- In recent years the Port Authority has entered into new leases involving 100 acres of Port Authority owned property and has also renewed existing leases on over additional 100 acres. An important focus of Port Authority leasing strategy is the use of long term



leases to develop capital investment opportunities for both tenants and the Port Authority. Generally leases allow for a limited development period during which large investments are made for maritime and land side operations followed by several decades of operations. Port Authority leases are limited to 40 years with an additional 40 year option. Leases in recent years have provided for over \$100 million in private investments, coupled with substantial investment by the Port. Additionally the pending lease with NexLube is scheduled for an \$80 million investment from the private sector. It is anticipated that the NexLube construction discussed below will begin in 2012 with operations to start in late 2013. Revenue from all leases is designed to provide adequate return on both Port investments and land value.

- Over the next five years, the Port Authority's capital improvement plan includes capital projects totaling close to \$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 FY2011, 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. Additionally, the Tampa Bay Longshore Bar project in which the Port Authority was a major partner was selected as a Merit Award winner by the Hillsborough County City-County Planning Commission and is a further indication of the Port Authority's ongoing commitment to strong environmental stewardship.
- The Port Authority remains absolutely committed to diversification of its revenue base. Products handled at the Port 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 promotes 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:

*Bulk Cargo:*

- NexLube, LLC plans to construct a used oil reprocessing and blending plant on 12 acres of Port Authority property at Pendola Point. This project which includes \$80 million in investment by NexLube has received all necessary permits and site approvals and construction is expected to commence in 2012.

*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 to develop its container business. Investments have included paved container facility areas, cranes, reefer plugs and other facilities to enhance container handling efficiency. 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. Currently the Port Authority is developing adjacent rail capacity for the container facility in conjunction with the Tampa Gateway Rail Project. With the completion of the Panama Canal expansion and the anticipated recovery of the domestic and international economy the Tampa Port Authority projects that its container business will grow substantially in the next few years.
- The collaborative Gulf Coast Advantage marketing partnership between the Ports of Houston, Mobile and Tampa continues to strengthen with the goal to attract an all-water service from Asia into the Gulf of Mexico via the Panama Canal. This partnership has been well-received by the shipping industry.
- Port Authority representatives actively participate in numerous trade initiatives domestically and 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 bilateral trade with these parts of the world. The Port Authority is also cognizant of the revenue potential should trade with Cuba resume. In addition, the Port Authority hosted several major trade conferences such as the annual Port of Tampa Steel Conference and the Shifting International Trade Routes Conference.

#### *Cruise:*

- Royal Caribbean Cruise Lines' "Jewel of the Seas" originates sailings out of Tampa to ports including Belize and Cozumel on a 5-5-4 day sailing rotation.
- 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 "Paradise" 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 and fourteen day cruises to the western and southern Caribbean.
- Norwegian Cruise Lines' "Norwegian Star" began its seasonal sailings on a seven day rotation to the western Caribbean in the fall of 2011.

#### *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, 2010. This was the eleventh 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 ten years, the accomplishment of the Certificate of Achievement for the eleventh 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, 2010

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.

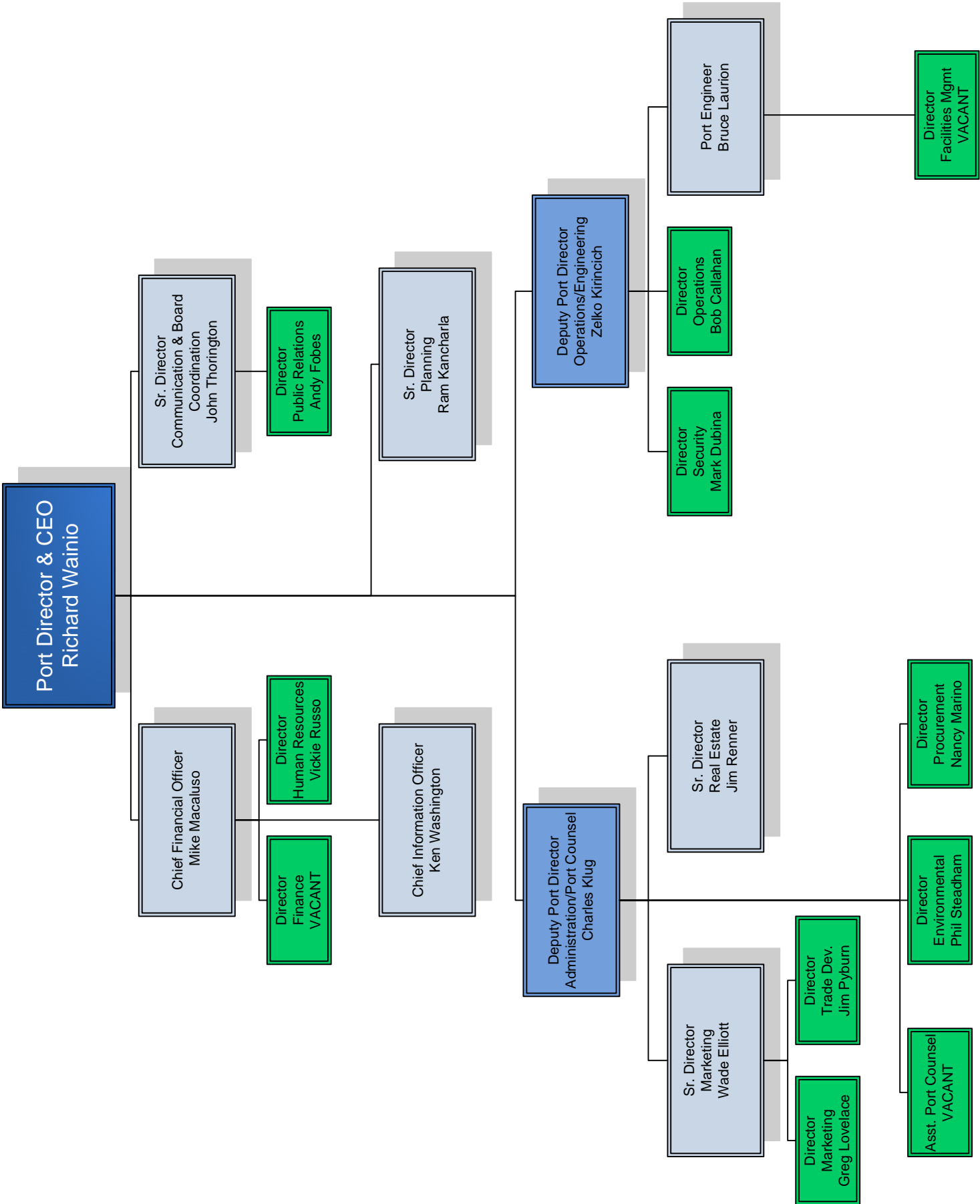


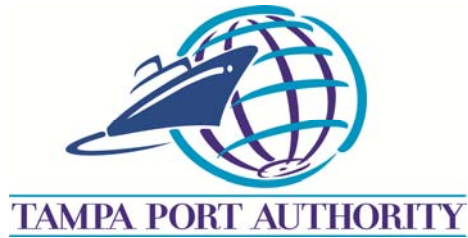
*Linda C. Sandson*

President

*Jeffrey R. Enen*

Executive Director





**List of Officials**  
**Board of Commissioners**

Lawrence R. Shipp, Jr.	Chairman of the Board
William A. "Hoe" Brown	Vice Chairman
Carl Lindell, Jr.	Secretary/Treasurer
Stephen Swindal	Commissioner
Honorable Sandra Murman Hillsborough County Commission	Commissioner
Patrick H. Allman	Commissioner
Honorable Bob Buckhorn 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**

---









---

**TAMPA PORT AUTHORITY**

---



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member

American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Cesar J. Rivero

Sam A. Lazzara

Richard Gordimer

Stephen G. Douglas

Herman V. Lazzara

Michael E. Helton

Marc D. Sasser

**INDEPENDENT AUDITORS' REPORT**

To the Board of Commissioners  
Tampa Port Authority

We have audited the accompanying combined statement of net assets of Tampa Port Authority (the "Port Authority") as of September 30, 2011, and the related combined statements of revenues, expenses and changes in fund net assets, and cash flows for the year then ended, listed as basic financial statements in the Table of Contents. These combined financial statements are the responsibility of the Port Authority's management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Port Authority as of September 30, 2011 and the results of its operations, its expenses and changes in fund net assets, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2012 on our consideration of the Port Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis information is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and we express no opinion on it.

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.

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 supplementary information, including the Schedule of Expenditures of State Financial Assistance, identified in the Table of Contents, is presented for purposes of additional analysis, as required by 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 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.

*Bureau, Indimer & Company, P.A.*

Tampa, Florida  
January 17, 2012



## Tampa Port Authority

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2011

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, 2011, with selected comparisons to the prior fiscal year ended September 30, 2010. The information represented should be read in conjunction with the financial statements, notes and supplementary 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 FY2011 millage rate was .1900 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, 2011, with selected comparative information to the fiscal year ended September 30, 2010. 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, 2011

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 supplementary 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 2011 with comparisons to FY 2010 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, 2011 and 2010 is as follows:

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2011

STATEMENTS OF NET ASSETS

	FY2011	FY2010
(in thousands)		
<b>ASSETS</b>		
Current assets	\$ 93,180	\$ 99,728
Noncurrent assets		
Capital related, net	502,845	496,659
Noncapital	18,487	18,213
Total assets	<u>\$ 614,512</u>	<u>\$ 614,600</u>
<b>LIABILITIES</b>		
Current liabilities	\$ 14,653	\$ 17,073
Noncurrent liabilities	139,832	145,643
Total liabilities	<u>154,485</u>	<u>162,716</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	384,655	377,444
Restricted assets	15,435	21,752
Unrestricted net assets	59,937	52,688
Total net assets	<u>460,027</u>	<u>451,884</u>
Total liabilities and net assets	<u>\$ 614,512</u>	<u>\$ 614,600</u>

At September 30, 2011, the Port Authority's assets exceeded liabilities by \$460 million, an \$8 million increase over September 30, 2010. For the fiscal year ended September 30, 2011, 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, 2011 amounted to \$521.3 million, of which capital assets were \$502.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, facility and infrastructure improvements and enhancements, equipment, furniture and fixtures, and construction work in progress. Capital asset acquisitions are capitalized at cost and depreciated over estimated useful lives using the straight-line method. (Refer to note B6 Capital Assets for a more complete description.) The total increase in the Port Authority's investment in capital assets after accumulated depreciation for 2011 was 1.2%, or \$6.19 million due to the reasons stated below.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2011

During 2011, completed major projects totaling \$39.5 million were closed from construction-in-progress to their respective capital accounts. Major completed capital projects included:

- Berth 267 improvements
- Terminal 6 improvements
- Tampa Bay Longshore Bar
- Container yard expansion – initial phase
- Hooker's Point rail improvements

Construction-in-progress projects totaling \$23.2 million as of September 30, 2011 includes the following projects:

- Container yard expansion
- Petroleum facility terminal improvements
- Gateway Rail project
- Port Redwing development

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, 2011

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

	<u>FY 2011</u>	<u>FY 2010</u>
(in thousands)		
Operating revenues		
Port usage fees	\$ 31,394	\$ 29,909
Land and building leases	9,595	9,504
Other operating revenue	<u>1,105</u>	<u>1,214</u>
Total operating revenue	<u>42,094</u>	<u>40,627</u>
Operating expenses	<u>23,743</u>	<u>22,741</u>
Operating income before depreciation	18,351	17,886
Depreciation and amortization expense	<u>20,296</u>	<u>19,047</u>
Operating loss after depreciation	<u>(1,945)</u>	<u>(1,161)</u>
Non-operating revenues (expenses)		
Ad valorem taxes	11,838	13,490
Interest income	1,032	1,472
Other non-operating revenues	1,579	6,482
Interest expense	(6,684)	(6,944)
Amortization of bond issue costs	(205)	(214)
Amortization of bond premiums	248	249
Other non-operating expenses	<u>(1,762)</u>	<u>(2,124)</u>
	<u>6,046</u>	<u>12,411</u>
Income before capital contributions	4,101	11,250
Capital grants	<u>4,042</u>	<u>10,523</u>
Increase in net assets	8,143	21,773
Net assets at beginning of year	<u>451,884</u>	<u>430,111</u>
Net assets at end of year	<u>\$ 460,027</u>	<u>\$ 451,884</u>



Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2011

Financial Operations Highlights

Listed below are the highlights of changes in the fiscal years ended September 30, 2011 and 2010, as shown in the Statements of Revenues, Expenses and Changes in Fund Net Assets above:

- Operating revenues increased by 4% from \$40.6 million to \$42.1 million due to an increase in port user fees as a result of increased business in the scrap metal and steel commodities, increased cruise business and an increase in retail parking revenue.
- Operating expenses increased by 4% from \$22.7 million in FY2010 to \$23.7 million in FY2011 primarily due to increased payroll and payroll-related benefits, increased insurance costs and increased security-related costs in FY2011, as well as additional expenses incurred as a result of the change in the terms of the agreement with Ports America. These changes are discussed in detail in note S.
- Depreciation and amortization increased \$1.2 million from \$19 million to \$20.2 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, decreased by \$6.5 million, or 51.3%. In FY2010, the Port Authority recognized approximately \$5 million in extraordinary income as compensation for early lease termination with one of its tenants. In FY2011 interest expense was down due to the decreasing outstanding revenue 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 \$10.5 million in FY2010 to \$4 million in FY2011, or a \$6.5 million decrease. Grant revenues are recognized as the grant funds are expended on the project to which the funds are allocated. In FY2010, expenditures on projects which were allocated grant funds were greater than the funds spent on those projects in FY2011.

Debt Administration

The Port Authority had outstanding revenue bonds and notes of \$131.7 million as of September 30, 2011.

No new bonds were issued during the year ended September 30, 2011. 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.

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 2011 and 2010 was met and exceeded for both years.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2011

Request for Information

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

Tampa Port Authority  
COMBINED STATEMENT OF NET ASSETS

September 30, 2011  
(With comparative total for 2010)

	Primary Government	Component Unit		
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2011	Total 2010
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (note C)	\$ 80,785,443	\$ 1,328,849	\$ 82,114,292	\$ 87,825,022
Investments (note C)	3,605,913	-	3,605,913	4,531,989
Accounts receivable, net of allowance for doubtful accounts	3,814,091	-	3,814,091	4,629,884
Due from other governments	2,643,340	-	2,643,340	1,432,591
Notes receivable (note D)	539,885	-	539,885	504,742
Note receivable from component unit (note D)	-	-	-	596,667
Net investment in lease (note E)	655,510	-	655,510	655,510
Interest receivable	23,020	-	23,020	61,335
Prepaid expenses and other current assets	1,112,620	495,001	1,607,621	1,170,682
Total current assets	93,179,822	1,823,850	95,003,672	101,408,422
NONCURRENT ASSETS				
Capital assets, net of depreciation (note H)	502,844,948	-	502,844,948	496,359,051
Notes receivable (note D)	4,338,251	-	4,338,251	4,878,136
Net investment in lease (note E)	2,785,918	-	2,785,918	3,441,428
Lease acquisition costs, net of amortization (note F)	1,019,982	-	1,019,982	1,125,152
Bond issuance costs, net of amortization	1,724,020	-	1,724,020	1,929,009
Leasehold rights, net of amortization	306,298	-	306,298	340,923
Other intangible assets (note G)	-	724,880	724,880	724,880
Deferred outflows (note K)	8,312,606	-	8,312,606	6,799,086
Total noncurrent assets	521,332,023	724,880	522,056,903	515,597,665
TOTAL ASSETS	\$ 614,511,845	\$ 2,548,730	\$ 617,060,575	\$ 617,006,087

	Primary Government	Component Unit		
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2011	Total 2010
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 1,411,743	\$ 25,206	\$ 1,436,949	\$ 4,719,614
Construction contracts and retainages payable	2,784,740	-	2,784,740	2,119,301
Accrued liabilities	1,107,039	-	1,107,039	1,074,767
Accrued bond interest	1,710,944	-	1,710,944	1,775,205
Long-term debt due within one year (note K)	7,235,000	-	7,235,000	7,040,000
Note payable to primary government	-	-	-	596,667
Deferred revenue	403,486	-	403,486	369,689
Total current liabilities	14,652,952	25,206	14,678,158	17,695,243
NONCURRENT LIABILITIES				
Bonds, notes and loans payable, net (note K)	124,437,350	-	124,437,350	131,315,360
Deferred revenue (note E)	2,686,035	-	2,686,035	1,678,983
Investment held for component unit	-	-	-	938,500
Deposits	3,228,039	-	3,228,039	3,743,322
Derivative instrument liability (note K)	8,312,606	-	8,312,606	6,799,086
Other obligation (note L)	1,167,885	-	1,167,885	1,167,885
Total noncurrent liabilities	139,831,915	-	139,831,915	145,643,136
Total liabilities	154,484,867	25,206	154,510,073	163,338,379
NET ASSETS				
Invested in capital assets, net of related debt	384,655,055	724,800	385,379,855	378,169,158
Restricted				
Bond debt service	6,864,369	-	6,864,369	7,826,793
Capital projects	8,570,448	-	8,570,448	14,863,608
Unrestricted	59,937,106	1,798,724	61,735,830	52,808,149
Total net assets	460,026,978	2,523,524	462,550,502	453,667,708
TOTAL LIABILITIES AND NET ASSETS	\$ 614,511,845	\$ 2,548,730	\$ 617,060,575	\$ 617,006,087

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, 2011  
(With comparative total for 2010)

	Primary Government	Component Unit Tampa Bay International Terminals, Inc.	Total 2011	Total 2010
Operating revenues				
Port usage fees	\$ 31,394,359	\$ -	\$ 31,394,359	\$ 29,909,210
Land and building leases	9,594,510	-	9,594,510	9,503,814
Other operating revenues	1,105,432	950,049	2,055,481	2,174,077
Total operating revenues	42,094,301	950,049	43,044,350	41,587,101
Operating expenses				
Personnel	10,378,404	-	10,378,404	10,579,894
Promotional	301,912	6,039	307,951	268,761
Administrative	13,062,931	37,017	13,099,948	11,946,930
Depreciation and amortization	20,295,797	-	20,295,797	19,047,456
Total operating expenses	44,039,044	43,056	44,082,100	41,843,041
Total operating (loss) income	(1,944,743)	906,993	(1,037,750)	(255,940)
Non-operating revenues (expenses)				
Ad valorem taxes	11,838,094	-	11,838,094	13,490,244
Interest income	1,032,079	35,945	1,068,024	1,525,904
Other non-operating revenues	1,578,844	-	1,578,844	6,482,139
Interest expense	(6,683,737)	(29,833)	(6,713,570)	(7,017,456)
Amortization of bond issue costs	(204,990)	-	(204,990)	(214,089)
Amortization of bond premiums	248,127	-	248,127	249,603
Other non-operating expenses	(1,762,432)	(172,883)	(1,935,315)	(2,296,442)
Total non-operating revenues (expenses)	6,045,985	(166,771)	5,879,214	12,219,903
Income before capital contributions	4,101,242	740,222	4,841,464	11,963,963
Capital grants and contributions	4,041,330	-	4,041,330	10,522,794
Increase in net assets	8,142,572	740,222	8,882,794	22,486,757
Net assets at beginning of year	451,884,406	1,783,302	453,667,708	431,180,951
Net assets at end of year	\$ 460,026,978	\$ 2,523,524	\$ 462,550,502	\$ 453,667,708

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, 2011  
(With comparative total for 2010)

	Primary Government Tampa Port Authority - 2011	Primary Government Tampa Port Authority - 2010
Cash flows from operating activities		
Received from customers	\$ 42,910,094	\$ 40,092,545
Payments to suppliers for goods and services	(17,257,329)	(9,811,597)
Payments to employees for services	(10,346,132)	(10,555,878)
Related to non-operating revenues	2,803,281	7,338,175
Related to non-operating expenses	(986,837)	(1,554,001)
Net cash provided by operating activities	<u>17,123,077</u>	<u>25,509,244</u>
Cash flows from non-capital financing activities		
Payment of ad valorem taxes	(444,738)	(605,877)
Net cash used by non-capital financing activities	<u>(444,738)</u>	<u>(605,877)</u>
Cash flows from capital and related financing activities		
Capital grants and contributions received	2,830,581	12,050,411
Ad valorem taxes received, net of fees paid	11,284,960	13,239,182
Acquisition and construction of capital assets	(25,976,460)	(48,866,840)
Principal payments on debt	(7,040,000)	(6,855,000)
Interest payments on debt	(6,619,476)	(7,005,097)
Net cash used by capital and related financing activities	<u>(25,520,395)</u>	<u>(37,437,344)</u>
Cash flows provided by investing activities		
Purchase of investments	(4,544,413)	(3,593,489)
Proceeds from the sale of investments	3,593,489	2,630,690
Proceeds from repayment of notes receivable	1,101,409	1,340,218
Proceeds from repayment of capital lease receivable	655,510	655,510
Interest and dividends received	1,070,393	2,057,862
Net cash provided by investing activities	<u>1,876,388</u>	<u>3,090,791</u>
Net decrease in cash and cash equivalents	(6,965,668)	(9,443,186)
Cash and cash equivalents at beginning of year	<u>87,751,111</u>	<u>97,194,297</u>
Cash and cash equivalents at end of year	<u>\$ 80,785,443</u>	<u>\$ 87,751,111</u>

Tampa Port Authority  
STATEMENT OF CASH FLOWS - CONTINUED

For the year ended September 30, 2011  
(With comparative total for 2010)

	Primary Government Tampa Port Authority - 2011	Primary Government Tampa Port Authority - 2010
Reconciliation of operating income to net cash provided by operating activities		
Operating loss	\$ (1,944,743)	\$ (1,160,684)
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	20,295,797	19,047,456
Gain on sale of assets	-	436,458
(Increase) decrease in		
Accounts receivable	815,793	(535,052)
Prepaid expenses and deposits	(609,821)	36,050
Increase (decrease) in		
Accounts payable	(3,282,665)	2,313,285
Accrued liabilities	32,272	24,016
Deferred revenue	1,040,849	(1,010,715)
Deposits	(515,283)	419,577
Total adjustments	<u>17,776,942</u>	<u>20,731,075</u>
Non-operating revenues	<u>1,290,878</u>	<u>5,938,853</u>
Net cash provided by operating activities	<u>\$ 17,123,077</u>	<u>\$ 25,509,244</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS

September 30, 2011

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, 2011

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, G, J, 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 accepted 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, 2011

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, 2011 are shown net of allowances for doubtful accounts. The primary government has an allowance for doubtful accounts of \$81,109. The component unit had no accounts receivable as of September 30, 2011 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, 2011

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 lessee are recorded in capital assets at adjusted book value at the date of abandonment, with a corresponding entry to other non-operating revenues.

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, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. Restricted Assets

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

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 .1900 mill (\$.1900 per \$1,000 value) ad valorem property tax during fiscal year 2011.

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 2011 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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

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. GASB 54 does not apply to proprietary or fiduciary funds and does not apply to the Port Authority.

GASB Statement 57, *OPEB Measurements by Agent Employer and Agent Multiple-Employer Plans*, was issued in December 31, 2009, and is effective for the Port Authority in fiscal year 2012. This statement permits an agent employer that has an individual employer OPEB plan with fewer than 100 total plan members to use the alternative measurement method. The Port Authority does not expect the adoption of GASB No. 57 to have an impact on its financial statements.

GASB Statement 59, *Financial Instruments Omnibus*, was issued in June 2010, and is effective for the Port Authority in fiscal year 2011. This statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools.

GASB Statement 61, *The Financial Reporting Entity: Omnibus*—an amendment of GASB Statements No. 14 and No. 34, was issued in November 2010 and is effective for the Port Authority in fiscal year 2013. The objective of this statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, *The Financial Reporting Entity*, and the related financial reporting requirements of Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, were amended to better meet user needs and to address reporting entity issues

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

that have arisen since the issuance of those statements. This statement modifies certain requirements for inclusion of component units in the financial reporting entity. For organizations that previously were required to be included as component units by meeting the fiscal dependency criterion, a financial benefit or burden relationship also would need to be present between the primary government and that organization for it to be included in the reporting entity as a component unit. Further, for organizations that do not meet the financial accountability criteria for inclusion as component units but that, nevertheless, should be included because the primary government's management determines that it would be misleading to exclude them, this statement clarifies the manner in which that determination should be made and the types of relationships that generally should be considered in making the determination.

The requirements of GASB Statement 61 result in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The requirements of this statement could have an impact on the Port Authority's financial statements in relation to the presentation of TBIT.

GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, was issued in December 2010 and is effective for the Port Authority in fiscal year 2013. The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: (1) Financial Accounting Standards Board (FASB) Statements and Interpretations; (2) Accounting Principles Board Opinions; and (3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. Hereinafter, these pronouncements collectively are referred to as the "FASB and AICPA pronouncements." This statement also supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, thereby eliminating the election provided in paragraph 7 of that statement for enterprise funds and business-type activities to apply post November 30, 1989 FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, those entities can continue to apply, as other accounting literature, post November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements, including this statement.

The requirements in GASB Statement 62 will improve financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. This effort brings the authoritative accounting and financial reporting literature together in one place, with that guidance modified as necessary to appropriately recognize the governmental environment and the needs of governmental financial statement users. It will eliminate the need for financial statement preparers and auditors to determine which FASB and AICPA pronouncement provisions apply

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

to state and local governments, thereby resulting in a more consistent application of applicable guidance in financial statements of state and local governments. The Port Authority does not expect the adoption of GASB Statement 62 to have a significant impact on its financial statements.

GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, was issued in June 2011 and implemented by the Port Authority during fiscal year 2011. This statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

GASB Statement 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions*—an amendment of GASB Statement No. 53, was issued in June 2011 and is effective for the Port Authority in fiscal year 2013. The objective of this statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The Port Authority does not expect the adoption of this statement to have a significant impact on its financial statements.

17. Operating Revenues and Economic Dependency

Total operating revenues of the Port Authority for the year ended September 30, 2011 amounted to approximately \$42 million, comprised of port usage fees of approximately \$31 million (of which dockage, wharfage, and terminal operations are approximately \$25 million) and rental income of approximately \$9.6 million. Port usage fees and rental income totaled approximately \$41 million and made up approximately 97% of the primary government's operating revenues in 2011.

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

The accompanying notes are an integral part of this statement.



Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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 \$235,986 were capitalized for the year ended September 30, 2011.

NOTE C - CASH AND INVESTMENTS

1. Deposits

The bank balance of the Port Authority's (primary government) deposits (unrestricted and restricted) was \$82,319,729 at September 30, 2011 and the book balance was \$80,785,443. For the component unit, the bank balance of deposits and the book balances were \$1,328,999 and \$1,328,849, respectively. The difference between the book and bank amounts is due to outstanding checks and transfers, and deposits in transit in its demand accounts.

Of the September 30, 2011 Port Authority's bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and \$82,069,729 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 \$-0- cash on hand at the end of the fiscal year.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE C - CASH AND INVESTMENTS - Continued

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

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE C - CASH AND INVESTMENTS - Continued

There were no violations to this policy during the current fiscal year. The Port Authority's investments at September 30, 2011, 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, 2011. Therefore, the investment was valued at share value, which approximates fair value. The total invested at September 30, 2011 through the Florida Prime Fund and Fund B was \$134,898 and \$37,662, respectively, and is included in cash and cash equivalents. The Florida Prime Fund is rated by Standards and Poors which is AAAm. 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, 2011 was 38 days and the weighted average life of Fund B at September 30, 2011 was 4.82 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.

Investments

	Fair Value		Weighted Avg. Maturity (yrs)	Credit Rating
	Primary Government	Component Units		
U.S. Treasury securities	\$ 938,035	\$ -	0.16	highest possible
Commercial paper	<u>2,667,878</u>	<u>-</u>	0.17	A1
	<u>\$ 3,605,913</u>	<u>\$ -</u>		

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE C - CASH AND INVESTMENTS - Continued

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 at September 30, 2011:

Note receivable balance due from Tampa Bay Shipbuilding Company as of September 30, 2011; principal and interest payable monthly, beginning December 1, 2006 and ending on December 1, 2018	\$ 4,878,136
Less: due within one year	<u>(539,885)</u>
Non-current portion notes receivable	<u>\$ 4,338,251</u>

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 \$310,134 of unearned interest income included in deferred revenue at September 30, 2011.

The minimum lease payments to be received are as follows:

<u>Year ending September 30,</u>	
2012	\$ 655,510
2013	655,510
2014	655,510
2015	655,510
2016	655,510
Thereafter	<u>163,878</u>
Total minimum lease payments	3,441,428
Less amount representing unearned lease payments	<u>(310,134)</u>
Present value of future minimum payments	<u>\$ 3,131,294</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

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 2011:

Cost of lease acquisitions	\$ 4,333,257
Accumulated amortization, fiscal year 2011	<u>(3,313,275)</u>
Balance, September 30, 2011	<u>\$ 1,019,982</u>

NOTE G - INTANGIBLE ASSETS

Component Unit - Intangible assets of the component unit consist of the following at September 30, 2011:

Cost in excess of net assets acquired (goodwill)	\$ 2,000,000
Accumulated amortization, fiscal year 2011	<u>(1,275,120)</u>
Balance, September 30, 2011	<u>\$ 724,880</u>

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, 2011.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE H - CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Primary Government	September 30, 2010	Additions	Transfers	Deletions	September 30, 2011
<u>Ow ned assets</u>					
Capital assets not being depreciated					
Land	\$ 114,501,043	\$ -	\$ 5,180,999	\$ -	\$ 119,682,042
Construction in progress	40,641,905	26,641,901	(39,481,531)	-	27,802,275
Total capital assets not depreciated	155,142,948	26,641,901	(34,300,532)	-	147,484,317
Capital assets being depreciated					
Buildings	156,501,969	-	3,856,851	-	160,358,820
Infrastructure	267,478,462	-	28,924,524	-	296,402,986
Dredging	65,660,280	-	-	-	65,660,280
Equipment and furnishings	9,205,485	-	1,519,157	-	10,724,642
Total capital assets depreciated	498,846,196	-	34,300,532	-	533,146,728
Less accumulated depreciation					
Buildings	35,548,523	4,067,922	-	-	39,616,445
Infrastructure	80,392,158	8,443,625	-	-	88,835,783
Dredging	35,960,606	6,605,538	-	-	42,566,144
Equipment and furnishings	5,728,806	1,038,919	-	-	6,767,725
Total accumulated depreciation	157,630,093	20,156,004	-	-	177,786,097
Total depreciable capital assets, net	341,216,103	(20,156,004)	34,300,532	-	355,360,631
Ow ned capital assets, net	\$ 496,359,051	\$ 6,485,897	\$ -	\$ -	\$ 502,844,948

Depreciation expense for the Tampa Port Authority (primary government) for the year ended September 30, 2011 was \$20,156,004 for owned assets. The Port Authority's construction in progress of \$27,802,275 at September 30, 2011 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, 2011

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>	
2012	\$ 9,175,763	2042 to 2046	26,429,878
2013	9,582,018	2047 to 2051	18,895,701
2014	9,637,675	2052 to 2056	14,058,245
2015	9,550,794	2057 to 2061	15,030,440
2016	9,636,337	2062 to 2066	15,126,566
2017 to 2021	46,259,980	2067 to 2071	15,177,016
2022 to 2026	41,759,958	2072 to 2076	14,299,556
2027 to 2031	36,646,866	2077 to 2081	9,645,269
2032 to 2036	34,751,876	2082 to 2086	9,380,000
2037 to 2041	32,032,843	2087 to 2091	2,058,000
			<u>\$ 379,134,781</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, 2011 was \$977,599 and \$-0- respectively, and are included in accrued liabilities.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE K - BONDS, NOTES AND LOANS PAYABLE

1. Primary Government

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

	September 30, 2010	Additions	Deductions	September 30, 2011	Due within one year
Revenue bonds	\$ 138,355,360	\$ 356,990	\$ 7,040,000	\$ 131,672,350	\$ 7,235,000
Deferred revenue	2,048,672	1,304,084	263,235	3,089,521	403,486
Investment held for component unit	938,500	-	938,500	-	-
Deposits	3,743,322	150,380	665,663	3,228,039	-
Derivative instrument liability	6,799,086	1,513,520	-	8,312,606	-
Other obligation	1,167,885	-	-	1,167,885	-
Total	<u>\$ 153,052,825</u>	<u>\$ 3,324,974</u>	<u>\$ 8,907,398</u>	<u>\$ 147,470,401</u>	<u>\$ 7,638,486</u>

Revenue Bonds/Revenue note

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	\$ 11,035,000
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	690,000
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	7,007,282
---	-----------

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	52,505,000
--	------------

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

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	1,215,000
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>26,700,000</u>
Total outstanding balance	132,277,282
Unamortized (discount)/premium - net	1,512,314
Less unamortized losses on defeasance	<u>(2,117,246)</u>
Carrying amount	131,672,350
Less current maturities	<u>(7,235,000)</u>
Bonds, notes and loans payable - noncurrent	<u>\$ 124,437,350</u>

Debt maturities and related interest payments at September 30, 2011 consist of the following:

Year ending September 30,	Principal	Interest	Total
2012	\$ 7,235,000	\$ 6,179,318	\$ 13,414,318
2013	8,840,000	5,950,490	14,790,490
2014	9,137,282	5,675,211	14,812,493
2015	9,800,000	5,274,865	15,074,865
2016	10,305,000	4,665,867	14,970,867
2017 - 2021	52,428,845	15,157,039	67,585,884
2022 - 2026	21,046,155	6,051,938	27,098,093
2027 - 2031	7,470,000	2,231,093	9,701,093
2032 - 2036	<u>6,015,000</u>	<u>456,988</u>	<u>6,471,988</u>
Total	<u>\$ 132,277,282</u>	<u>\$ 51,642,809</u>	<u>\$ 183,920,091</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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

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, 2011 was \$520,608. 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.

This deferred loss is being amortized through 2020. The unamortized loss balance at September 30, 2011 was \$1,596,630. 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, 2011 includes accreted interest of \$2,281,033. 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

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. During the year ended September 30, 2011 the Port Authority made their final payment on this series of bonds.

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

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

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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE K - BONDS, NOTES AND LOANS PAYABLE - Continued

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.

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.

Under GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, the Port Authority has recorded the Synthetic Forward Refunding transaction and the interest rate swap transaction as effective hedging transactions. The result is an aggregate \$8,312,606 Deferred Outflows (noncurrent asset) offset by a corresponding \$8,312,606 Derivative Instrument liability (noncurrent) on the Statement of Net Assets at September 30, 2011.

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, 2011:

Revenue Bonds, Series 1973A Term Bonds	\$ 1,630,000
Refunding Revenue Bonds, Series 1977 Term Bonds	16,200,000
Refunding Revenue Bonds, Series 1995B	1,870,000
Revenue Bonds, Series 1998 Term Bonds	<u>25,000,000</u>
	<u>\$ 44,700,000</u>

The accompanying notes are an integral part of this statement.



Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

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, 2011. 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, 2011.

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 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE M - EMPLOYEE RETIREMENT PLANS - Continued

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 4.91%, senior management at 6.27%, and Deferred Retirement Option Program (DROP) at 4.42%. The Port Authority's contributions made during the years ended September 30, 2011, 2010 and 2009 were \$627,516, \$732,693, and \$733,753, respectively, equal to the actuarially determined contribution requirements for each year.

NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

In accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, the County expenses the cost of postemployment 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

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

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 \$62.197 million at September 30, 2011. The County's annual OPEB cost, which is defined as the OPEB expenses on an accrual basis, was \$5.973 million at September 30, 2011. 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 2011 was \$5.925 million. The *net OPEB obligation*, at the end of the year, is the net amount the County was obligated for at year-end and is equivalent to the annual OPEB cost for the fiscal year, plus the net OPEB obligation at the start of the fiscal year, less contributions such as retiree claims and stipends paid by the County during the fiscal year.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

The inter-relationships between the ARC, annual OPEB cost, and net OPEB obligation are presented in the following chart:

	Fiscal Year 2011
Actuarially required contribution (ARC)	\$ 5,925,000
Interest on the net OPEB obligation for fiscal year	321,000
Less amortization of net OPEB obligation for fiscal year	<u>(273,000)</u>
Annual OPEB cost for fiscal year	5,973,000
Net OPEB obligation, beginning of year	7,154,000
Less contributions (claims paid, etc.) for fiscal year	<u>(4,207,000)</u>
Net OPEB obligation, end of year	<u>\$ 8,920,000</u>

The County's net OPEB obligation at September 30, 2011 was \$8.920 million. The net OPEB obligation increased from the prior year primarily due to increased health care costs for retirees, as well as interest imputed on the net OPEB obligation since the County did not "fund" its OPEB liabilities (see next paragraph).

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 5,204,000	76%	\$ 6,086,000
2010	\$ 5,544,000	81%	\$ 7,154,000
2011	\$ 5,973,000	70%	\$ 8,920,000

*Funding Policy, Status and Progress.* "Funding" the OPEB obligations, as defined by GASB statement No. 45 requires using an irrevocable trust fund. Since that would be considered very restrictive, the County instead chose to appropriate and set aside an amount approximating the net OPEB obligation in the Self-Insurance Internal Services Fund. Each fund was assessed its share of OPEB costs based on an allocation using the number of employees in the fund divided by the total number of County employees. Assessments were then placed to the Self-Insurance Internal Service Fund. 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 accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE N - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

The status of the plan as of September 30, 2011 was as follows:

Actuarial valuation's date	September 30, 2011
Actuarial value of plan assets	\$ - *
Actuarial accrued liability (AAL)	\$ 62,197,000
Unfunded actuarial accrued liability (UAAL)	\$ 62,197,000
Actuarial value of plan assets / AAL (funded ratio)	0% *
Covered payroll (active plan members)	\$ 50,191,000
UAAL as a percentage of covered payroll	12.4% *

\*Although \$14.863 million have been set aside in the Self-Insurance Internal Service fund to almost offset the County's net OPEB obligation of \$8.920 million at September 30, 2011, 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, 2011 actuarial valuation. Other actuarial assumptions included a 4.5% investment rate of return, a 4.5% discount rate, a 2.5% inflation rate, and an annual healthcare cost trend rate of 8.5% initially, reduced by 1% per year, to an ultimate rate of 5.5% for fiscal year 2014. The approximate average age of employees is 47, with 13 years of service completed and 13 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, 2011. 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, 2011, was 30 years.

The Port Authority's share of the other post-employment benefits liability for the year ended September 30, 2011 is \$-0-.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

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 P&O Ports Florida, Inc., whose name was later changed to Ports Florida, Inc. ("Ports Florida") (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 the Ports Florida 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, 2011

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, 2011.

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 supplementary schedules of the Comprehensive Annual Financial Report of the Port Authority. The Port Authority has not significantly reduced insurance coverage from the prior year nor did the amount of settlement exceed the insurance coverage for each of the past three fiscal years.

NOTE 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, 2011.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE R - COMMITMENTS AND CONTINGENCIES - Continued

3. Commitments

The Tampa Port Authority had contractual commitments for various projects that amounted to approximately \$18 million as of September 30, 2011.

4. Component Unit

See Note S.

5. Synthetic Forward Refunding

See Note K.

NOTE S - RELATIONSHIP AMONG THE PORT AUTHORITY, TBIT AND PORTS FLORIDA

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 P & O Ports Florida, Inc., whose name was later changed to Ports Florida Inc. (Ports Florida) entered into a new agreement to provide general cargo terminal services at the Port of Tampa. The agreement was for 10 years, ending May 29, 2016. Ports Florida had 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, Ports Florida paid the Port Authority 20% of gross revenues as defined, generated each contract year by Ports Florida from the general cargo terminal operations conducted by Ports Florida for revenues up to \$7,000,000. For annual gross revenues which exceeded \$7,000,000, Ports Florida agreed to pay 10% to the Port Authority. Ports Florida guaranteed that the minimum annual payment would be no less than \$1,225,000. The guaranteed minimum annual payment was increased to \$1,425,000 as a result of the construction of a 100,000

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

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

square foot warehouse within the general cargo terminal facilities area which was completed in 2007. In addition, Ports Florida was to provide all terminal operations' equipment necessary to handle the Port Authority's terminal operations for general cargo and container cargo and was responsible for the maintenance of said equipment at its own expense.

As a result of current economic conditions, during the current reporting period the Port Authority and Ports Florida agreed to terminate the existing agreement as of November 30, 2010 and enter into a new agreement for general cargo terminal operations services. The Port Authority and Ports Florida further agreed that term of the new agreement should be on a month-to-month basis while negotiations between the parties continued for a longer term agreement. The month-to-month agreement became effective December 1, 2010.

The terms of the month-to-month agreement are as follows: (1) terminate the existing Ports Florida general cargo terminal services agreement as of November 30, 2010; (2) reduce the minimum annual guarantee from \$1.425 million to \$1.1 million for the existing agreement year which ended on May 31, 2010. The guarantee for the subsequent partial existing agreement year ended on November 30, 2010, i.e. 6 months, was similarly reduced from \$712,500 (one-half of \$1,425,000) to \$550,000 (one-half of \$1.1 million); and (3) enter into a new agreement for general cargo terminal operation services.

The month-to-month agreement requires that the Port Authority pay to Ports Florida approximately \$23,300 per week which may be increased or decreased depending upon the volume of cargo activity at the general cargo terminal facilities. The Port Authority receives all revenue generated by the general cargo terminal operations including revenue from any lease and sub-lease arrangements at the terminal facilities.

The relationship continued on a month-to-month basis as of September 30, 2011.

Generally, TBIT shall account for and remit to the Port Authority all payments required by Article III of the Amended Operating Agreement. As a result of the Port Authority's desire to grow its general cargo business discussed earlier in this note, the Port Authority transferred TBIT's book of business to first, SSA and then to Ports Florida. The Port Authority and TBIT agreed that the reasonable net cash flow from TBIT's book of business generated from its existing terminal operations at that time was \$900,000 per year, with minor adjustments from year to year. The Port Authority and TBIT estimated that, based on the historical performance of terminal operations by TBIT, the reasonable life of this book of business was eight years. Therefore, the Port Authority has paid TBIT annually the reasonable cash flow of TBIT's book of business in the amount of \$900,000 per year. The Port Authority expects that the \$900,000 payment made during fiscal year 2011 was the final payment made to TBIT under this agreement.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2011

NOTE T - SUBSEQUENT EVENTS

On November 15, 2011, the Tampa Port Authority Board of Commissioners authorized the advance refunding of the Series 2002B Revenue Bonds through the use of a taxable bank loan with a financial institution.

On December 8, 2011, the Port Authority obtained a loan from a financial institution in the amount of \$8,857,100 and advance refunded the 2002B Revenue Bonds, which included bond principal of \$8,590,000, a call premium of \$205,100, and bank loan issuance costs of \$62,000.

Subsequent events were evaluated through January 17, 2012, which is the date the financial statements were available to be issued.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

STATEMENT OF CASH FLOWS - DISCRETELY PRESENTED COMPONENT UNIT

For the year ended September 30, 2011

	<u>Component Unit</u> <u>Tampa Bay</u> <u>International</u> <u>Terminals, Inc.</u>
Cash flows from operating activities	
Received from customers	\$ 950,049
Payments to suppliers for goods and services	<u>(43,056)</u>
Net cash provided by operating activities	<u>906,993</u>
Cash flows from capital and related financing activities	
Principal payments on debt	(596,667)
Interest payments on debt	<u>(29,833)</u>
Net cash used by capital and related financing activities	<u>(626,500)</u>
Cash flows provided by investing activities	
Proceeds from sale of investments	938,500
Interest and other income received	<u>35,945</u>
Net cash provided by investing activities	<u>974,445</u>
Net increase in cash and cash equivalents	1,254,938
Cash and cash equivalents at beginning of year	<u>73,911</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,328,849</u></u>
Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 906,993</u>
Adjustments to reconcile operating income to net cash provided by operating activities	
Total adjustments	<u>-</u>
Net cash provided by operating activities	<u><u>\$ 906,993</u></u>

The accompanying notes are an integral part of this schedule.





TAMPA PORT AUTHORITY

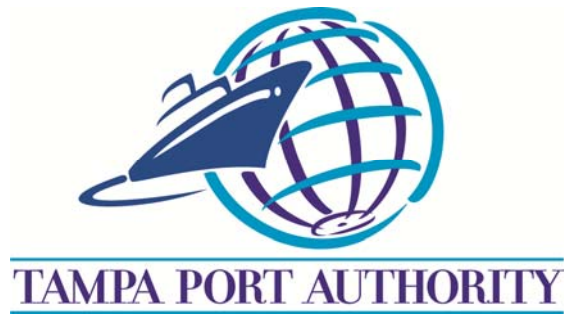




---

**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 Ten Years		(Unaudited)									
(amounts in thousands)											
		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net Assets at Year-End											
Invested in capital assets,											
net of related debt											
Restricted		\$ 184,900	\$ 209,425	\$ 233,241	\$ 259,457	\$ 296,454	\$ 319,218	\$ 324,479	\$ 353,335	\$ 377,444	\$ 384,655
Unrestricted		\$ 98,145	\$ 117,961	\$ 63,053	\$ 23,484	\$ 36,720	\$ 36,971	\$ 36,655	\$ 31,787	\$ 21,752	\$ 15,435
		\$ 145	\$ (28,872)	\$ 23,258	\$ 45,003	\$ 26,585	\$ 30,437	\$ 38,751	\$ 44,988	\$ 52,688	\$ 59,937
<b>Total Net Assets</b>		<b>\$ 283,190</b>	<b>\$ 298,514</b>	<b>\$ 319,552</b>	<b>\$ 327,944</b>	<b>\$ 359,759</b>	<b>\$ 386,626</b>	<b>\$ 399,885</b>	<b>\$ 430,110</b>	<b>\$ 451,884</b>	<b>\$ 460,027</b>

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Operating Revenue</b>										
Port Usage Fees	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394
Land & Building Leases	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595
Tenant Utilities	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 531	\$ 591
Other Port Operating Revenue	\$ 408	\$ 552	\$ 723	\$ 735	\$ 913	\$ 905	\$ 919	\$ 719	\$ 683	\$ 514
<b>Total Operating Revenue</b>	<b>\$ 25,630</b>	<b>\$ 29,097</b>	<b>\$ 31,589</b>	<b>\$ 34,949</b>	<b>\$ 39,308</b>	<b>\$ 36,915</b>	<b>\$ 39,247</b>	<b>\$ 39,847</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>
<b>Non-Operating Revenue</b>										
Operating Assistance Grants	\$ -	\$ 1,651	\$ 1,166	\$ 1,268	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	\$ 14,270	\$ 5,416	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523	\$ 4,041
Interest Income	\$ 3,372	\$ 3,691	\$ 3,555	\$ 3,497	\$ 4,207	\$ 5,253	\$ 3,281	\$ 1,730	\$ 1,472	\$ 1,032
Ad Valorem Tax Receipts	\$ 11,962	\$ 12,907	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490	\$ 11,838
Other Non-Operating Income	\$ 1,298	\$ 1,366	\$ 1,140	\$ 3,851	\$ 1,666	\$ 1,229	\$ 1,773	\$ 3,558	\$ 6,732	\$ 1,827
<b>Total Non-Operating Revenue</b>	<b>\$ 30,902</b>	<b>\$ 25,031</b>	<b>\$ 28,471</b>	<b>\$ 26,725</b>	<b>\$ 27,263</b>	<b>\$ 37,154</b>	<b>\$ 25,465</b>	<b>\$ 41,050</b>	<b>\$ 32,217</b>	<b>\$ 18,738</b>
<b>Total Revenues</b>	<b>\$ 56,532</b>	<b>\$ 54,128</b>	<b>\$ 60,060</b>	<b>\$ 61,674</b>	<b>\$ 66,571</b>	<b>\$ 74,069</b>	<b>\$ 64,712</b>	<b>\$ 80,897</b>	<b>\$ 72,844</b>	<b>\$ 60,832</b>
<b>Operating Expenses</b>										
Personnel	\$ 6,372	\$ 6,735	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378
Promotional	\$ 493	\$ 590	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266	\$ 302
Administrative	\$ 6,809	\$ 8,572	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,895	\$ 13,063
Depreciation & Amortization Expense	\$ 7,996	\$ 9,242	\$ 10,165	\$ 11,102	\$ 12,527	\$ 14,450	\$ 16,536	\$ 17,714	\$ 19,047	\$ 20,296
<b>Total Operating Expenses</b>	<b>\$ 21,670</b>	<b>\$ 25,139</b>	<b>\$ 27,438</b>	<b>\$ 29,631</b>	<b>\$ 32,440</b>	<b>\$ 35,886</b>	<b>\$ 39,079</b>	<b>\$ 40,581</b>	<b>\$ 41,788</b>	<b>\$ 44,039</b>
<b>Non-Operating Expenses</b>										
Interest Expense	\$ 9,058	\$ 9,834	\$ 9,094	\$ 8,254	\$ 7,623	\$ 7,978	\$ 7,891	\$ 7,457	\$ 6,944	\$ 6,684
Bond Related Costs	\$ 328	\$ 328	\$ 395	\$ 2,563	\$ 1,073	\$ 463	\$ 218	\$ 215	\$ 214	\$ 205
Tax Collector/Property Appraiser	\$ 980	\$ 1,028	\$ 1,083	\$ 1,266	\$ 1,470	\$ 1,850	\$ 1,441	\$ 1,431	\$ 1,307	\$ 998
Other non-operating expense	\$ 1,397	\$ 2,476	\$ 1,012	\$ 1,569	\$ 2,150	\$ 1,025	\$ 2,823	\$ 987	\$ 817	\$ 763
<b>Total Non-Operating Expenses</b>	<b>\$ 11,763</b>	<b>\$ 13,666</b>	<b>\$ 11,584</b>	<b>\$ 13,652</b>	<b>\$ 12,316</b>	<b>\$ 11,316</b>	<b>\$ 12,373</b>	<b>\$ 10,090</b>	<b>\$ 9,282</b>	<b>\$ 8,650</b>
<b>Total Expenses</b>	<b>\$ 33,433</b>	<b>\$ 38,805</b>	<b>\$ 39,022</b>	<b>\$ 43,283</b>	<b>\$ 44,756</b>	<b>\$ 47,202</b>	<b>\$ 51,452</b>	<b>\$ 50,671</b>	<b>\$ 51,070</b>	<b>\$ 52,689</b>
<b>Change in Fund Net Assets</b>	<b>\$ 23,099</b>	<b>\$ 15,323</b>	<b>\$ 21,038</b>	<b>\$ 18,391</b>	<b>\$ 21,815</b>	<b>\$ 26,867</b>	<b>\$ 13,260</b>	<b>\$ 30,226</b>	<b>\$ 21,774</b>	<b>\$ 8,143</b>

Table 3

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Operating Revenue:</b>										
Dockage										
Dockage - Cargo	\$ 3,977	\$ 3,984	\$ 4,201	\$ 4,615	\$ 5,199	\$ 4,771	\$ 4,449	\$ 4,112	\$ 4,313	\$ 4,413
Dockage - Cruise	\$ 766	\$ 722	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784	\$ 908
Dockage - Other	\$ 670	\$ 807	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967	\$ 571
<i>Subtotal - Dockage</i>	<u>\$ 5,413</u>	<u>\$ 5,513</u>	<u>\$ 5,897</u>	<u>\$ 6,130</u>	<u>\$ 6,901</u>	<u>\$ 6,236</u>	<u>\$ 5,887</u>	<u>\$ 5,580</u>	<u>\$ 6,064</u>	<u>\$ 5,892</u>
Wharfage										
Wharfage - Cargo	\$ 6,214	\$ 6,736	\$ 7,175	\$ 8,363	\$ 8,658	\$ 8,695	\$ 8,660	\$ 8,269	\$ 8,372	\$ 8,388
Wharfage - Cruise	\$ 2,917	\$ 4,495	\$ 4,385	\$ 4,310	\$ 5,119	\$ 4,449	\$ 4,463	\$ 4,669	\$ 4,690	\$ 5,105
Wharfage - Other (a)	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 5,140	\$ 4,648
<i>Subtotal - Wharfage</i>	<u>\$ 9,726</u>	<u>\$ 11,859</u>	<u>\$ 12,141</u>	<u>\$ 13,701</u>	<u>\$ 14,939</u>	<u>\$ 14,018</u>	<u>\$ 15,710</u>	<u>\$ 15,829</u>	<u>\$ 18,202</u>	<u>\$ 18,141</u>
Land & Building Leases	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595
Other Operating Revenue	\$ 4,102	\$ 5,512	\$ 6,211	\$ 6,809	\$ 9,049	\$ 8,536	\$ 6,208	\$ 8,776	\$ 6,857	\$ 8,466
<b>Total Operating Revenue</b>	<u>\$ 25,630</u>	<u>\$ 29,097</u>	<u>\$ 31,589</u>	<u>\$ 34,949</u>	<u>\$ 39,308</u>	<u>\$ 36,915</u>	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>
Cargo Tonnage (to nearest thousand) (b)	13,372	14,043	15,049	16,477	16,738	15,578	14,377	13,211	14,567	13,690
Average Wharfage Revenue per Cargo Ton (whole \$)	\$ 0.46	\$ 0.48	\$ 0.48	\$ 0.51	\$ 0.52	\$ 0.56	\$ 0.60	\$ 0.63	\$ 0.57	\$ 0.61
Cruise Passengers (to nearest thousand)	587	810	792	772	911	781	768	803	807	876
Average Wharfage Revenue per Passenger (whole \$)	\$ 4.97	\$ 5.55	\$ 5.54	\$ 5.58	\$ 5.62	\$ 5.70	\$ 5.81	\$ 5.81	\$ 5.81	\$ 5.83
Berth linear feet	8,225	9,175	10,375	10,375	11,855	11,855	11,855	12,855	16,655	17,235
Average Dockage Revenue per Berth Linear Feet	\$ 658.12	\$ 600.87	\$ 568.39	\$ 590.84	\$ 582.12	\$ 526.02	\$ 496.58	\$ 434.07	\$ 364.09	\$ 341.86
Leased Acreage (actual in hundreds)	1,273	1,298	1,298	1,325	1,300	1,290	1,290	1,285	1,270	1,260
Average per Acre (whole \$)	\$ 5,019	\$ 4,787	\$ 5,655	\$ 6,271	\$ 6,476	\$ 6,298	\$ 7,319	\$ 7,519	\$ 7,483	\$ 7,615

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

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

Table 4

**TAMPA PORT AUTHORITY**  
Principal Revenue Sources and Revenue per Categories

Last Ten Years

(Unaudited)

(amounts in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Port Usage Fees Revenues:</b>										
Dockage	\$ 5,413	\$ 5,613	\$ 5,897	\$ 6,130	\$ 6,901	\$ 6,236	\$ 5,887	\$ 5,580	\$ 6,064	\$ 5,892
Wharfage	\$ 9,131	\$ 11,231	\$ 11,560	\$ 12,673	\$ 13,777	\$ 13,144	\$ 13,123	\$ 12,938	\$ 13,357	\$ 13,508
Wharfage (in lieu of wharfage)	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 3,723	\$ 4,633
Parking and related	\$ 2,658	\$ 3,455	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208	\$ 5,659
Terminal Operations	\$ 416	\$ 580	\$ 767	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357	\$ 1,490
Other Usage Fees	\$ 98	\$ 177	\$ 284	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 200	\$ 212
<b>Total Port Usage Fees</b>	<b>\$ 18,311</b>	<b>\$ 21,684</b>	<b>\$ 22,899</b>	<b>\$ 25,375</b>	<b>\$ 29,352</b>	<b>\$ 27,256</b>	<b>\$ 28,334</b>	<b>\$ 28,947</b>	<b>\$ 29,909</b>	<b>\$ 31,394</b>
<b>Percentage of Total Revenue</b>	<b>32.39%</b>	<b>40.06%</b>	<b>38.13%</b>	<b>41.14%</b>	<b>44.09%</b>	<b>36.80%</b>	<b>43.78%</b>	<b>35.78%</b>	<b>41.06%</b>	<b>51.61%</b>
<b>Land &amp; Building Leases:</b>										
Land & Building Leases	\$ 6,377	\$ 6,177	\$ 7,292	\$ 8,239	\$ 8,349	\$ 8,102	\$ 9,432	\$ 9,552	\$ 9,476	\$ 9,583
Cruise Terminal Rentals	\$ 12	\$ 36	\$ 40	\$ 55	\$ 45	\$ 23	\$ 5	\$ 110	\$ 13	\$ 12
Port Property Access Fees	\$ -	\$ -	\$ 8	\$ 15	\$ 25	\$ -	\$ 5	\$ -	\$ 15	\$ -
<b>Total Land &amp; Building Leases</b>	<b>\$ 6,389</b>	<b>\$ 6,213</b>	<b>\$ 7,340</b>	<b>\$ 8,309</b>	<b>\$ 8,419</b>	<b>\$ 8,125</b>	<b>\$ 9,442</b>	<b>\$ 9,662</b>	<b>\$ 9,504</b>	<b>\$ 9,595</b>
<b>Percentage of Total Revenue</b>	<b>11.30%</b>	<b>11.48%</b>	<b>12.22%</b>	<b>13.47%</b>	<b>12.65%</b>	<b>10.97%</b>	<b>14.59%</b>	<b>11.94%</b>	<b>13.05%</b>	<b>15.77%</b>
<b>Tenant Utilities:</b>										
Tenant Water	\$ 44	\$ 37	\$ 28	\$ 21	\$ 20	\$ 25	\$ 23	\$ 17	\$ 16	\$ 17
Dockside Water	\$ 476	\$ 609	\$ 566	\$ 501	\$ 593	\$ 598	\$ 527	\$ 501	\$ 514	\$ 573
Electricity	\$ 2	\$ 2	\$ 33	\$ 8	\$ 11	\$ 6	\$ 2	\$ 1	\$ 2	\$ 1
<b>Total Tenant Utilities</b>	<b>\$ 522</b>	<b>\$ 648</b>	<b>\$ 627</b>	<b>\$ 530</b>	<b>\$ 624</b>	<b>\$ 629</b>	<b>\$ 552</b>	<b>\$ 519</b>	<b>\$ 532</b>	<b>\$ 591</b>
<b>Percentage of Total Revenue</b>	<b>0.92%</b>	<b>1.20%</b>	<b>1.04%</b>	<b>0.86%</b>	<b>0.94%</b>	<b>0.85%</b>	<b>0.85%</b>	<b>0.64%</b>	<b>0.73%</b>	<b>0.97%</b>
<b>Other Port Operating Revenue:</b>										
Work Permits	\$ 36	\$ 52	\$ 52	\$ 50	\$ 45	\$ 48	\$ 32	\$ 29	\$ 11	\$ 8
Fingerprinting/Badging	\$ 316	\$ 432	\$ 581	\$ 610	\$ 798	\$ 793	\$ 810	\$ 624	\$ 606	\$ 430
Security Training Fees	\$ -	\$ -	\$ 30	\$ 11	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -
License Fees	\$ 56	\$ 68	\$ 60	\$ 64	\$ 68	\$ 64	\$ 77	\$ 66	\$ 65	\$ 76
<b>Total Other Port Operating Revenue</b>	<b>\$ 408</b>	<b>\$ 552</b>	<b>\$ 723</b>	<b>\$ 735</b>	<b>\$ 913</b>	<b>\$ 905</b>	<b>\$ 919</b>	<b>\$ 719</b>	<b>\$ 682</b>	<b>\$ 514</b>
<b>Percentage of Total Revenue</b>	<b>0.72%</b>	<b>1.02%</b>	<b>1.20%</b>	<b>1.19%</b>	<b>1.37%</b>	<b>1.22%</b>	<b>1.42%</b>	<b>0.89%</b>	<b>0.94%</b>	<b>0.84%</b>
<b>Total Operating Revenue</b>	<b>\$ 25,630</b>	<b>\$ 29,097</b>	<b>\$ 31,589</b>	<b>\$ 34,949</b>	<b>\$ 39,308</b>	<b>\$ 36,915</b>	<b>\$ 39,247</b>	<b>\$ 39,847</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>
<b>Percentage of Total Revenue</b>	<b>45.34%</b>	<b>53.76%</b>	<b>52.60%</b>	<b>56.67%</b>	<b>59.05%</b>	<b>49.84%</b>	<b>60.65%</b>	<b>49.26%</b>	<b>55.77%</b>	<b>69.20%</b>

**TAMPA PORT AUTHORITY**  
Principal Revenue Sources and Revenue per Categories

Last Ten Years

(Unaudited)

(amounts in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Non-Operating Revenue:</b>										
Operating Grants	\$ -	\$ 1,651	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Grants	\$ 14,270	\$ 5,416	\$ 8,493	\$ 4,070	\$ 4,845	\$ 13,991	\$ 3,604	\$ 20,062	\$ 10,523	\$ 4,041
Ad Valorem Tax Receipts	\$ 11,962	\$ 12,907	\$ 14,117	\$ 14,039	\$ 16,205	\$ 16,681	\$ 16,807	\$ 15,700	\$ 13,490	\$ 11,838
Interest, Unrestricted	\$ 2,649	\$ 3,093	\$ 3,020	\$ 3,057	\$ 3,877	\$ 4,544	\$ 2,634	\$ 1,073	\$ 1,030	\$ 533
Interest, Restricted	\$ 9	\$ 11	\$ 45	\$ 54	\$ 54	\$ 53	\$ 54	\$ 52	\$ 39	\$ -
Interest, PAI Crane	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76	\$ 140	\$ 121
Interest, TBIT & TBSB Notes	\$ 714	\$ 587	\$ 490	\$ 386	\$ 276	\$ 656	\$ 593	\$ 525	\$ 454	\$ 378
Other, TBIT & TBSB Notes	\$ 296	\$ 294	\$ 298	\$ 304	\$ 263	\$ 175	\$ 175	\$ 177	\$ 184	\$ 124
Dredge and Fill Income	\$ -	\$ 298	\$ 29	\$ 43	\$ 17	\$ 57	\$ 79	\$ 1,362	\$ 247	\$ 475
Gain/Loss on Sale of Investment	\$ -	\$ -	\$ (165)	\$ 905	\$ 564	\$ 100	\$ -	\$ -	\$ -	\$ -
Gain/Loss on Disposal of Fixed Assets	\$ 223	\$ (3)	\$ 271	\$ 211	\$ (1,020)	\$ (269)	\$ 95	\$ 19	\$ (422)	\$ -
Harbormaster Fees	\$ 530	\$ 596	\$ 572	\$ 732	\$ 738	\$ 696	\$ 978	\$ 891	\$ 864	\$ 822
Conference Donations	\$ 96	\$ 80	\$ 74	\$ 229	\$ 770	\$ 105	\$ 102	\$ 70	\$ 55	\$ 54
Amortization Premiums	\$ -	\$ -	\$ -	\$ 157	\$ 273	\$ 276	\$ 275	\$ 274	\$ 270	\$ 264
Other Miscellaneous Revenue	\$ 153	\$ 101	\$ 61	\$ 1,170	\$ 61	\$ 89	\$ 69	\$ 769	\$ 5,343	\$ 88
<b>Total Non-Operating Revenue</b>	<b>\$ 30,902</b>	<b>\$ 25,031</b>	<b>\$ 28,471</b>	<b>\$ 26,725</b>	<b>\$ 27,263</b>	<b>\$ 37,154</b>	<b>\$ 25,465</b>	<b>\$ 41,050</b>	<b>\$ 32,217</b>	<b>\$ 18,738</b>
<b>Percentage of Total Revenue</b>	<b>54.66%</b>	<b>46.24%</b>	<b>47.40%</b>	<b>43.33%</b>	<b>40.95%</b>	<b>50.16%</b>	<b>39.35%</b>	<b>50.74%</b>	<b>44.23%</b>	<b>30.80%</b>
<b>Total Revenue</b>	<b>\$ 56,532</b>	<b>\$ 54,128</b>	<b>\$ 60,060</b>	<b>\$ 61,674</b>	<b>\$ 66,571</b>	<b>\$ 74,069</b>	<b>\$ 64,712</b>	<b>\$ 80,897</b>	<b>\$ 72,844</b>	<b>\$ 60,832</b>

Table 5

Tampa Port Authority Wharfage Revenue Current Year and Nine Years Prior Ten Largest Customers					
FY 2011			FY2002		
Customer	Revenue	Percentage of Total Wharfage	Customer	Revenue	Percentage of Total Wharfage
Carnival Cruise Lines	3,559,353	19.62%	Carnival Cruise Lines	2,283,308	23.56%
Kinder Morgan	2,615,734	14.42%	Kinder Morgan	958,239	9.89%
Vulcan (FI Rock)	1,863,574	10.27%	Tampa Bay Intern'l Term	897,879	9.27%
Royal Caribbean	1,166,892	6.43%	Martin Gas Sales, Inc.	493,900	5.10%
Tarmac	1,024,203	5.65%	Transmontaigne	456,264	4.71%
ZIM Integrated Services	1,010,529	5.57%	Trademark Metals	428,959	4.43%
Martin Marietta	669,470	3.69%	Vulcan ICA	423,350	4.37%
OneSteel	603,758	3.33%	Celebrity Cruise Lines	329,116	3.40%
Transmontaigne	585,229	3.23%	Holcim	256,651	2.65%
Gaetano Cacciatore, Inc.	525,630	2.90%	CF Industries (Anhydrous)	229,513	2.37%
Total 2011	13,624,372	75.11%	Total 2002	6,757,179	69.75%
Total Wharfage Revenue	18,141,006	100%	Total Wharfage Revenue	9,691,025	100%
Tampa Port Authority Dockage Revenue Current Year and Nine Years Prior Ten Largest Customers					
FY 2011			FY2002		
Customer	Revenue	Percentage of Total Dockage	Customer	Revenue	Percentage of Total Dockage
Kinder Morgan	1,414,714	24.01%	Kinder Morgan	657,562	12.15%
Ports America	570,517	9.68%	Carnival Cruise Lines	533,406	9.85%
Carnival Cruise Lines	478,334	8.12%	Cargill (Grain)	295,493	5.46%
CF Industries (Phosphate)	416,293	7.06%	Transmontaigne	248,455	4.59%
Royal Caribbean	345,396	5.86%	Martin Gas Sales, Inc.	210,816	3.89%
Martin Marietta	294,846	5.00%	CF Industries (Anhydrous)	183,184	3.38%
Murphy Oil	260,207	4.42%	CF Industries (Phosphate)	166,938	3.08%
Transmontaigne	258,955	4.39%	Tampa Bay Internl Terms	141,789	2.62%
Onesteel	207,020	3.51%	Celebrity Cruise Lines	103,528	1.91%
CF Industries (Anhydrous)	186,946	3.17%	Vulcan ICA	97,762	1.81%
Total 2011	4,433,228	75.22%	Total 2002	2,638,933	48.74%
Total Dockage Revenue	5,892,386	100%	Total Dockage Revenue	5,413,223	100%



---

**TAMPA PORT AUTHORITY**

---



Table 6

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Vessels, Barges & Tug Boats										
0-199 ft	\$ 1.85	\$ 1.90	\$ 1.90	\$ 2.00	\$ 2.06	\$ 2.12	\$ 2.25	\$ 2.32	\$ 2.32	\$ 2.46
200-299	2.10	2.15	2.15	2.26	2.46	2.66	2.96	3.05	3.05	3.23
300-349	2.25	2.31	2.31	2.43	2.58	2.73	2.96	4.15	3.05	3.23
350-399	2.52	2.58	2.58	2.71	2.76	2.81	2.96	4.15	3.05	3.23
400-449	3.38	3.46	3.46	3.63	3.72	3.81	4.03	4.15	4.15	4.40
450-499	3.38	3.46	3.46	3.63	3.72	3.81	4.03	4.15	4.15	4.40
500-549	4.61	4.73	4.73	4.97	5.06	5.15	5.41	5.57	5.57	5.91
550-599	4.61	4.73	4.73	4.97	5.06	5.15	5.41	5.57	5.57	5.91
600-649	5.36	5.49	5.49	5.76	5.87	5.98	6.28	6.47	6.47	6.86
650-699	5.36	5.49	5.49	5.76	5.87	5.98	6.28	6.47	6.47	6.86
700-799	6.91	7.08	7.08	7.43	7.53	7.63	7.97	8.21	8.21	8.71
800-899	8.30	8.51	8.51	8.94	9.07	9.20	9.60	9.89	9.89	10.50
900 ft +	9.91	10.16	10.16	10.67	10.83	10.99	11.49	11.83	11.83	12.55
Passenger Vessels										
Under 550 ft	4.36	4.36	4.36	4.49	4.49	4.49	4.49	4.49	4.49	4.49
*FY 2001 Rates increased 04/01/01										
551-600	6.14	6.14	6.14	6.32	6.32	6.32	6.32	6.32	6.32	6.32
601-650	6.34	6.34	6.34	6.53	6.53	6.53	6.53	6.53	6.53	6.53
651-700	6.60	6.60	6.60	6.80	6.80	6.80	6.80	6.80	6.80	6.80
701-725	7.00	7.00	7.00	7.21	7.21	7.21	7.21	7.21	7.21	7.21
726-750	7.26	7.26	7.26	7.48	7.48	7.48	7.48	7.48	7.48	7.48
751 ft +	7.92	7.92	7.92	8.16	8.16	8.16	8.16	8.16	8.16	8.16

**Wharfage Rates (per ton)**

Table 6

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
All articles (not provided for below)	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	3.75	3.75	3.98	5.60	5.60	7.10	7.10	7.10	7.10
Livestock	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	1.76	1.76	1.87	1.96	1.96	1.96	1.96	1.96	1.96
Containers (loaded)	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	0.35	0.20	0.21	0.22	0.22	0.22	0.22	0.22	0.22
Citrus Concentrate (Drums or Tank)	1.41	1.45	1.45	1.54	1.54	1.54	1.54	1.54	1.54	1.54
Cordage	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	1.57	1.57	1.66	1.74	1.74	1.74	1.74	1.74	1.74
Flour or Rice (in bags)	1.16	1.19	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	1.43	1.43	1.43	1.43	1.43	1.43	1.43
Frozen Meat and/or Poultry	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	1.81	1.81	1.92	2.00	2.02	2.02	2.02	2.02	2.02
Iron & Steel Articles	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	19.60	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	2.64	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	1.15	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	2.25	2.25	2.39	2.36	2.39	2.39	2.39	2.39	2.39
U.S.D.A. Public Law 480 (bagged goods)	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	1.51	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	1.98	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	10.56	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	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	5.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Passengers Disembarking (per passenger)	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**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Passengers in transit (per passenger)	5.25	5.25	5.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Aggregate (including pumice & slag)	0.72	0.72	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Anhydrous Ammonia	0.355	0.355	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375
Bulk, Dry N.O.S.	1.06	1.06	1.12	1.12	1.18	1.18	1.18	1.18	1.18	1.18
Bulk, Liquid N.O.S.	1.06	1.06	1.12	1.12	1.18	1.18	1.18	1.18	1.18	1.18
Caustic Soda	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42
Cement	0.79	0.79	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Citrus Concentrate, (via pipeline)	1.01	1.01	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07
Citrus Pellets	0.37	0.37	0.39	0.39	0.40	0.40	0.40	0.40	0.40	0.40
Coal	0.59	0.59	0.63	0.63	0.66	0.66	0.66	0.66	0.66	0.66
Fertilizer, N.O.S.	0.230	0.230	0.250	0.245	0.245	0.245	0.245	0.245	0.245	0.245
Fly Ash	0.79	0.79	0.84	0.84	0.88	0.88	0.88	0.88	0.88	0.88
Grain, N.O.S.	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42
Gypsum	0.54	0.54	0.57	0.57	0.59	0.59	0.59	0.59	0.59	0.59
Petroleum and Petroleum Products (per barrel)	0.07	0.07	0.07	0.07	0.08	0.08	0.08	0.08	0.08	0.08
Petroleum (Bunkering) (per barrel)	0.08	0.08	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Petroleum Coke	0.59	0.59	0.63	0.63	0.66	0.66	0.66	0.66	0.66	0.66
Phosphate Products (other than crude rock)	0.24	0.24	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.245
Phosphate Rock, (Wet or Dry)	0.24	0.24	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.245
Phosphoric Acid	0.38	0.38	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Pomace	0.61	0.61	0.65	0.65	0.68	0.68	0.68	0.68	0.68	0.68
Potash	0.25	0.25	0.27	0.27	0.28	0.28	0.28	0.28	0.28	0.28
Salt	0.47	0.47	0.50	0.50	0.53	0.53	0.53	0.53	0.53	-
Sand	0.67	0.67	0.71	0.71	0.75	0.75	0.75	0.75	0.75	0.75
Seawater	0.24	0.24	0.25	0.25	0.26	0.26	0.26	0.26	0.26	0.26
Sulphur	0.38	0.38	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40
Sulphuric Acid	0.38	0.38	0.40	0.40	0.42	0.42	0.42	0.42	0.42	0.42
Tallow	0.54	0.54	0.57	0.57	0.60	0.60	0.60	0.60	0.60	0.60

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

Table 7

**TAMPA PORT AUTHORITY**  
**Top Ten Customers**  
**Current Year and Nine Years Prior**

**2011**

<b><u>Customer</u></b>	<b><u>Type of Business</u></b>	<b><u>Revenue</u></b>	<b><u>% of Total Operating Revenue</u></b>
Carnival Cruise Lines	Cruise Industry	7,607,243	18.07%
Kinder Morgan	Transports liquid bulk prods, petroleum	4,729,722	11.24%
Ports America	Terminal Operator for general cargo	3,537,538	8.40%
Royal Caribbean	Cruise Industry	2,331,818	5.54%
Vulcan	Transports bulk cargo, limestone	2,238,295	5.32%
Cemex	Transports misc dry bulk commodities	1,578,993	3.75%
Tarmac America	Transports dry bulk commodities, misc	1,323,710	3.14%
CF Industries	Transports anhydrous ammonia, fertilizer	1,292,119	3.07%
Martin Marietta Aggregates	Transports bulk cargo, limestone, aggregates	1,223,412	2.91%
Transmontaigne Product Services	Transports dry bulk commodities, misc	1,221,596	2.90%

**2002**

<b><u>Customer</u></b>	<b><u>Type of Business</u></b>	<b><u>Revenue</u></b>	<b><u>% of Total Operating Revenue</u></b>
Tampa Bay International Terminals	General cargo terminal operations	1,765,902	6.89%
Kinder Morgan	Transports liquid bulk prods, petroleum	1,755,801	6.85%
Martin Gas Sales, Inc.	Transports liquid bulk prods, petroleum	822,116	3.21%
Transmontaigne Product Services	Transports liquid bulk prods, petroleum	711,919	2.78%
Trademark Metals	Ship repair operation	661,408	2.58%
Vulcan /ICA Distribution	Transports dry bulk commodities, fertilizer	620,605	2.42%
Harborside Refrigerated Services	Terminal operator for refrigerated cargo	612,604	2.39%
Martin Marietta Aggregates	Transports dry bulk commodities	551,066	2.15%
Gulf Marine Repair, Inc.	Ship repair operation	504,859	1.97%
Tampa Bay Shipbuilding & Repair	Ship repair operation	500,000	1.95%

Table 8

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

<b>Fiscal Year</b>	<b>Second Lien Revenue Bonds</b>	<b>Special Revenue &amp; Refunding Revenue Bonds</b>	<b>Revenue Bond/Notes</b>	<b>Refunding Revenue Bonds</b>	<b>Total</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
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
2011	\$ -	\$ -	\$ 72,765,000	\$ 59,512,282	\$ 132,277,282	0.30%	\$ 108

(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 Debt Service	Principal	Debt Service (e) Interest	Total	Coverage Ratio
2002	\$ 32,444	\$ 13,674	\$ 18,770	\$ 7,102	\$ 8,424	\$ 15,526	1.21
2003	\$ 39,730	\$ 15,897	\$ 23,833	\$ 7,475	\$ 9,255	\$ 16,730	1.42
2004	\$ 40,947	\$ 17,273	\$ 23,674	\$ 7,870	\$ 9,314	\$ 17,184	1.38
2005	\$ 42,641	\$ 18,529	\$ 24,112	\$ 6,945	\$ 8,148	\$ 15,093	1.60
2006	\$ 46,089	\$ 19,913	\$ 26,176	\$ 5,023	\$ 7,709	\$ 12,732	2.06
2007	\$ 43,179	\$ 21,436	\$ 21,743	\$ 6,155	\$ 7,979	\$ 14,134	1.54
2008	\$ 43,626	\$ 22,543	\$ 21,083	\$ 5,468	\$ 7,674	\$ 13,142	1.60
2009	\$ 44,010	\$ 22,867	\$ 21,143	\$ 6,725	\$ 7,276	\$ 14,001	1.51
2010	\$ 43,233	\$ 22,741	\$ 20,492	\$ 6,424	\$ 6,993	\$ 13,417	1.53
2011	\$ 43,829	\$ 23,743	\$ 20,086	\$ 6,723	\$ 6,691	\$ 13,414	1.50

(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)**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Operating Revenue</b>										
Port Usage Fees	\$ 18,311	\$ 21,684	\$ 22,899	\$ 25,375	\$ 29,352	\$ 27,256	\$ 28,333	\$ 28,947	\$ 29,909	\$ 31,394
Land & Building Leases	\$ 6,389	\$ 6,213	\$ 7,340	\$ 8,309	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595
Tenant Utilities	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 629	\$ 552	\$ 519	\$ 532	\$ 591
Other Port Operating Revenue	\$ 408	\$ 552	\$ 723	\$ 735	\$ 913	\$ 906	\$ 920	\$ 711	\$ 682	\$ 514
<b>Total Operating Revenue</b>	<b>\$ 25,630</b>	<b>\$ 29,097</b>	<b>\$ 31,589</b>	<b>\$ 34,949</b>	<b>\$ 39,308</b>	<b>\$ 36,916</b>	<b>\$ 39,247</b>	<b>\$ 39,839</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>
<b>Non-Operating Revenue</b>										
Grants, Operating	\$ -	\$ 1,651	\$ 1,166	\$ 1,368	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income, Unrestricted	\$ 3,363	\$ 3,680	\$ 3,510	\$ 3,443	\$ 4,153	\$ 5,200	\$ 3,227	\$ 1,674	\$ 1,624	\$ 684
Other Non-Operating Income	\$ 3,451	\$ 5,302	\$ 4,682	\$ 2,881	\$ 2,288	\$ 1,063	\$ 1,152	\$ 2,497	\$ 982	\$ 1,051
<b>Total Non-Operating Revenue</b>	<b>\$ 6,814</b>	<b>\$ 10,633</b>	<b>\$ 9,358</b>	<b>\$ 7,692</b>	<b>\$ 6,781</b>	<b>\$ 6,263</b>	<b>\$ 4,379</b>	<b>\$ 4,171</b>	<b>\$ 2,606</b>	<b>\$ 1,735</b>
<b>Gross Revenue Available for Debt (a)</b>	<b>\$ 32,444</b>	<b>\$ 39,730</b>	<b>\$ 40,947</b>	<b>\$ 42,641</b>	<b>\$ 46,089</b>	<b>\$ 43,179</b>	<b>\$ 43,626</b>	<b>\$ 44,010</b>	<b>\$ 43,233</b>	<b>\$ 43,829</b>
<b>Less: Annual debt service requirement (b)</b>	<b>\$ 15,526</b>	<b>\$ 16,730</b>	<b>\$ 17,184</b>	<b>\$ 15,093</b>	<b>\$ 12,732</b>	<b>\$ 14,134</b>	<b>\$ 13,142</b>	<b>\$ 14,001</b>	<b>\$ 13,417</b>	<b>\$ 13,731</b>
<b>Net Revenue Available for payment of Operating Expenses:</b>	<b>\$ 16,918</b>	<b>\$ 23,000</b>	<b>\$ 23,763</b>	<b>\$ 27,548</b>	<b>\$ 33,357</b>	<b>\$ 29,045</b>	<b>\$ 30,484</b>	<b>\$ 30,009</b>	<b>\$ 29,816</b>	<b>\$ 30,098</b>
<b>Operating Expenses (c)</b>										
Personnel	\$ 6,372	\$ 6,735	\$ 7,315	\$ 7,756	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,698	\$ 10,378
Promotional	\$ 493	\$ 590	\$ 450	\$ 433	\$ 439	\$ 329	\$ 287	\$ 218	\$ 266	\$ 302
Administrative	\$ 6,809	\$ 8,572	\$ 9,508	\$ 10,340	\$ 11,033	\$ 12,195	\$ 12,849	\$ 12,560	\$ 11,777	\$ 13,063
<b>Total Operating Expenses</b>	<b>\$ 13,674</b>	<b>\$ 15,897</b>	<b>\$ 17,273</b>	<b>\$ 18,529</b>	<b>\$ 19,913</b>	<b>\$ 21,436</b>	<b>\$ 22,543</b>	<b>\$ 22,867</b>	<b>\$ 22,741</b>	<b>\$ 23,743</b>
<b>Surplus Port Revenues (d)</b>	<b>\$ 3,244</b>	<b>\$ 7,103</b>	<b>\$ 6,490</b>	<b>\$ 9,019</b>	<b>\$ 13,444</b>	<b>\$ 7,609</b>	<b>\$ 7,941</b>	<b>\$ 7,142</b>	<b>\$ 7,075</b>	<b>\$ 6,355</b>

( a ) Gross revenue as defined in the Senior Lien Bond Resolution 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 Income (in thousands)	Personal Income Per Capita	Median Age	Public High School Graduation Rates	Total Public School Enrollment	Unemployment Rate
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	44,394,000	37,947	36	79.1	193,062	4.0
2008	1,224,520	45,779,000	38,792	36	80.0	191,965	10.7
2009	1,234,010	45,511,000	38,075	36	84.6	193,239	10.5
2010	1,229,226	**	**	35	84.4	194,353	9.5
	(a)	(b)	(b)	(c)	(d)	(d)	(e)

Sources:

- (a) U.S. Census Bureau
- (b) U.S. Department of Commerce Bureau of Economic Analysis
- (c) Hillsborough County City-County Planning Commission
- (d) Florida Department of Education
- (e) Florida Department of Economic Opportunity, Labor Market Statistics Center, Local Area Unemployment Statistics Program.

\*\* Personal income data for fiscal year 2010 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	2011			2002		
		Employees	%	Rank (a)	Employees	%	Rank (a)
Hillsborough County School Board	Public education	29,603	5.6	1	25,487	5.0	1
MacDill Air Force Base	Military base	15,485	2.9	2	5,645	1.1	6
Hillsborough County Government	Government	9,328	1.8	3	9,922	1.9	4
Tampa International Airport	International airport	8,060	1.5	4	7,760	1.5	5
Verizon Communications Inc.	Telecommunications and data processing	9,065	1.7	5	14,000	2.7	2
University of South Florida	Education services	8,353	1.6	6	11,607	2.3	3
Tampa General Hospital	Medical facilities	6,900	1.3	7	3,166	0.6	13
Publix Food Centers	Supermarkets	5,823	1.1	8	4,342	0.8	9
St. Joseph Hospital	Medical facilities	4,400	0.8	9	5,242	1.0	7
City of Tampa	Government	4,274	0.8	10	4,500	0.9	8
James A. Haley - VA Hospital	Medical facilities	4,100	0.8	11	2,800	0.5	14
H. Lee Moffit Cancer Center	Medical facilities	4,094	0.8	12	-	-	-
Busch Entertainment Corporation	Tourist attraction	3,926	0.7	13	2,437	0.5	16
Bank of America	Banks	3,314	0.6	14	3,754	0.7	11
University Community Hospital	Medical facilities	3,108	0.6	15	-	-	-
U.S. Postal Service	Postal services	3,060	0.6	16	3,947	0.8	10
SweetBay Supermarkets	Supermarket	2,834	0.5	17	2,652	0.5	15
USF Health Science Center	Medical facilities	2,232	0.4	18	-	-	-
Tampa Electric Company	Electric utility	2,481	0.5	19	3,463	0.7	12
Total		130,440	24.6		110,724	21.5	

(a) Percentages shown represent the number of employees as a percent of total Hillsborough County employment. Total Hillsborough County employment for 2011 was not available so the 2010 figure of 530,189 was used instead. Total Hillsborough County employment for 2002 was 514,371.

(b) The number of employees for fiscal year 2011 figure was not available, so 90% of the fiscal year 2010 figure was used as an estimate in its place.

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

Table 13

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Countywide (BOCC):</b>										
BOCC General Revenue	7.198	7.188	7.176	6.926	6.520	5.745	5.744	5.742	5.741	5.739
BOCC Library Service	0.642	0.642	0.642	0.692	0.692	0.608	0.558	0.558	0.558	0.558
Environmentally sensitive lands (voted)	0.114	0.105	0.097	0.084	0.067	0.060	0.060	0.060	0.060	0.060
Total millage	7.954	7.935	7.915	7.702	7.279	6.413	6.362	6.360	6.359	6.358
Maximum millage per statute (a)	10.114	10.105	10.097	10.084	10.067	10.060	10.060	10.060	10.060	10.060
<b>Unincorporated Area (BOCC):</b>										
BOCC Municipal Service										
Taxing Unit	5.062	5.062	5.062	5.162	4.995	4.376	4.375	4.375	4.375	4.375
Parks and Recreation (voted)	0.050	0.050	0.040	0.036	0.029	0.026	0.026	0.026	0.026	0.026
Total millage	5.112	5.112	5.102	5.198	5.024	4.402	4.401	4.401	4.401	4.401
Maximum millage per statute (a)	10.050	10.050	10.040	10.036	10.029	10.026	10.026	10.026	10.026	10.026
<b>Countywide (Other):</b>										
Tampa Port Authority	0.290	0.290	0.260	0.260	0.220	0.198	0.195	0.193	0.190	0.190
Southwest Florida Water Management District	0.422	0.422	0.422	0.422	0.422	0.387	0.387	0.387	0.377	0.393
School Board	8.595	8.480	8.361	7.937	7.823	7.523	7.777	7.692	7.592	7.913
Children's Board	0.500	0.500	0.500	0.500	0.500	0.463	0.500	0.500	0.500	0.500
<b>Unincorporated Area (Other)</b>										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.240	0.240	0.240	0.240	0.240	0.216	0.216	0.216	0.216	0.216
Hillsborough River Basin	0.285	0.285	0.285	0.285	0.285	0.255	0.255	0.242	0.242	0.230
NW Hillsborough Basin	0.268	0.268	0.268	0.268	0.268	0.242	0.242	--	--	--
Transit Authority	0.500	0.500	0.500	0.500	0.500	0.450	0.468	0.468	0.468	0.500
<b>Municipalities:</b>										
Tampa	6.539	6.539	6.539	6.539	6.408	5.733	5.733	5.733	5.733	5.733
Temple Terrace	4.910	4.910	4.910	4.910	4.700	4.569	4.569	5.283	5.283	6.150
Plant City	4.700	4.700	4.700	4.700	4.910	4.165	4.165	4.716	4.716	4.716
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	23.613	23.479	23.300	22.759	22.008	20.052	20.306	20.217	20.103	20.471

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

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

Source: Hillsborough County Tax Collector, [www.hillstax.org/tax/proptaxinfo.asp](http://www.hillstax.org/tax/proptaxinfo.asp)



---

**TAMPA PORT AUTHORITY**

---

Table 14

**HILLSBOROUGH COUNTY, FLORIDA**  
**Principal Taxpayers**  
**Latest Fiscal Year Compared to the Fiscal Year Nine Years Earlier**  
*(amounts in thousands)*

Taxpayer	Type of Business	2010			2001		
		Taxes Levied (a)	Rank	Percentage of Total Taxes Levied	Taxes Levied (a)	Rank	Percentage of Total Taxes Levied
Tampa Electric Company	Electric utility	\$ 34,683	1	2.22%	30,301	1	2.72%
Verizon Communications Inc.	Telecommunications	17,657	2	1.14%	27,873	2	2.49% b
Hillsborough County Aviation Authority	Airport	9,855	3	0.64%	3,818	5	0.34%
Mosaic	Mining/Fertilizer	6,459	4	0.42%	7,634	3	0.68% c
Camden Operating LP	Real estate	5,539	5	0.36%	3,471	6	0.31%
Liberty Property	Property management	4,607	6	0.30%			–
Post Apartment Homes LP	Real estate	4,288	7	0.28%	5,178	4	0.46%
Wal-Mart	Retail stores	4,275	8	0.28%	2,739	8	0.24%
Highwoods/Florida Holdings	Real estate management	4,156	9	0.27%			–
Brighthouse	Communications	3,771	10	0.24%			–
Tampa Sports Authority	Sports Facilities	–		–	2,929	7	0.53%
Busch Entertainment	Entertainment	–		–	2,721	9	0.24%
		\$ 95,290		6.15%	86,664		8.01%

(a) Dollar amounts in thousands.

(b) In 2010, \$13.7 million of the \$17.7 million tax levy represents a good faith payment made by Verizon.

(c) IMC - Agrico Company and Cargill Fertilizer, Inc were shown separately in 2001, 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 \$1,548,565,479 for 2010 and \$1,119,430,880 for 2001.

Source: Hillsborough County Tax Collector

Table 15

## Schedule of Revenue by Activity

Last Ten Years

(Unaudited)

(amounts in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>PORT USAGE FEES, MAJOR CARGO CATEGORIES</b>										
<b>Bulk Cargo:</b>										
Dockage	\$ 3,218	\$ 3,058	\$ 3,363	\$ 3,770	\$ 4,077	\$ 3,699	\$ 3,686	\$ 3,470	\$ 3,754	\$ 3,800
Wharfage	\$ 4,790	\$ 5,038	\$ 5,405	\$ 6,247	\$ 6,277	\$ 6,165	\$ 6,079	\$ 5,632	\$ 6,423	\$ 6,157
<b>Subtotal, Bulk Cargo</b>	<b>\$ 8,008</b>	<b>\$ 8,096</b>	<b>\$ 8,768</b>	<b>\$ 10,017</b>	<b>\$ 10,354</b>	<b>\$ 9,864</b>	<b>\$ 9,765</b>	<b>\$ 9,102</b>	<b>\$ 10,177</b>	<b>\$ 9,957</b>
<b>Bulk Cargo Tonnage</b>										
Average Dockage & Wharfage per Ton	\$ 12,598	\$ 13,064	\$ 14,073	\$ 15,416	\$ 15,533	\$ 14,266	\$ 13,142	\$ 12,116	\$ 13,705	\$ 12,722
	\$ 0.64	\$ 0.62	\$ 0.62	\$ 0.65	\$ 0.67	\$ 0.69	\$ 0.74	\$ 0.75	\$ 0.74	\$ 0.78
<b>General Cargo:</b>										
Dockage	\$ 759	\$ 926	\$ 838	\$ 845	\$ 1,122	\$ 1,072	\$ 763	\$ 642	\$ 559	\$ 613
Wharfage	\$ 1,424	\$ 1,698	\$ 1,770	\$ 2,116	\$ 2,381	\$ 2,530	\$ 2,581	\$ 2,637	\$ 1,949	\$ 2,232
<b>Subtotal, General Cargo</b>	<b>\$ 2,183</b>	<b>\$ 2,624</b>	<b>\$ 2,608</b>	<b>\$ 2,961</b>	<b>\$ 3,503</b>	<b>\$ 3,602</b>	<b>\$ 3,344</b>	<b>\$ 3,279</b>	<b>\$ 2,508</b>	<b>\$ 2,845</b>
<b>General Cargo Tonnage</b>										
Average Dockage & Wharfage per Ton	\$ 774	\$ 979	\$ 975	\$ 1,062	\$ 1,205	\$ 1,312	\$ 1,235	\$ 1,095	\$ 862	\$ 968
	\$ 2.82	\$ 2.68	\$ 2.67	\$ 2.79	\$ 2.91	\$ 2.75	\$ 2.71	\$ 2.99	\$ 2.91	\$ 2.94
<b>Cruise:</b>										
Dockage	\$ 766	\$ 822	\$ 747	\$ 785	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784	\$ 908
Wharfage	\$ 2,917	\$ 4,495	\$ 4,385	\$ 4,310	\$ 5,119	\$ 4,449	\$ 4,463	\$ 4,669	\$ 4,690	\$ 5,105
<b>Subtotal, Cruise / Passengers</b>	<b>\$ 3,683</b>	<b>\$ 5,317</b>	<b>\$ 5,132</b>	<b>\$ 5,095</b>	<b>\$ 6,104</b>	<b>\$ 5,241</b>	<b>\$ 5,243</b>	<b>\$ 5,477</b>	<b>\$ 5,474</b>	<b>\$ 6,013</b>
<b>Passenger Count (a)</b>										
Average Dockage & Wharfage per Passenger	\$ 587	\$ 810	\$ 792	\$ 772	\$ 911	\$ 781	\$ 768	\$ 803	\$ 807	\$ 876
	\$ 6.27	\$ 6.56	\$ 6.48	\$ 6.60	\$ 6.70	\$ 6.71	\$ 6.83	\$ 6.82	\$ 6.78	\$ 6.86
<b>Combined Dockage &amp; Wharfage Major Cargo Category:</b>										
Cruise	\$ 3,683	\$ 5,317	\$ 5,132	\$ 5,095	\$ 6,104	\$ 5,241	\$ 5,243	\$ 5,477	\$ 5,474	\$ 6,013
Bulk Cargo	\$ 8,008	\$ 8,096	\$ 8,768	\$ 10,017	\$ 10,354	\$ 9,864	\$ 9,765	\$ 9,102	\$ 10,177	\$ 9,957
General Cargo	\$ 2,183	\$ 2,624	\$ 2,608	\$ 2,961	\$ 3,503	\$ 3,602	\$ 3,344	\$ 3,279	\$ 2,508	\$ 2,845
<b>Total Combined Dockage &amp; Wharfage Major Cargo</b>	<b>\$ 13,874</b>	<b>\$ 16,037</b>	<b>\$ 16,508</b>	<b>\$ 18,073</b>	<b>\$ 19,961</b>	<b>\$ 18,707</b>	<b>\$ 18,352</b>	<b>\$ 17,858</b>	<b>\$ 18,159</b>	<b>\$ 18,815</b>

## Schedule of Revenue by Activity

Last Ten Years

(Unaudited)

(amounts in thousands)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>OTHER PORT USAGE FEES:</b>										
Dockage, non-cargo related	\$ 670	\$ 807	\$ 949	\$ 730	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967	\$ 571
In lieu of Wharfage, (shortfalls, product via rail, truck)	\$ 595	\$ 628	\$ 581	\$ 1,028	\$ 1,162	\$ 874	\$ 2,587	\$ 2,891	\$ 3,723	\$ 4,647
Parking and related	\$ 2,658	\$ 3,455	\$ 3,810	\$ 4,168	\$ 5,569	\$ 5,431	\$ 4,976	\$ 5,892	\$ 5,208	\$ 5,659
Terminal Operations	\$ 416	\$ 300	\$ 667	\$ 1,004	\$ 1,670	\$ 1,288	\$ 1,409	\$ 1,361	\$ 1,357	\$ 1,490
Other Usage Fees	\$ 98	\$ 457	\$ 384	\$ 372	\$ 273	\$ 283	\$ 352	\$ 285	\$ 495	\$ 212
<b>Total Other Port Usage Fees:</b>	<b>\$ 4,437</b>	<b>\$ 5,647</b>	<b>\$ 6,391</b>	<b>\$ 7,302</b>	<b>\$ 9,391</b>	<b>\$ 8,549</b>	<b>\$ 9,982</b>	<b>\$ 11,089</b>	<b>\$ 11,750</b>	<b>\$ 12,579</b>
<b>PORT USAGE FEES, TOTAL</b>	<b>\$ 18,311</b>	<b>\$ 21,684</b>	<b>\$ 22,899</b>	<b>\$ 25,375</b>	<b>\$ 29,352</b>	<b>\$ 27,256</b>	<b>\$ 28,334</b>	<b>\$ 28,947</b>	<b>\$ 29,909</b>	<b>\$ 31,394</b>
<b>LAND &amp; BUILDING LEASES</b>	<b>\$ 6,389</b>	<b>\$ 6,213</b>	<b>\$ 7,340</b>	<b>\$ 8,309</b>	<b>\$ 8,419</b>	<b>\$ 8,125</b>	<b>\$ 9,442</b>	<b>\$ 9,654</b>	<b>\$ 9,504</b>	<b>\$ 9,595</b>
<b>OTHER OPERATING:</b>										
Tenant Utilities	\$ 522	\$ 648	\$ 627	\$ 530	\$ 624	\$ 582	\$ 553	\$ 520	\$ 532	\$ 591
Fingerprinting/Badging	\$ 316	\$ 432	\$ 581	\$ 610	\$ 798	\$ 841	\$ 810	\$ 624	\$ 606	\$ 430
Other Port Operating	\$ 92	\$ 120	\$ 142	\$ 125	\$ 115	\$ 112	\$ 108	\$ 94	\$ 76	\$ 84
<b>Total Other Operating Revenue</b>	<b>\$ 930</b>	<b>\$ 1,200</b>	<b>\$ 1,350</b>	<b>\$ 1,265</b>	<b>\$ 1,537</b>	<b>\$ 1,535</b>	<b>\$ 1,471</b>	<b>\$ 1,238</b>	<b>\$ 1,214</b>	<b>\$ 1,105</b>
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 25,630</b>	<b>\$ 29,097</b>	<b>\$ 31,589</b>	<b>\$ 34,949</b>	<b>\$ 39,308</b>	<b>\$ 36,916</b>	<b>\$ 39,247</b>	<b>\$ 39,839</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>

(a) Source: Port Authority statistics

Table 16

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>DRY BULK CARGO</b>										
Cement, Bulk	381	439	427	790	998	666	345	115	99	87
Citrus Pellets	300	189	313	102	125	138	138	103	94	96
Coal	131	136	188	220	168	216	0	0	0	0
Granite Rock, Bulk	612	901	751	653	588	604	977	1,204	968	1,014
Limestone	1,103	1,285	1,478	1,728	1,708	1,676	1,136	542	816	575
Phosphatic Chemical, Bulk	948	789	1,175	1,161	1,253	1,103	1,108	1,349	1,230	1,280
Other Dry Bulk	535	368	424	216	341	157	147	199	243	221
<b>TOTAL DRY BULK CARGO:</b>	<b>4,010</b>	<b>4,106</b>	<b>4,755</b>	<b>4,871</b>	<b>5,181</b>	<b>4,560</b>	<b>3,851</b>	<b>3,511</b>	<b>3,450</b>	<b>3,273</b>
<b>LIQUID BULK CARGO</b>										
Ammonia, Anhydrous	675	662	692	671	477	402	434	410	502	589
Concentrate, Citrus Bulk	79	81	45	49	57	65	77	52	67	47
Petroleum Products	6,083	6,400	6,958	7,753	7,609	7,720	7,143	6,969	8,093	7,649
Sulphur, Liquid	1,355	1,617	1,394	1,802	2,025	1,329	1,321	922	1,244	1,008
Sulphuric Acid	336	138	167	201	111	108	219	179	271	96
Other Liquid Bulk	60	60	62	69	73	82	97	83	79	60
<b>TOTAL LIQUID BULK CARGO:</b>	<b>8,588</b>	<b>8,957</b>	<b>9,318</b>	<b>10,545</b>	<b>10,352</b>	<b>9,706</b>	<b>9,291</b>	<b>8,615</b>	<b>10,255</b>	<b>9,449</b>
<b>TOTAL BULK CARGO:</b>	<b>12,598</b>	<b>13,064</b>	<b>14,073</b>	<b>15,416</b>	<b>15,533</b>	<b>14,266</b>	<b>13,142</b>	<b>12,126</b>	<b>13,705</b>	<b>12,722</b>
<b>GENERAL CARGO</b>										
Containerized	23	38	108	131	149	297	364	397	304	311
Forest Products	39	53	20	50	62	3	8	1	0	0
General Cargo	42	20	6	11	7	19	34	24	10	3
Reefer Cargo	64	53	40	42	39	17	35	32	0	0
Scrap Metal	195	420	439	393	419	577	594	535	495	562
Steel Products	338	342	322	380	463	338	154	85	37	80
Vehicles (in tons)	72	54	41	55	66	61	46	21	17	12
<b>TOTAL GENERAL CARGO:</b>	<b>774</b>	<b>979</b>	<b>975</b>	<b>1,062</b>	<b>1,205</b>	<b>1,312</b>	<b>1,235</b>	<b>1,095</b>	<b>862</b>	<b>968</b>
<b>TOTAL BULK AND GENERAL:</b>	<b>13,372</b>	<b>14,043</b>	<b>15,049</b>	<b>16,477</b>	<b>16,738</b>	<b>15,578</b>	<b>14,377</b>	<b>13,221</b>	<b>14,567</b>	<b>13,690</b>
<b>TOTAL CRUISE PASSENGERS</b>	<b>587</b>	<b>810</b>	<b>792</b>	<b>772</b>	<b>911</b>	<b>781</b>	<b>768</b>	<b>803</b>	<b>807</b>	<b>876</b>

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

Source: Port Authority Statistics

Table 17

**TAMPA PORT AUTHORITY**  
**Capital Assets**  
**Last Ten Fiscal Years**

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>CHANNEL WIDTH (feet)</b>										
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 Suttton 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 Suttton 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
<b>CHANNEL DEPTH (feet)</b>										
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 Suttton 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	41	41	41	41	41	41	41	41	41
Port Suttton 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
<b>BERTHING SPACE</b>										
Wharf (linear feet)	8,225	9,175	10,375	10,375	11,855	11,855	11,855	12,855	16,655	17,235
Number of Berths	57	57	58	59	59	59	59	60	64	67
<b>TOTAL LAND (acres)</b>										
Port Owned/Usable - Estimated	2,432	2,502	2,512	2,551	2,551	2,454	2,454	2,454	2,485	2,485
Port Owned/Spoil Islands - Estimated	1,455	1,525	1,535	1,574	1,574	1,477	1,477	1,477	1,508	1,508
Leased - Estimated	977	977	977	977	977	977	977	977	977	977
	1,273	1,298	1,298	1,325	1,300	1,290	1,290	1,285	1,285	1,285
<b>HARD SURFACED OPEN STORAGE (acres) (b)</b>										
	83	83	83	83	83	83	83	83	83	83
<b>COVERED STORAGE (sq. ft.)</b>										
	471,000	471,000	471,000	471,000	506,000*	506,000	506,000	506,000	506,000	506,000
<b>REFRIGERATED STORAGE (sq. ft.)</b>										
	114,000	114,000	114,000	114,000	114,000	118,267	118,267	0	0	0
<b>CRUISE TERMINAL SPACE (sq ft.)</b>										
	126,000	236,000	236,000	236,000	201,000*	201,000	201,000	201,000	201,000	232,500
<b>RAILROAD TRACK (miles)(Port Owned)</b>										
	7	7	7	7	7	7	7	7	7	2.5

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

\* Cruise terminal 7 was converted to warehouse space in 2006

Source: Tampa Port Authority Engineering Dept.



Table 18

TAMPA PORT AUTHORITY STAFFING BY DIVISION/DEPARTMENT										
	FY 2002 Staffing	FY 2003 Staffing	FY 2004 Staffing	FY 2005 Staffing	FY 2006 Staffing	FY 2007 Staffing	FY 2008 Staffing	FY 2009 Staffing	FY 2010 Staffing	FY 2011 Staffing
<u>EXECUTIVE/LEGAL DIVISION:</u>										
Chief Executive Officer	3	3	2	2	3	3	3	3	3	3
<u>DEPUTY PORT DIRECTOR OPERATIONS/ENGINEERING DIVISION:</u>										
Deputy Port Director Operations	1	1	1	1	1	1	1	2	1	1
Facilities Management	16	18	17	17	15	17	17	18	17	18
Security	21	23	26	28	28	28	30	28	29	28
Engineering	14	14	13	13	14	15	16	16	16	17
Operations	10	12	14	13	14	13	17	15	15	16
Cruise Operations	3	5	3	2	2	2	2	2	2	3
Operations/Engineering Division Subtotal	65	73	74	74	74	76	83	81	80	83
<u>DEPUTY PORT DIRECTOR ADMINISTRATION/PORT COUNSEL DIVISION:</u>										
Port Counsel	3	4	4	3	4	4	4	5	4	4
Real Estate Senior Director	2	3	3	4	4	5	5	5	5	5
Environmental Affairs	3	4	4	4	4	2	4	3	3	3
Senior Director, Marketing Services	1	2	2	2	2	2	2	3	3	3
Cargo Marketing	3	3	3	3	3	3	3	1	1	1
Trade Development	0	1	1	1	1	1	1	1	1	1
Procurement (a)	0	0	0	0	0	0	0	0	2	2
Cruise Marketing	1	1	1	0	0	0	0	0	0	0
Administration/Port Counsel Division Subtotal	13	18	18	17	18	17	19	18	19	19
<u>CHIEF FINANCIAL OFFICER DIVISION:</u>										
Chief Financial Officer	2	2	5	5	5	3	2	2	2	2
Human Resources	6	7	6	5	5	5	4	4	4	3
Finance	9	10	8	8	8	8	7	7	7	8
Chief Information Officer	2	3	3	3	3	3	3	2	2	3
Chief Financial Officer Division Subtotal	19	22	22	21	21	19	16	15	15	16
<u>COMMUNICATIONS/BOARD COORDINATION DIVISION</u>										
Sr. Director Communications & Board Coordination	2	2	2	3	3	2	2	2	2	2
Public Relations	2	4	2	3	2	1	1	1	1	1
Communications/Board Coordination Div Subtotal	4	6	4	6	5	3	3	3	3	3
<u>PLANNING &amp; ECONOMIC DEVELOPMENT DIVISION</u>										
	1	1	1	1	1	1	1	1	1	1
TAMPA PORT AUTHORITY -Total Positions	105	123	121	121	122	119	125	121	121	125

(a) 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)**

<b>Fiscal Year</b>	<b>Passenger Count ( a )</b>	<b>Cruise Operating Revenue ( b )</b>	<b>Average Revenue per Passenger</b>	<b>Total Operating Revenue</b>	<b>Percent of Cruise Operating to Total Operating</b>
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%
2011	875,611	\$ 9,943,951	\$ 11.36	\$ 42,093,061	23.62%

( 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

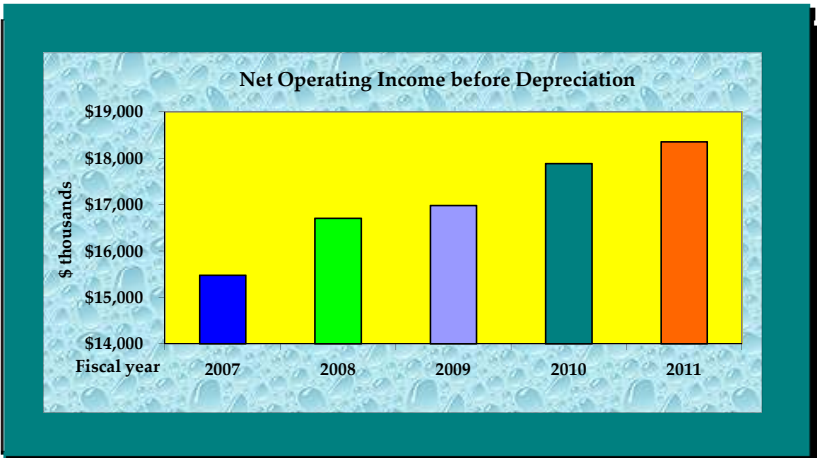
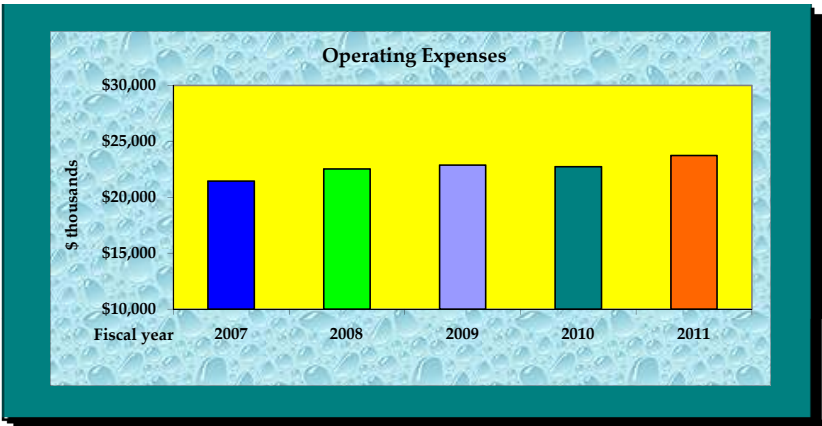
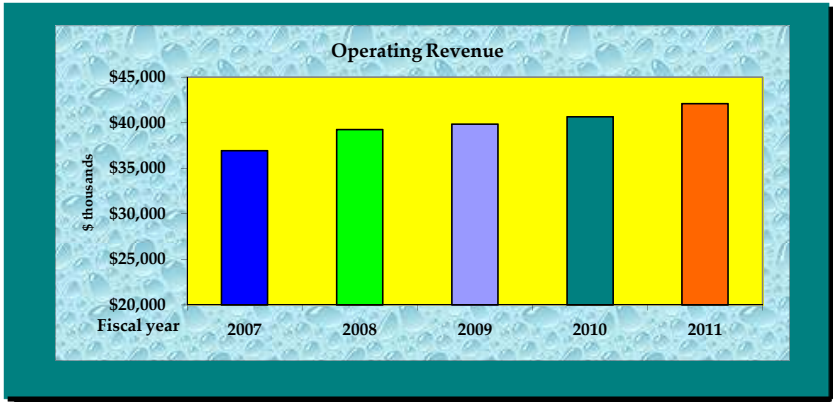
**Tampa Port Authority  
Insurance Coverage  
as of September 30, 2011  
(Unaudited)**

		<b><u>Limits of Coverage</u></b>
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 &amp; Indemnity</i>	\$	5,000,000
<i>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 &amp; Primary Auto)</i>	\$	45,000,000
Primary Automobile		
<i>Liability</i>	\$	1,000,000
<i>Personal Injury (PIP)</i>		Statutory
Employee Crime		
<i>Public Employees Dishonesty/Faithful Performance</i>	\$	1,000,000
<i>Forgery or Alteration</i>	\$	1,000,000
<i>Computer Fraud</i>	\$	1,000,000
<i>Funds Transfer Fraud</i>	\$	1,000,000
<i>Theft of Money &amp; Securities</i>	\$	500,000
Fire & Allied Property		
<i>Total Buildings and Allied</i>	\$	149,799,978
	<b><u>Sublimits:</u></b>	<b><u>Amount</u></b>
<i>Buildings</i>	\$	123,322,478
<i>Personal Property</i>	\$	14,567,711
<i>Inland Marine (Scheduled Equipment)</i>	\$	350,594
<i>Business Income</i>	\$	10,000,000
<i>Computer Related &amp; Video/Radio Equipment</i>	\$	1,559,195
National Flood		
<i>Buildings</i>	\$	6,924,200
<i>Contents</i>	\$	934,500
Gasoline Storage Tank Liability	\$	1,000,000
Corporate Foreign Travel/Accident, Etc.	\$	1,000,000

Source: Tampa Port Authority Finance dept.

Table 21

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





---

**TAMPA PORT AUTHORITY**

---





TAMPA PORT AUTHORITY

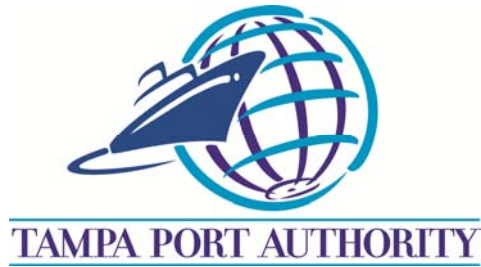




---

**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)**

<b><u>Fiscal Year</u></b>	<b><u>Phosphate</u></b>	<b><u>Petroleum</u></b>	<b><u>Coal</u></b>	<b><u>Sulphur</u></b>	<b><u>All Other</u></b>	<b><u>Total</u></b>
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	8,437	16,220	2,693	3,072	6,534	36,956
2011	6,637	15,438	2,391	3,282	6,505	34,253

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)**

<b><u>Fiscal Year</u></b>	<b><u>Dockage</u></b>		<b><u>Wharfage (a)</u></b>		<b><u>Passenger Terminal Income</u></b>		<b><u>Other Port Usage Fees</u></b>		<b><u>Total</u></b>
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	\$	18,203	\$	5,208	\$	434	\$ 29,909
2011	\$	5,892	\$	18,141	\$	5,659	\$	1,702	\$ 31,394

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

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

Table 24

**TAMPA PORT AUTHORITY**  
**Summary of Leases of Principal Tenants**  
**as of September 30, 2011**  
**(Unaudited)**

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	2011		2011 Total Revenue Received (a)
					Minimum Annual Revenue	Revenue	
Carnival Cruise Lines (c)	04/01/2002	10	0	0	\$	4,123,620	\$ 7,607,243
Kinder Morgan (GATX) (b) (c)	10/01/1998	5	3	5	\$	2,428,538	\$ 4,528,532
Ports America (Container) (c)	05/30/2006	40	0	0	\$	441,150	\$ 3,537,538
Vulcan Materials/ICA - FL Rock (c)	07/01/1991	1	4/3	1/5	\$	1,000,000	\$ 2,238,295
Tarmac America (c)	01/01/2002	20	3	10	\$	1,210,076	\$ 1,323,710
Martin Marietta Materials, Inc. (c)	06/01/2010	10	4	5	\$	977,708	\$ 1,223,412
TPSI Terminals (ex: Transmontaigne) (c)	09/01/2007	20	2	10	\$	1,221,596	\$ 1,221,596
OneSteel (c)	05/15/2007	10	2	10	\$	549,640	\$ 1,058,273
Murphy Oil USA, Inc. (c)	09/01/2007	20	2	10	\$	437,961	\$ 985,380
Gaetano Cacciatore, Inc. (c)	12/01/2005	25	8	5	\$	864,708	\$ 864,708
Tampa Ship LLC	03/01/2007	5	2	15	\$	829,167	\$ 849,997
Gulf Marine Repair (Berth 250/253)	09/01/2006	10	3	10	\$	607,178	\$ 789,880
C F Industries (fertilizer facility) (b) (c)	06/01/1972	10	4	10	\$	85,626	\$ 757,626
Trademark Metals (c)	12/01/1999	10	2	5	\$	464,965	\$ 731,134
Cemex Cons Mats LP (T164) (b) (c)	12/12/2001	5 1/2 yrs	4	5	\$	285,671	\$ 667,017
Cemex Cons Mats FL (parent of Rinker Mats) (b) (c)	11/01/2007	40	2	20	\$	604,166	\$ 604,166
Cargill, Inc. ( Salt Facility) (b) (c)	07/01/1999	20	2	10	\$	413,348	\$ 557,306
C F Industries (ammonia terminal) (b) (c)	04/01/1993	6 1/2 yrs	3	10	\$	83,240	\$ 534,493
Channelse Bay Mall, LLC	04/23/1997	39 3/4 yrs	8	5	\$	528,636	\$ 528,636
Martin Operating (FKA Martin Gas) (c)	12/16/2006	10	2	5	\$	279,242	\$ 482,133
Sea-3 of Florida, Inc. (c)	01/01/1999	22	3	10	\$	407,928	\$ 421,229
Gulf Marine Repair (Berth 251/252)	11/01/2008	4	3	5	\$	360,000	\$ 360,000
Andino Cement USA, LLC	11/15/2007	40	4	10	\$	333,667	\$ 333,667
Holcim (US), Inc. (c)	07/01/2005	5	2	5	\$	273,712	\$ 313,595
Cemex, Inc. (merged w/Southdown 2000; B-31) (b) (c)	07/01/1996	2 yrs-11 mos	3	5	\$	307,810	\$ 307,810
Gulf Sulphur Services (c)	01/01/2000	5	2/3	5/3	\$	297,363	\$ 297,363
International Ship Repair (Metropport)	10/01/2009	5	5	5	\$	255,521	\$ 276,203
Amalie Oil	07/01/1997	25	1	10	\$	133,270	\$ 266,944
Sulphuric Acid Trading (SATCO) (c)	11/01/1979	25	1/1	15/5	\$	262,376	\$ 262,376
Namasco	08/01/2011	3	1	5	\$	228,630	\$ 228,630
Seabulk Towing, Inc.	05/01/1998	15	0	0	\$	73,738	\$ 209,453
Pasco Terminals (c)	11/01/2000	10	2	5	\$	197,364	\$ 197,364
Gladiator LLP (Titan) (c)	10/01/2006	20	4	5	\$	145,600	\$ 141,608
Lehigh Portland Cement (c)	09/01/2000	10	2	5	\$	141,459	\$ 141,459
Kinder Morgan (b)	03/28/1995	20	2	10	\$	51,055	\$ 136,801
Yara North America (L258) (c)	05/01/2005	10	0	0	\$	112,220	\$ 135,997
Cargill Financial Service Center (b) (c)	05/01/1973	20	3	20	\$	33,000	\$ 135,372
Tampa Juice Service	04/05/1995	20	2	10	\$	57,016	\$ 110,869
University of So Fl (Small Business Center)	06/01/2010	5	1	5	\$	104,212	\$ 104,212

Table 24

**TAMPA PORT AUTHORITY**  
**Summary of Leases of Principal Tenants**  
**as of September 30, 2011**  
**(Unaudited)**

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	2011		2011 Total Revenue
					Minimum Annual Revenue	Revenue	
Diversified Marine	07/01/2009	11	1	5	\$ 102,612	\$ 102,612	\$ 102,612
Halcrow, Inc. (Ex: River Consulting)	02/12/2011	7	2	3	\$ 99,901	\$ 99,901	\$ 99,901
TC Port Ybor LLC	04/09/2004	40	4	10	\$ -	\$ -	\$ 96,482
Tropical Shipping (c )	04/01/2009	5	0	0	\$ 91,158	\$ 91,158	\$ 91,158
WCI Communities, Inc.	05/03/2005	5	7	5	\$ 79,530	\$ 79,530	\$ 79,530
Kinder Morgan Bulk Terminals (b )	12/23/2002	20	4	10	\$ 64,389	\$ 64,389	\$ 64,389
Carolco Industries Services	01/01/2008	4	3	1	\$ 60,300	\$ 60,300	\$ 60,300
Starship Cruise Lines (c )	01/01/2006	10	2	10	\$ 59,200	\$ 59,200	\$ 59,543
International Ship Repair (Berth 200/206)	02/01/1997	2	21/1	23/10	\$ 58,872	\$ 58,872	\$ 58,872
HCP Associates, Inc.	11/01/2008	5 yrs-3 mos	1	3	\$ 51,424	\$ 51,424	\$ 51,424
Ecoventure NewPort Marina, LLC	05/19/2005	5	4	5	\$ 49,804	\$ 49,804	\$ 49,804
Maritrans	01/01/1980	25	3	10	\$ 47,998	\$ 47,998	\$ 47,998
Ecoventure New Port Marina	11/01/2005	5	4	5	\$ 35,795	\$ 35,795	\$ 35,795
Yara North America (Formerly Hydro-Agri )	10/01/2007	20	2	10	\$ 27,292	\$ 27,292	\$ 27,292
Marine Towing of Tampa	01/01/2006	10	3	5	\$ 23,436	\$ 23,436	\$ 23,436
Anova Food Inc	03/18/2008	3	2	1	\$ 14,916	\$ 14,916	\$ 14,916
Bronco Transport, Inc.	12/01/2011	1	0	0	\$ 14,325	\$ 14,325	\$ 14,325
Destination Tampa Bay	10/01/2008	1	4	1	\$ 14,277	\$ 14,277	\$ 14,277
Lands End Marina	04/01/1997	5	2	5	\$ 12,886	\$ 12,886	\$ 12,886
American Victory Ship Memorial Museum	04/18/2000	4	4	4	\$ 12,000	\$ 12,000	\$ 12,000
					<b>\$ 22,132,292</b>	<b>\$ 36,488,967</b>	

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

(b ) 2011 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.



---

**TAMPA PORT AUTHORITY**

---



**RIVERO, GORDIMER & COMPANY, P.A.**

**CERTIFIED PUBLIC ACCOUNTANTS**

Member

American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants

Cesar J. Rivero

Sam A. Lazzara

Richard Gordimer

Stephen G. Douglas

Herman V. Lazzara

Michael E. Helton

Marc D. Sasser

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

Board of Commissioners  
Tampa Port Authority

We have audited the financial statements of the Tampa Port Authority (the "Port Authority" ) as of and for the year ended September 30, 2011, and have issued our report thereon, dated January 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

**Internal Control Over Financial Reporting**

Management of the Port Authority is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Port Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Port Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Port Authority's internal control over financial reporting.

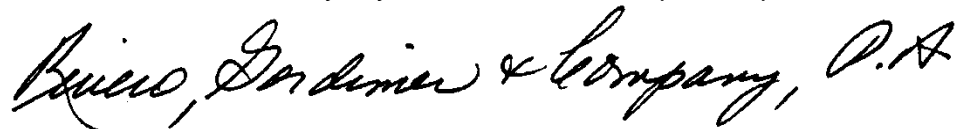
*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination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

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### 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.

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

Tampa, Florida  
January 17, 2012



**RIVERO, GORDIMER & COMPANY, P.A.**

**CERTIFIED PUBLIC ACCOUNTANTS**

Member

American Institute of Certified Public Accountants

Florida Institute of Certified Public Accountants

Cesar J. Rivero

Sam A. Lazzara

Richard Gordimer

Stephen G. Douglas

Herman V. Lazzara

Michael E. Helton

Marc D. Sasser

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL  
EFFECT ON EACH MAJOR STATE PROJECT AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Board of Commissioners  
Tampa Port Authority

**Compliance**

We have audited the Tampa Port Authority (the "Port Authority") with the types of compliance requirements described in the Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on each of its state projects for the year ended September 30, 2011. The Port Authority's state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major state projects is the responsibility of the Port Authority's management. Our responsibility is to express an opinion on the Port Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America, and Chapter 10.550, *Rules of the Auditor General*. Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the Port Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Port Authority's compliance with those requirements.

In our opinion, the Port Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2011.

**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 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 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 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 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, 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.

*Bureau, Gordinier & Company, P.A.*

Tampa, Florida  
January 17, 2012

Tampa Port Authority

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the year ended September 30, 2011

Grantor and Program Title	CFDA / CFSA Number	Grant Number	Award Amount	Accrued Revenue September 30, 2010	Receipts	Expenditures	Accrued Revenue September 30, 2011
State Agency							
Florida Department of Transportation							
Seaport Grants	55.005	42061119401	\$ 3,828,000	14,480	-	26,702	41,182
Seaport Grants	55.005	42314619401	\$ 10,450,000	93,871	93,871	-	-
Florida Department of Transportation							
Intermodal Development Program							
Infrastructure improvements	55.014	41274619401	\$ 12,121,920	359,739	1,622,208	2,501,639	1,239,170
Infrastructure improvements	55.014	42250019401	\$ 5,025,426	-	-	1,362,988	1,362,988
Total state financial assistance				\$ 468,090	\$ 1,716,079	\$ 3,891,329	\$ 2,643,340

Tampa Port Authority

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

September 30, 2011

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of State Financial Assistance includes the 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 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 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 state financial assistance to subrecipients.

Tampa Port Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –  
STATE FINANCIAL ASSISTANCE PROJECTS

For the year ended September 30, 2011

**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?        yes   X   none reported

Noncompliance material to financial statements noted?        yes   X   no

**State Financial Assistance**

Internal control over major state projects

Material weakness(es) identified?        yes   X   no

Significant deficiency(ies) identified?        yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?        yes   X   no

Identification of major state projects:

CSFA Number  
55.014

Name of State Projects  
Intermodal Development Program

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

**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



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member

American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants

Cesar J. Rivero

Sam A. Lazzara

Richard Gordimer

Stephen G. Douglas

Herman V. Lazzara

Michael E. Helton

Marc D. Sasser

**MANAGEMENT LETTER BASED ON RULE 10.554 OF THE**  
**AUDITOR GENERAL OF THE STATE OF FLORIDA**

Board of Commissioners  
Tampa Port Authority

We have audited the financial statements of the Tampa Port Authority (the "Port Authority") whose headquarters is located in Tampa, Florida, as of and for the fiscal year ended September 30, 2011, and have issued our report thereon, dated January 17, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters, Independent Auditors' Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major State Project and on Internal Control Over Compliance in Accordance with Chapter 10.550, *Rules of the Auditor General* and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated January 17, 2012, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which governs the conduct of local government entity audits performed in the State of Florida and require that certain items be addressed in this letter. Those rules (Section 10.554(1)(i)1) require that we address in the management letter, if not already addressed in the auditors' reports on compliance and internal controls or schedule of findings and questioned costs, whether or not inaccuracies, shortages, defalcations, fraud and/or violations of laws, rules, regulations and contractual provisions reported in the preceding annual financial audit report have been corrected. There are no inaccuracies, irregularities, shortages, defalcations, and/or violations of laws, rules, regulations and contractual provisions disclosed in the preceding annual report.

As required by the *Rules of the Auditor General* (Section 10.554(1)(i)2.), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Port Authority complied with Section 218.415, Florida Statutes.

The *Rules of the Auditor General* (Section 10.554(1)(i)3.), require that we address in the management letter any findings and recommendations to improve financial management, accounting procedures, and internal controls. In connection with our audit, we did not have any such findings.

*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.

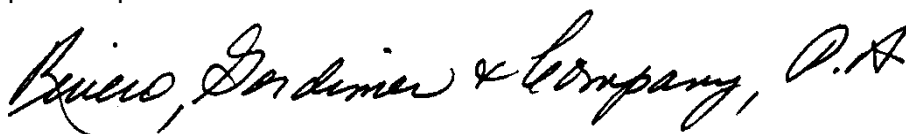
The *Rules of the Auditor General* (Section 10.554 (1)(i)6.), also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The required information is disclosed in the Notes to Combined 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, 2011, 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, 2011.

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 than these specified parties.



Tampa, Florida  
January 17, 2012



---

TAMPA PORT AUTHORITY

---