



PORT TAMPA BAY™

Tampa Port Authority
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT FOR FISCAL YEAR
ENDED SEPTEMBER 30, 2017**

*Hillsborough County
Port District, Florida*

Hillsborough County Port District, Florida

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2017



Prepared by: Finance Department

Michael J. Macaluso, Chief Financial Officer



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INTRODUCTORY SECTION







March 31, 2018

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 d/b/a Port Tampa Bay (Port Authority) for the fiscal year ended September 30, 2017 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 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).

1101 Channelside Drive * Tampa, Florida 33602-3612 * Ph: 813-905-7678 * 800-741-2297 * Fx: 813-905-5109
Website: www.porttb.com * E-Mail: info@tampaport.com

Certain demographic information and required GASB 44 statistical reporting included in the CAFR were not obtained from the financial records of the Port 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 CAFR meets the continuing disclosure requirements of SEC Rule 15c2-12.

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 report of the independent auditor 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 also 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.

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 included in the Financial Section of this CAFR.

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 also included in the Financial Section of this CAFR.

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

Factors Affecting Port Authority's Financial Condition

In fiscal year 2017, the Tampa Port Authority was able to build on its solid financial performance in fiscal year 2016. The details behind the Port Authority's fiscal year 2017 financial performance are discussed in the MD&A included in the Financial Section of the CAFR. The Port Authority's current and future financial condition is also dependent upon a number of key factors and initiatives. A discussion of those key factors and initiatives follows.

Local Economy

The Port of Tampa is geographically located within the boundaries of Hillsborough County, Florida. Principal employers in Hillsborough County include: the Hillsborough County School Board, University of South Florida, Hillsborough County Government, Tampa International Airport and MacDill Air Force Base. Several Fortune 1,000 companies are headquartered in the Tampa Bay region, including Bloomin' Brands, Inc., WellCare Health Plans, Inc., Publix Supermarkets, Tech Data Corp., Jabil Circuit, Inc., and Raymond James Financial. Other large regional employers include Verizon Communications, Tampa General Hospital, JP Morgan Chase, TECO Energy, Walter Industries, and Mosaic. Institutions of higher learning located in the Tampa Bay area include the University of South Florida, the University of Tampa, Hillsborough Community College, and the Stetson University College of Law.

The Port of Tampa is a major player in the local economy's growth, supporting nearly 85,000 jobs and generating more than \$17 billion in annual economic impact. The Port ranks first in the State of Florida in terms of cargo tonnage handling nearly half of all of the seaborne commerce that passes through the state including a variety of bulk, break bulk, container and roll-on/roll-off cargoes. In addition to being a major shipbuilding and repair center, the Port of Tampa ranks as a top ten U.S. cruise port. The Port is the most diversified in the state and is one of the nation's largest in land area.

Financial Policies and Strategies

While the Port Authority's financial success can be attributed to a number of factors, two (2) important strategies implemented a number of years ago continue to pay dividends in FY2017. First, the Port Authority continues to deliberately pursue a strategy of business diversification which enables us to withstand downturns in particular lines of business or commodities and maintain a constant or increasing revenue stream.

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

Long-Term Financial Planning

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

In addition, the Port Authority regularly updates its Strategic and Master Plan in order to ensure that these documents include the most up-to-date economic forecasts and conditions. The Port Authority's Master Plan, known as Vision 2030, is a market driven plan that aligns with State, County, City and regional economic development priorities and emphasizes the Port's strengths while addressing its challenges and focusing on growth. Vision 2030 sets investment priorities for the Port and establishes a financial strategy to support these priorities.

Major Initiatives

The list below includes some of the major ongoing initiatives undertaken by the Port Authority in fiscal year 2017 as well as some new initiatives implemented during the fiscal year. These initiatives all support the business diversification strategy discussed above, have had a significant impact on the Port Authority's financial results in fiscal year 2017 and are expected to have a positive impact on the Port Authority's financial results in the short and long term.

- Refrigerated warehouse: The 130,000 square foot warehouse was partially funded by the Florida Department of Transportation (FDOT) through a grant and a \$12 million loan from the State Infrastructure Bank (SIB) program. Substantially completed in fiscal year 2017, it will provide storage facilities for perishable commodities when opened.
- Port Redwing Development: The Port Authority continued to develop this 150 acre site in southern Hillsborough County. Work includes improvement to roadways, railroads, utilities and security infrastructure.
- Eastport Cargo Yard: The Eastport cargo yard and the adjacent Berth 150 were placed in service in fiscal year 2017. The majority of the cargo yard was leased to a tenant for automobile storage.

Awards and Acknowledgements

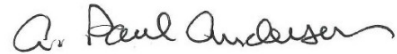
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Tampa Port Authority for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2016. This was the seventeenth (17th) consecutive year 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 sixteen (16) years, the accomplishment of the Certificate of Achievement for the seventeenth 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, the many Port Authority departments who provided key information to this report and the accounting firm of Rivero, Gordimer & Company, P.A.. We gratefully acknowledge their contributions.

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

Respectfully Submitted,

A handwritten signature in black ink that reads "A. Paul Anderson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

A. Paul Anderson
President and CEO

A handwritten signature in blue ink that reads "Michael J. Macaluso". The signature is written in a cursive style, with the first letters of the first and last names being capitalized and prominent.

Michael J. Macaluso
Chief Financial Officer



Government Finance Officers Association

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

Presented to

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

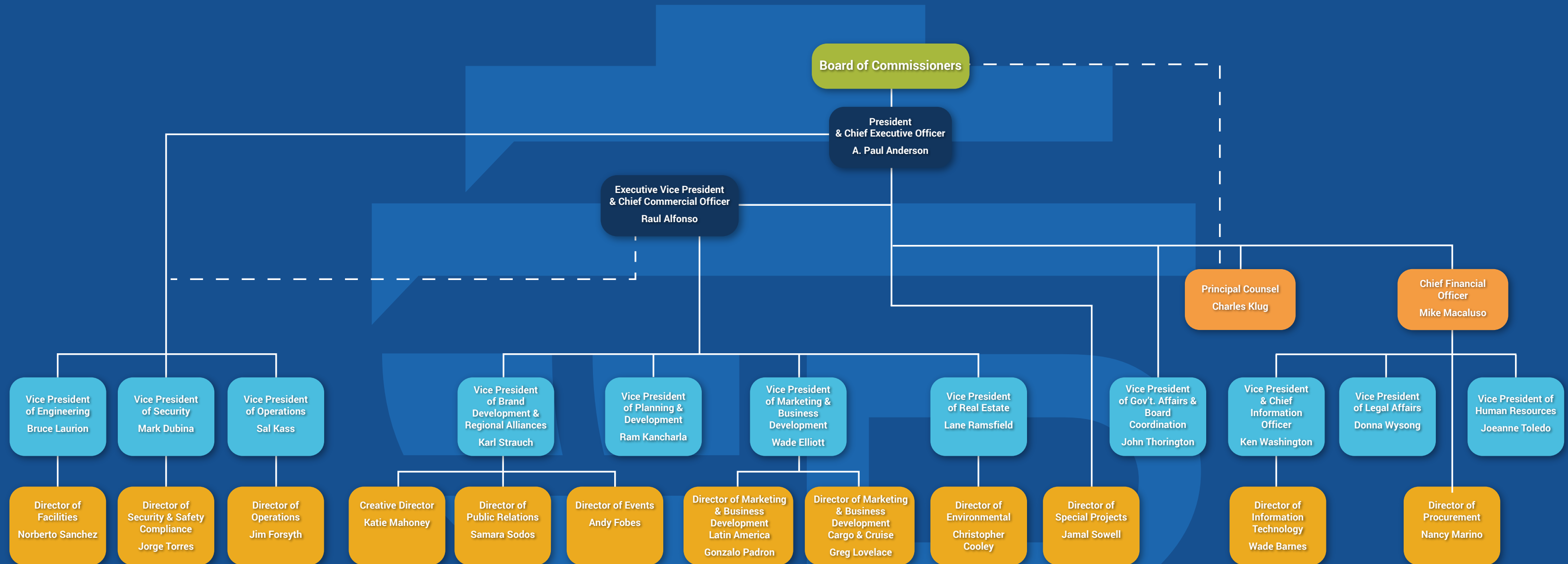
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrell

Executive Director/CEO

PORT TAMPA BAY MANAGEMENT TEAM



**PORT
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List of Officials

Board of Commissioners

Stephen W. Swindal	Chairman
Carl Lindell, Jr.	Vice Chairman
Patrick H. Allman	Secretary/Treasurer
Honorable Sandra Murman Hillsborough County Commission	Commissioner
Honorable Bob Buckhorn Mayor, City of Tampa	Commissioner
Gregory Celestan	Commissioner
Michael Griffin	Commissioner

Senior Executive Staff

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



PORT TAMPA BAY.

FINANCIAL SECTION







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

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

Herman V. Lazzara	Stephen G. Douglas
Marc D. Sasser	Michael E. Helton
Sam A. Lazzara	Christopher F. Terrigino
Kevin R. Bass	James K. O'Connor
Jonathan E. Stein	
Richard B. Gordimer, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Tampa Port Authority

Report on the Financial Statements

We have audited the accompanying combined financial statements of the business-type activities and discretely presented component unit of the Tampa Port Authority (the "Port Authority") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Port Authority, as of September 30, 2017, and the respective changes in its financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Prior Year Information

The combined financial statements of the Tampa Port Authority as of September 30, 2016, were audited by other auditors whose report dated March 29, 2017, expressed an unmodified opinion on those statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed on pages 4 through 11 and 53 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the

basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port Authority's basic financial statements. The schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by Chapter 10.550, *Rules of the Auditor General*, and is also not a required part of the basic financial statements.

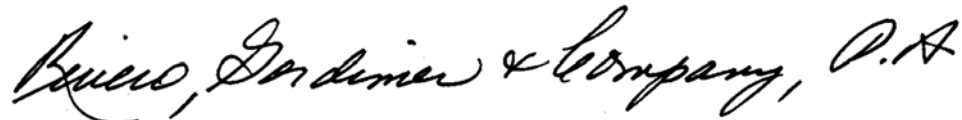
The schedule of expenditures of state financial assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2018, on our consideration of the Port Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port Authority's internal control over financial reporting and compliance.

Tampa, Florida
March 20, 2018

A handwritten signature in cursive script that reads "Bui, Gordon & Company, P.A.".

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2017

The following management's discussion and analysis ("MD&A") of the financial performance and activity of the Tampa Port Authority ("Port Authority") is intended to provide an introduction to and an understanding of the financial statements of the Port Authority for the fiscal year ("FY") ended September 30, 2017, with selected comparisons to the prior fiscal year ended September 30, 2016. The information represented should be read in conjunction with the financial statements, notes and supplemental schedules found in this report.

Introduction

The Port Authority is a body politic and a body corporate pursuant to the provisions of Chapter 95-488, Laws of Florida, Acts of 1945 ("Enabling Act"). The Enabling Act provides that the Port Authority will have exclusive jurisdiction, control, supervision and management over all publicly- owned docks and wharves in Hillsborough County, Florida. The Port Authority is governed by seven board members, five of whom are residents of Hillsborough County and appointed by the Governor of the State of Florida to either two-year or four-year terms. In addition, the Mayor of the City of Tampa, ex-officio; and a Commissioner of the Board of County Commissioners of Hillsborough County, ex-officio, serve on the Port Authority's Board of Commissioners ("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, debt service requirements and a portion of its capital projects. Capital projects are also funded by external financing including the issuance of municipal bonds and bank 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 FY2017 millage rate was \$.1450 mills. While the Enabling Act authorizes the Port Authority to utilize ad valorem tax revenues to defray administrative and capital improvement expenditures, the Port Authority's Board has established policy is to use ad valorem tax revenue solely to construct, maintain or repair port infrastructure.

The Port Authority publishes a uniform tariff which contains standardized rates for conducting various port activities on port-owned facilities including wharfage, dockage, transit, storage, warehousing and handling of cargo to and from vessels. In addition to the revenue generated from these activities, the Port Authority leases its properties to various maritime and other businesses for which it collects rents and negotiated commodity rates, and in many 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, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

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

Overview of the Financial Statements

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

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 statistical and supplemental schedules of the Port Authority. These statements and schedules, along with the MD&A are designed to provide readers with a complete understanding of the Port Authority's finances.

The financial section of this annual report consists of four parts: MD&A, the basic financial statements, the notes to the financial statements, and the required supplementary information. The report includes the following three basic financial statements: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. It should be noted that the summary financial statements for FY 2017 with comparisons to FY 2016 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 Position presents the financial position of the Port Authority at the end of the fiscal year. The statements include all assets, deferred outflows and inflows of resources and the liabilities of the Port Authority. Net Position, the difference between total assets, deferred outflow of resources, total liabilities and deferred inflow of resources, is an indicator of the current fiscal health of the organization and the Port Authority's financial position over time. A summarized comparison of the Port Authority's assets, deferred outflow of resources, liabilities, deferred inflow of resources, and net position at September 30, 2017 and 2016 is as follows:

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

STATEMENTS OF NET POSITION
(excludes component unit)

(in thousands)	<u>FY2017</u>	<u>FY2016</u>
ASSETS		
Current assets	\$ 70,303	\$ 77,644
Noncurrent assets		
Capital related, net	648,439	624,555
Noncapital	<u>492</u>	<u>1,020</u>
Total assets	<u>\$ 719,234</u>	<u>\$ 703,219</u>
DEFERRED OUTFLOW OF RESOURCES	<u>\$ 11,328</u>	<u>\$ 12,634</u>
LIABILITIES		
Current liabilities	\$ 25,297	\$ 26,806
Noncurrent liabilities	<u>109,938</u>	<u>107,082</u>
Total liabilities	<u>\$ 135,235</u>	<u>\$ 133,888</u>
DEFERRED INFLOW OF RESOURCES	<u>\$ 682</u>	<u>\$ 124</u>
NET POSITION		
Invested in capital assets, net of related debt	\$ 552,692	\$ 532,160
Restricted position	7,076	7,079
Unrestricted position	<u>34,877</u>	<u>42,602</u>
Total net position	<u>\$ 594,645</u>	<u>\$ 581,841</u>

At September 30, 2017, the Port Authority's assets were \$719.2 million, an increase of \$16.0 million over September 30, 2016. The reasons for this increase are explained below. Deferred outflow of resources decreased from \$12.6 million on September 30, 2016 to \$11.3 million on September 30, 2017 due to decreases in deferred amounts related to the Port Authority's derivative liability. The Port Authority's Net Position on September 30, 2017 was \$594.6 million, a \$12.8 million increase over September 30, 2016. For the fiscal year ended September 30, 2017, the largest portion of the Port Authority's net position represents its investment in capital assets, less the related debt outstanding used to acquire those capital assets. The Port Authority uses these capital assets to provide

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

services to the passengers, visitors, customers, and tenants of the Port Authority. The funding required to repay the Port Authority's debt must be provided annually from Port Authority operations.

The Port Authority's non-current assets as of September 30, 2017 amounted to \$648.9 million, of which capital assets were \$648.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, facility and infrastructure improvements and enhancements, equipment, furniture and fixtures, and construction work in progress. Capital asset acquisitions are capitalized at cost and depreciated over estimated useful lives using the straight-line method. (Refer to Note E - Capital Assets of the accompanying notes to the financial statements for a more complete description.) The total increase in the Port Authority's investment in capital assets after accumulated depreciation for FY2017 was 3.8%, or \$23.8 million due to the reasons stated below.

The following major projects comprised the majority of the increase in the Port Authority's capital assets:

- Refrigerated warehouse at Berth 219
- Rail improvements at Port Redwing & Hooker's Point
- Ongoing maintenance dredging
- Eastport Cargo Yard and associated berths
- Hooker's Point site improvements – Phase II

The Port Authority's FY2017 capital program was funded through a combination of ad valorem taxes, federal and state grants, surplus operating funds, and a loan from the Florida Department of Transportation State Infrastructure Bank. Additional information on the Port Authority's capital assets can be found in Notes B6 and E in the accompanying notes to the financial statements.

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

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

Following is a summary of the Statements of Revenues, Expenses, and Changes in Net Position showing the overall improvement in the Port Authority's financial position:

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
(excludes component unit)

	<u>FY 2017</u>	<u>FY 2016</u>
(in thousands)		
Operating revenues		
Port usage fees	\$ 39,916	\$ 36,793
Land and building leases	13,058	11,752
Other operating revenue	<u>796</u>	<u>663</u>
Total operating revenues	<u>53,770</u>	<u>49,208</u>
Operating expenses	<u>32,063</u>	<u>28,968</u>
Operating income before depreciation	21,707	20,240
Depreciation and amortization expense	<u>27,643</u>	<u>24,063</u>
Operating loss after depreciation	<u>(5,936)</u>	<u>(3,823)</u>
Non-operating revenues (expenses)		
Ad valorem taxes	11,152	11,065
Interest income	284	259
Other non-operating revenues	1,258	1,447
Interest expense	(2,494)	(2,999)
Amortization of bond premiums and discounts	-	119
Other non-operating expenses	<u>(2,435)</u>	<u>(2,266)</u>
Total non-operating revenues (expenses)	<u>7,765</u>	<u>7,625</u>
Income before capital contributions	1,829	3,802
Capital and operating grants and contributions	<u>10,975</u>	<u>29,310</u>
Increase in net position	12,804	33,112
Total net position at beginning of year	<u>581,841</u>	<u>548,729</u>
Total net position at end of year	<u>\$ 594,645</u>	<u>\$ 581,841</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

Financial Operations Highlights

Listed below are the highlights of changes between the fiscal years ended September 30, 2017 and 2016, as shown in the Statements of Revenues, Expenses and Changes in Net Position above:

- Operating revenues increased by 9.1% from \$49.2 million in FY2016 to \$53.7 million in FY2017. Port usage fees increased \$3.1 million due to increased cargo activity related to several dry bulk commodities as well as scrap and steel and additional cruise revenue resulting from 46 additional cruise ships. Lease revenue was higher than in FY2017 as a result of a number of new leases added and scheduled rent increases on existing leases.
- Operating expenses (not including depreciation) increased by 10.7% from \$29.0 million in FY2016 to \$32.1 million in FY2017. This was the result of increased personnel costs related to a \$.6 million expense increase in the State of Florida unfunded pension liability. Also, security expenses increases due in part to increased acreage that must now be secured. Finally, marketing incentive fees paid to cruise lines increased due to the additional cruise activity in FY2017.
- Depreciation and amortization increased \$3.5 million from \$24.1 million to \$27.6 million as a result of the new assets added during the fiscal year.
- Capital grants decreased in FY2017 by \$18.3 million from FY2016. Grant revenues are recognized as the grant funds are expended on the project to which the funds are allocated. In FY2016, the Tampa Port Authority had significant construction activity which were reimbursed by grant funds, primarily related to the purchase of new gantry cranes, berth construction and cargo yard development. These grant-related expenditures did not occur in FY2017.

Debt Administration

The Port Authority had outstanding bank debt and Florida Department of Transportation loans of \$95.7 million as of September 30, 2017. All bond debt has been retired or refunded as of the end of Fiscal Year 2017.

In FY2017, the Port Authority entered into loan agreements with Iberia Bank and the Florida Department of Transportation (FDOT) State Infrastructure Bank (SIB), respectively. The purpose of the Iberia Bank loan was to refund the Tampa Port Authority's Series 2012 Revenue note. The purpose of the SIB loan was to partially fund the refrigerated warehouse. Details regarding the current outstanding long-term debt transactions can be found in Note H of the accompanying notes to the financial statements.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2017

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 2017 and 2016 was met and exceeded for both fiscal years.

Request for Information

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

BASIC FINANCIAL STATEMENTS



Tampa Port Authority
COMBINED STATEMENT OF NET POSITION

September 30, 2017
(With comparative total for 2016)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2017	Total 2016
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (note C)	\$ 45,252,310	\$ 1,373,153	\$ 46,625,463	\$ 61,473,520
Investments (note C)	10,391,329	-	10,391,329	306,386
Accounts receivable, net of allowance for doubtful accounts	3,468,329	-	3,468,329	3,982,729
Due from other governments	1,670,993	-	1,670,993	3,588,287
Notes receivable (note D)	958,196	-	958,196	755,901
Net investment in lease	-	-	-	152,387
Interest and other receivable	179,770	-	179,770	140,662
Prepaid expenses and other current assets	1,305,184	-	1,305,184	1,547,425
Restricted assets				
Cash and cash equivalents	7,076,175	-	7,076,175	7,078,773
Total current assets	70,302,286	1,373,153	71,675,439	79,026,070
NONCURRENT ASSETS				
Capital assets, net of depreciation (note E)	648,438,784	-	648,438,784	624,555,597
Notes receivable (note D)	491,924	-	491,924	1,019,797
Total noncurrent assets	648,930,708	-	648,930,708	625,575,394
TOTAL ASSETS	\$ 719,232,994	\$ 1,373,153	\$ 720,606,147	\$ 704,601,464
DEFERRED OUTFLOW OF RESOURCES				
Interest rate swap	\$ 3,593,556	\$ -	\$ 3,593,556	\$ 5,451,305
Deferred loss on refunding of debt	1,180,775	-	1,180,775	1,456,199
Deferred amount related to pensions	6,553,976	-	6,553,976	5,726,109
Total deferred outflow of resources	\$ 11,328,307	\$ -	\$ 11,328,307	\$ 12,633,613

Tampa Port Authority

COMBINED STATEMENT OF NET POSITION - Continued

September 30, 2017
(With comparative total for 2016)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2017	Total 2016
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 1,990,636	\$ -	\$ 1,990,636	\$ 4,122,835
Construction contracts and retainages payable	4,191,998	-	4,191,998	3,908,249
Accrued liabilities	2,518,045	-	2,518,045	2,494,251
Accrued bond interest	402,840	-	402,840	453,207
Long-term debt due within one year (note H)	11,608,523	-	11,608,523	11,238,766
Deferred revenue	4,585,074	-	4,585,074	4,589,621
Total current liabilities	25,297,116	-	25,297,116	26,806,929
NONCURRENT LIABILITIES				
Bonds, notes and loans payable, net (note H)	84,138,236	-	84,138,236	82,613,115
Deferred revenue (note H)	889,651	-	889,651	955,960
Deposits	5,936,920	-	5,936,920	4,351,012
Derivative instrument liability (note H)	3,593,556	-	3,593,556	5,451,305
Other obligation (note H)	1,167,885	-	1,167,885	1,167,885
Net pension liability (note J)	14,211,390	-	14,211,390	12,543,006
Total noncurrent liabilities	109,937,638	-	109,937,638	107,082,283
Total liabilities	135,234,754	-	135,234,754	133,889,212
DEFERRED INFLOW OF RESOURCES				
Deferred amounts related to pensions	681,626	-	681,626	123,744
Total deferred inflows of resources	681,626	-	681,626	123,744
NET POSITION				
Invested in capital assets, net of related debt	552,692,025	-	552,692,025	532,159,915
Restricted				
Bond debt service	6,916,660	-	6,916,660	6,919,258
Capital projects	159,515	-	159,515	159,515
Unrestricted	34,876,721	1,373,153	36,249,874	43,983,433
Total net position	\$ 594,644,921	\$ 1,373,153	\$ 596,018,074	\$ 583,222,121

The accompanying notes are an integral part of this statement.

Tampa Port Authority

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended September 30, 2017
(With comparative total for 2016)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2017	Total 2016
Operating revenues				
Port usage fees	\$ 39,916,403	\$ -	\$ 39,916,403	\$ 36,793,314
Land and building leases	13,058,331	-	13,058,331	11,751,959
Other operating revenues	796,312	53,919	850,231	715,445
Total operating revenues	<u>53,771,046</u>	<u>53,919</u>	<u>53,824,965</u>	<u>49,260,718</u>
Operating expenses				
Personnel	16,341,224	-	16,341,224	14,738,380
Promotional	1,164,959	10,754	1,175,713	1,052,519
Administrative	14,558,339	51,062	14,609,401	13,236,967
Depreciation and amortization	27,642,671	-	27,642,671	24,063,231
Total operating expenses	<u>59,707,193</u>	<u>61,816</u>	<u>59,769,009</u>	<u>53,091,097</u>
Total operating loss	<u>(5,936,147)</u>	<u>(7,897)</u>	<u>(5,944,044)</u>	<u>(3,830,379)</u>
Non-operating revenues (expenses)				
Ad valorem taxes	11,151,748	-	11,151,748	11,064,672
Interest income	284,099	-	284,099	259,100
Other non-operating revenues	1,257,605	-	1,257,605	1,447,685
Interest expense	(2,493,509)	-	(2,493,509)	(2,999,046)
Amortization of bond premiums and discounts	-	-	-	119,202
Other non-operating expenses	(2,435,201)	-	(2,435,201)	(2,266,121)
Total non-operating revenues (expenses)	<u>7,764,742</u>	<u>-</u>	<u>7,764,742</u>	<u>7,625,492</u>
Income before capital contributions	1,828,595	(7,897)	1,820,698	3,795,113
Security grants	228,082	-	228,082	1,708,419
Capital grants	<u>10,747,173</u>	<u>-</u>	<u>10,747,173</u>	<u>27,602,024</u>
Increase in net position	12,803,850	(7,897)	12,795,953	33,105,556
Net position at beginning of year	<u>581,841,071</u>	<u>1,381,050</u>	<u>583,222,121</u>	<u>550,116,565</u>
Net position at end of year	<u>\$ 594,644,921</u>	<u>\$ 1,373,153</u>	<u>\$ 596,018,074</u>	<u>\$ 583,222,121</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

STATEMENT OF CASH FLOWS

For the year ended September 30, 2017
(With comparative total for 2016)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2017	Total 2016
Cash flows from operating activities				
Received from customers	\$ 54,285,446	\$ 53,919	\$ 54,339,365	\$ 50,978,607
Payments to suppliers for goods and services	(14,429,666)	(60,028)	(14,489,694)	(11,392,520)
Payments to employees for services	(16,319,372)	-	(16,319,372)	(14,054,738)
Net cash provided by operating activities	23,536,408	(6,109)	23,530,299	25,531,349
Cash flows from non-capital financing activities				
Ad valorem taxes received, net of fees paid	11,151,748	-	11,151,748	11,064,672
Payment of ad valorem taxes	(489,084)	-	(489,084)	(470,777)
Payment of ad valorem fees	(613,680)	-	(613,680)	(347,659)
Net cash used by non-capital financing activities	10,048,984	-	10,048,984	10,246,236
Cash flows from capital and related financing activities				
Capital grants and contributions received	12,538,604	-	12,538,604	33,517,031
Acquisition and construction of capital assets	(50,268,603)	-	(50,268,603)	(69,645,241)
Principal payments on debt	(25,833,766)	-	(25,833,766)	(25,943,625)
Proceeds from issuance of debt	27,728,644	-	27,728,644	21,904,226
Interest payments on debt	(3,232,830)	-	(3,232,830)	(3,751,524)
Net cash used by capital and related financing activities	(39,067,951)	-	(39,067,951)	(43,919,133)
Cash flows provided by investing activities				
Purchase of investments	(10,000,000)	-	(10,000,000)	-
Proceeds from repayment of notes receivable	325,578	-	325,578	706,697
Proceeds from repayment of capital lease receivable	152,387	-	152,387	655,510
Interest and dividends received	160,048	-	160,048	152,469
Net cash used by investing activities	(9,361,987)	-	(9,361,987)	1,514,676
Net decrease in cash and cash equivalents	(14,844,546)	(6,109)	(14,850,655)	(6,626,872)
Cash and cash equivalents at beginning of year	67,173,031	1,379,262	68,552,293	75,179,165
Cash and cash equivalents at end of year	\$ 52,328,485	\$ 1,373,153	\$ 53,701,638	\$ 68,552,293
Cash and cash equivalents	\$ 45,252,310	\$ 1,373,153	\$ 46,625,463	\$ 61,473,520
Restricted cash and cash equivalents	7,076,175	-	7,076,175	7,078,773
	\$ 52,328,485	\$ 1,373,153	\$ 53,701,638	\$ 68,552,293

Tampa Port Authority

STATEMENT OF CASH FLOWS - CONTINUED

For the year ended September 30, 2017
(With comparative total for 2016)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	Total 2017	Total 2016
Reconciliation of operating loss to net cash provided by operating activities				
Operating loss	\$ (5,936,147)	\$ (7,897)	\$ (5,944,044)	\$ (3,830,379)
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization	27,642,671	-	27,642,671	24,063,231
Net pension liability	1,668,384	-	1,668,384	937,683
(Increase) decrease in				
Accounts receivable	514,400	-	514,400	176,038
Prepaid expenses and deposits	239,441	2,800	242,241	(216,516)
Increase (decrease) in				
Accounts payable	(2,131,187)	(1,012)	(2,132,199)	3,113,482
Accrued liabilities	23,794	-	23,794	(254,041)
Deferred revenue	(70,856)	-	(70,856)	(746,747)
Deposits	1,585,908	-	1,585,908	2,288,598
Total adjustments	29,472,555	1,788	29,474,343	29,361,728
Net cash provided by operating activities	\$ 23,536,408	\$ (6,109)	\$ 23,530,299	\$ 25,531,349
Supplemental schedule of noncash financing and investing activities				
Construction contracts and retainages payable	\$ (283,749)	\$ -	\$ (283,749)	\$ (1,023,001)
Amortization of bond premiums and discounts	\$ -	\$ -	\$ -	\$ 119,202
Amortization of deferred loss on refunding	\$ 275,425	\$ -	\$ 275,425	\$ 275,425
Capital grants receivable	\$ 1,384,572	\$ -	\$ 1,384,572	\$ 3,951,370

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS

September 30, 2017

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 "Enabling 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 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. 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 Enabling 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 ("GASB") Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statement No. 14 and No. 34*, a component unit is a legally separate entity for which the primary government is financially accountable. A legally separate entity should be included as a component unit if one of the following criteria are met: the primary government appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is the potential financial benefit or burden to the primary government; or the nature and significance of the relationship between the primary government and the organization is such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE A - ORGANIZATION AND REPORTING ENTITY - Continued

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

A component unit may be classified as either a blended component unit or a discretely presented component unit, depending on the nature of the entity's relationship with the primary government. Component units that meet the criteria for discrete presentation in accordance with GASB Statement No. 61 are presented in a separate component unit column in the 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.

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. Measurement Focus and Basis of Accounting

The Port Authority's financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP"). 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 basic financial statements include certain prior-year summarized information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Proprietary Funds

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 considers all highly liquid investments with original maturities of three months or less to be cash equivalents for purposes of the statement of cash flows. Cash equivalents are recorded at amortized cost, which approximates market value.

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. 72, *Fair Value Measurements and Applications and Investments* are recorded at fair value or amortized cost.

5. Accounts Receivable

The Port Authority records accounts receivable at estimated net realizable value. Accordingly, accounts receivable at September 30, 2017 are shown net of allowances for doubtful accounts. The Port Authority believes all receivables are fully collectible and as such, an allowance for doubtful accounts was not considered necessary at September 30, 2017.

6. Capital Assets

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

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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. 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.

8. 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. 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 .1450 mill (\$.1450 per \$1,000 value) ad valorem property tax during fiscal year 2017.

Ad valorem taxes are based on assessed values at January 1 and are levied on November 1 of each year. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% 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 2017 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

10. 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.

11. 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.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

12. 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.

13. Accounting Pronouncements

GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions, was issued June 2015 and will be effective for the Authority in fiscal year 2018. This statement replaces the requirement of Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. The objective of this Statement is to improve the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). Hillsborough County has early adopted GASB 75 for the year ended September 30, 2017.

GASB Statement 82, Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73, was issued in March 2016. Specifically, this statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

14. Operating Revenues

Total operating revenues of the Port Authority for the year ended September 30, 2017 amounted to approximately \$54 million, approximately 99% of which is made up of port usage fees and rental income comprised of port usage fees of approximately \$40 million (of which dockage, wharfage, and terminal operations are approximately \$36 million) and rental income of approximately \$13 million.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

15. Determination of Operating vs. Non-Operating Revenues and Expenses

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

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

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

16. 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 \$964,378 were capitalized for the year ended September 30, 2017.

17. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense until that time. The Port Authority has three items that meet this criterion, an interest rate swap, deferred loss on refunding of debt, and pensions.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

In addition to liabilities, the statement of financial position has a separate section for deferred inflow of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Port Authority has one item that qualifies for reporting in this category, which are related to pensions.

18. Pensions

In the statement of net position, pension liabilities are recognized for the Port Authority's proportionate share of each pension plan's net pension liability. For purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

NOTE C - CASH AND INVESTMENTS

1. Deposits

The bank balance of the Port Authority's (primary government) deposits (unrestricted and restricted) was \$53,246,589 at September 30, 2017 and the book balance was \$52,155,871. For the component unit, the bank balance of deposits and the book balances were \$1,366,569 and \$1,373,153, respectively. The difference between the book and bank amounts is due to outstanding checks and transfers, and deposits in transit in its demand accounts.

The 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 accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE C - CASH AND INVESTMENTS - Continued

Of the September 30, 2017 Port Authority's bank balance, \$250,000 was covered by Federal Depository Insurance Corporation (FDIC) and \$52,996,589 was collateralized by the State of Florida collateral pool. The State of Florida collateral pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if any of its member institutions fail. Required collateral is defined under Chapter 280, Florida Statutes, *Security for Public Deposits*.

For the component unit, deposits are maintained with a commercial bank, which is organized under the laws of the United States, and is insured by the FDIC up to \$250,000 for all accounts at each financial institution. The component unit had cash and cash equivalents balances of \$1,116,569 at September 30, 2017.

2. Cash on Hand

The Port Authority had cash on hand in its petty cash funds totaling approximately \$13,000 at September 30, 2017. The component unit had \$-0- cash on hand at the end of the fiscal year. The Port Authority had \$159,515 in a money market account at September 30, 2017.

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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE C - CASH AND INVESTMENTS - Continued

- 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 Port Authority's investments at September 30, 2017, 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.

Florida PRIME is a 2a7-like pool, which is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market funds. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAM at September 30, 2017 and is recorded at amortized cost. As of September 30, 2017, the Port Authority had a balance of \$309,714 in the Florida PRIME.

The weighted days to maturity of the Florida PRIME at September 30, 2017 is 51 days. 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 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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE C - CASH AND INVESTMENTS - Continued

The Port Authority holds \$10,081,615 in the LGIP of the Florida Education Investment Trust Fund (FEITF) at September 30, 2017. Intergovernmental investment pool funds are held with FEITF and are valued using NAV of \$1.00 per share based on amortized cost. This fund has no unfunded commitments and allows unlimited daily redemptions and investments with a 1-day minimum holding period.

All underlying securities in the fund have a credit rating of A or better by Standard & Poor's. The credit rating of the FEITF fund is AAAM by Standard & Poor's and signifies a high level of safety of investment principal and capacity to maintain a \$1.00 per share NAV. The Authority owns a share of the pool and not a share of the underlying assets in the pool.

NOTE D - NOTES RECEIVABLE

Notes receivable consist of the following at September 30, 2017:

Note receivable balance due from Tampa Bay Shipbuilding Company as of September 30, 2017; principal and interest payable monthly, beginning December 1, 2006 and ending on December 1, 2018	\$ 1,019,798
Note receivable balance due from Port Logistics Tampa Bay, Inc. as of September 30, 2017; principal payable monthly, beginning June 1, 2019 and ending on May 1, 2024	280,660
Note receivable balance due from Puraglobe, Inc. as of September 30, 2017; principal and interest payable monthly, beginning October 1, 2017; this note was paid off in October 2017	149,662
	<u>1,450,120</u>
Less: due within one year	<u>(958,196)</u>
Non-current portion notes receivable	<u>\$ 491,924</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE E - CAPITAL ASSETS

A summary of changes in capital assets is as follows:

Primary Government	September 30, 2016	Additions	Transfers	Deletions	September 30, 2017
<u>Owned assets</u>					
Capital assets not being depreciated					
Land	\$ 128,835,725	\$ -	\$ -	\$ -	\$ 128,835,725
Construction in progress	57,620,942	51,525,858	(68,954,369)	-	40,192,431
Total capital assets not depreciated	186,456,667	51,525,858	(68,954,369)	-	169,028,156
Capital assets being depreciated					
Buildings	171,463,806	-	1,067,813	-	172,531,619
Infrastructure	418,583,419	-	61,005,764	-	479,589,183
Dredging	91,620,145	-	5,533,929	-	97,154,074
Equipment and furnishings	44,535,163	-	1,346,863	(93,755)	45,788,271
Total capital assets depreciated	726,202,533	-	68,954,369	(93,755)	795,063,147
Less accumulated depreciation					
Buildings	62,062,426	5,155,716	-	-	67,218,142
Infrastructure	144,470,767	14,953,654	-	-	159,424,421
Dredging	67,691,358	5,264,013	-	-	72,955,371
Equipment and furnishings	13,879,052	2,269,288	-	(93,755)	16,054,585
Total accumulated depreciation	288,103,603	27,642,671	-	(93,755)	315,652,519
Total depreciable capital assets, net	438,098,930	(27,642,671)	68,954,369	-	479,410,628
Owned capital assets, net	\$ 624,555,597	\$ 23,883,187	\$ -	\$ -	\$ 648,438,784

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE E - CAPITAL ASSETS - Continued

Depreciation expense for the Tampa Port Authority (primary government) for the year ended September 30, 2017 was \$27,642,671 for owned assets. The Port Authority's construction in progress of \$40,192,431 at September 30, 2017 primarily relates to capital improvements, development and new construction of berths, refrigerated warehouse, and interest costs capitalized on debt issued to finance long-term construction projects throughout the Port District.

NOTE F - 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>	
2018	\$ 13,739,778	2048 to 2052	\$ 25,957,037
2019	14,075,582	2053 to 2057	21,094,212
2020	14,055,023	2058 to 2062	16,939,827
2021	14,043,354	2063 to 2067	14,778,063
2022	13,806,638	2068 to 2072	13,968,133
2023 to 2027	64,601,736	2073 to 2077	11,221,447
2028 to 2032	58,129,798	2078 to 2082	6,692,665
2033 to 2037	55,153,739	2083 to 2087	6,356,665
2038 to 2042	50,212,061	2088 to 2092	1,783,078
2043 to 2047	35,723,842	2093 to 2095	854,000
			<u>\$ 453,186,678</u>

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE G - 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, 2017 was \$1,136,576 and \$-0- respectively, and are included in accrued liabilities.

NOTE H - BONDS, NOTES AND LOANS PAYABLE

1. Primary Government

The following is long-term debt activity for the year ended September 30, 2017:

	October 1, 2016	Additions	Deductions	September 30, 2017	Due within one year
Revenue bonds, notes and loans	\$ 93,851,881	\$ 27,728,644	\$ 25,833,766	\$ 95,746,759	\$ 11,608,523
Unearned revenue	5,545,581	-	70,856	5,474,725	4,585,074
Deposits	4,351,012	4,959,526	3,373,618	5,936,920	-
Derivative instrument liability	5,451,305	-	1,857,749	3,593,556	-
Other obligation	1,167,885	-	-	1,167,885	-
Net pension liability	12,543,006	1,668,384	-	14,211,390	-
Total	\$ 122,910,670	\$ 34,356,554	\$ 31,135,989	\$ 126,131,235	\$ 16,193,597

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE H - BONDS, NOTES AND LOANS PAYABLE - Continued

Debt maturities and related interest payments at September 30, 2017 consist of the following:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 11,608,523	\$ 3,068,011	\$ 14,676,534
2019	12,000,168	2,734,440	14,734,608
2020	12,410,275	2,390,701	14,800,976
2021	7,016,746	2,033,331	9,050,077
2022	7,263,575	1,765,179	9,028,754
2023-2027	27,577,517	4,594,281	32,171,798
2028-2032	11,559,946	1,857,167	13,417,113
2033-2036	<u>6,310,009</u>	<u>576,163</u>	<u>6,886,172</u>
Total	<u>\$ 95,746,759</u>	<u>\$ 19,019,273</u>	<u>\$ 114,766,032</u>

In 2001 the US Army Corps of Engineers (Corps) completed the dredge widening of the Ybor Turning Basin which allows a 1,200-foot turning circle for cruise ships to turn around near Cruise Terminals 2 and 3. The total cost of the project was \$11,678,849. As the local sponsor of this Federal project, the Port Authority was responsible for 25% of the project costs to be paid upon project close-out, plus 10% of the total cost to be paid over the next thirty (30) years. The amount outstanding under this Joint Participation Agreement with the Corps at September 30, 2017 is \$1,167,885.

The Port Authority entered into a revenue note with a bank in June 2008 for \$27,000,000 at an interest rate of 65% of the 1 month LIBOR, plus 87 basis points. The revenue note was used to retire the 1998 bonds and to terminate the existing synthetic forward refunding and is collateralized by a pledge and lien on gross revenues of the Port Authority. As a result of this debt, a deferred refunding loss of \$669,353 was recorded as a deferred outflow of resources on the statement of net position. This deferred loss is being amortized through 2023. The unamortized loss balance at September 30, 2017 was \$252,867. In conjunction with the 2008 revenue note, the Port Authority entered into an agreement whereby the Port Authority swaps the interest on the variable rate debt for a fixed interest rate of 3.86% (see further discussion of the interest rate swap agreement in Note I). The amount outstanding at September 30, 2017 is \$16,000,000.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE H - BONDS, NOTES AND LOANS PAYABLE - Continued

In December 2011, the Port Authority entered into a revenue note, collateralized by a pledge and lien on gross revenues of the Port Authority, with a bank in the amount of \$8,857,100 at an interest rate of 3.11%, maturing in June 2027. The revenue note was used to retire the 2002B Revenue Bonds, which included bond principal of \$8,590,000 and a call premium of \$82,550. As a result of this debt, a deferred refunding loss of \$362,932 was recorded as a deferred outflow of resources on the statement of net position. This deferred loss is being amortized through 2027. The unamortized loss balance at September 30, 2017 was \$231,127. The amount outstanding at September 30, 2017 is \$5,975,510.

In April 2012, the Port Authority entered into a revenue note, collateralized by a pledge and lien on gross revenues of the Port Authority, with a bank in the amount of \$19,675,000 at an interest rate of 72% of the 1 month LIBOR, plus 88 basis points. The revenue note was used to retire the 2002A Revenue Bonds. As a result of this debt, a deferred refunding loss of \$335,674 was recorded as a deferred outflow of resources on the statement of net position. This deferred loss is being amortized through 2027. The unamortized loss balance at September 30, 2017 was \$205,508. In conjunction with the 2012 revenue note, the Port Authority entered into an agreement whereby the Port Authority swaps the interest on the variable rate debt for a fixed interest rate of 5.05% (see further discussion of the interest rate swap agreement in Note I). The revenue note was currently refunded in May 2017 through revenue refunding note series 2017.

In October 2014, the Port Authority obtained a loan through the State Infrastructure Bank loan program with the State of Florida Department of Transportation, as lender, in a principal amount of up to \$12,000,000, collateralized by a pledge and lien on gross revenues of the Port Authority, with interest accruing at 2.68%, and with final maturities ending through October 1, 2029. The Port Authority borrowed an additional \$3,405,830 under this loan during the year ended September 30, 2017. The amount outstanding on this loan at September 30, 2017 is \$11,118,710.

In March 2015, the Port Authority issued \$36,750,000 in revenue refunding note Series 2015, collateralized by a pledge and lien on gross revenues of the Port Authority, with an interest rate of 2.10%, and with final maturities ending through 2020. The Series 2015 note was issued to currently refund Series 2005A bonds. As a result of this debt, a deferred refunding loss of \$2,801,793 was recorded as a deferred outflow of resources on the statement of net position. This deferred loss is being amortized through 2020. The unamortized loss balance at September 30, 2017 was \$491,273. The net present value of the interest savings over the term of the bond results in an economic gain of approximately \$2,874,000. Additionally, the debt service savings approximated \$3,990,000. The amount outstanding at September 30, 2017 is \$22,985,000.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE H - BONDS, NOTES AND LOANS PAYABLE - Continued

In March 2016, the Port Authority issued \$15,416,346 in revenue refunding note Series 2016, collateralized by a pledge and lien on all rents fees and charges or other income (excluding ad valorem tax) of the Port Authority, with an interest rate of 3.41%, and with final maturities ending through 2036. The Series 2016 note was issued to currently refund Series 2006 bonds. The net present value of the interest savings over the term of the bond results in an economic gain of approximately \$2,171,713. Additionally, the debt service savings approximated \$3,014,171. The amount outstanding at September 30, 2017 is \$15,344,725.

In January 2017, the Port Authority obtained a loan through the State Infrastructure Bank loan program with the State of Florida Department of Transportation, as lender, in a principal amount of up to \$12,000,000, collateralized by a pledge and lien on gross revenues of the Port Authority, with interest accruing at 2.26%, and with final maturities ending through October 2036. The loan is a junior lien obligation, pursuant to Florida Statutes, Chapter 315, having a lien on pledge revenue subordinate to debt service on obligations issued to the Master Senior Lien Resolution. The amount outstanding on this loan at September 30, 2017 is \$9,727,814.

In May 2017, the Port Authority issued \$14,595,000 in refunding note Series 2017, collateralized by a pledge and lien on all rents and charges or other income (excluding ad valorem taxes) of the Port Authority, with an interest rate of SIMFA Swap Rate plus .41% Securities Industry and Financial Markets Association Municipal Swap Index), and with final maturities ending through September 2027. The Series 2017 note was issued to currently refund Series 2012 revenue note. The Port Authority had an existing swap agreement with the refunded Series 2012 revenue note, whereby the Port Authority swaps the interest on the variable rate debt for a fixed fee of 5.05%. The swap agreement was continued with the Series 2017 note. The net present value of the interest savings over the term of the note results in an economic gain of approximately \$300,560. Additionally, the debt service savings approximated \$448,677. The outstanding amount at September 30, 2017 is \$14,595,000.

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.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE H - BONDS, NOTES AND LOANS PAYABLE - Continued

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

The principal balance due on bond issues defeased is as follows as of September 30, 2017:

Revenue Bonds, Series 1998 Term Bonds	\$ 22,415,000
Revenue Bonds, Series 2002A Term Bonds	15,185,000
Revenue Bonds, Series 2002B Term Bonds	<u>6,260,000</u>
	<u>\$ 43,860,000</u>

NOTE I - DERIVATIVE INSTRUMENTS

During the year ended September 30, 2008, the Port Authority entered into a revenue note payable of \$27,000,000 which bears interest equal to 65% of one month LIBOR plus 87 basis points, and matures in 2023. At the closing of the loan, the Port Authority entered into an interest rate swap agreement whereby the Port Authority swaps their variable rate debt for a fixed interest rate of 3.86%. The swap will cover the entire principal amount of the 2008 revenue note and the term of the swap is equal to the term of the 2008 revenue note. The estimated negative fair value of the swap at September 30, 2017 is \$959,500.

During the year ended September 30, 2012, the Port Authority entered into a revenue note payable of \$19,675,000 which bears interest equal to 72% of one month LIBOR plus 88 basis points, and matures in 2027. At the closing of the loan, the Port Authority entered into an interest rate swap agreement whereby the Port Authority swaps their variable rate debt for a fixed interest rate of 5.05%. During May 2017, the Port Authority refunded the 2012 revenue note payable and entered into revenue refunding note Series 2017 of \$14,595,000. The swap will cover the entire principal amount of the 2012 revenue note and the term of the swap is equal to the term of the 2012 revenue note. The estimated negative fair value of the swap at September 30, 2017 is \$2,634,056.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE I - DERIVATIVE INSTRUMENTS - Continued

Fair Value - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations, other than those measured using the Net Asset Value ("NAV") as a practical expedient, are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 - Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Port Authority has the ability to access.

Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk

Because interest rates have continued to decline since the Port Authority entered into the swap agreements, the swap agreements have a negative fair value as of September 30, 2017, and as such, are presented as noncurrent liabilities in the accompanying statement of net position. The reported fair values are calculated using the marked-to-market method by an independent third party taking into account current interest rates and the credit worthiness of the counterparties and is therefore considered a level 3 investment.

Credit Risk - Because the swaps have a negative fair value, the Port Authority is exposed to the credit risk of the counterparties in the amount of the swap's fair value. The 2008 swap counterparty has ratings of Baa3 (long-term) and P-2 (short-term) by Moody's Investors Services and BBB+ (long-term) and A-2 (short-term) by Standard & Poor's at September 2017. The 2017 swap counterparty has ratings of Aa2 (long-term) and P-1 (short-term) by Moody's Investors Services and A (long-term) and A-1 (short-term) by Standard & Poor's at September 2017.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE I - DERIVATIVE INSTRUMENTS - Continued

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

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

The following is a schedule of expected future interest payments required under the swap agreements as of September 30, 2017:

<u>Year ending September 30,</u>	
2018	\$ 1,369,192
2019	1,207,012
2020	1,044,837
2021	870,467
2022	688,240
2023 - 2027	<u>1,316,954</u>
	<u>\$ 6,496,702</u>

NOTE J - EMPLOYEE RETIREMENT PLANS

Florida Retirement System

General Information - All of the Port Authority's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA").

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the following:

State of Florida Division of Retirement
Department of Management Services
P.O. Box 9000

Tallahassee, FL 32315-9000

Website: www.dms.myflorida.com/workforce_operations/retirement/publications

Plan Description - The FRS Pension Plan ("Pension Plan") is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011:

1. Regular class members who retire at or after age 62 with at least six years of credited service (or 30 years of service regardless of age) are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.
2. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service (or 25 years of service regardless of age) are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

3. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service (or with 25 years of service regardless of age) are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.
4. Senior Management Service class members who retire at or after age 62 with at least six years of credited service (or 30 years of service regardless of age) are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.
5. Elected Officers' class members who retire at or after age 62 with at least six years of credited service (or 30 years of service regardless of age) are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Pension Plan members enrolled after July 1, 2011 received the same as the above with the following differences.

1. The vesting requirement is extended from six years to eight years of credited service and increasing normal retirement to age 62 to 65 (or from 30 years to 33 years of service regardless of age) for Regular, Senior Management Service, and Elected Officers' class members.
2. The minimum years of credited service increased from 55 to 60 (or from 25 to 30 years of service regardless of age) for Special Risk and Special Risk Administrative Support class members.
3. Also, the final average compensation for all these members has increased from the five to eight years of highest salaries.

As provided in Section 121.101, Florida Statutes:

For members initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%.

Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year.

The employer contribution rates by job class for the periods from October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively, were as follows:

<u>Job Class</u>	<u>10/1/16 - 6/30/17</u>	<u>7/1/17 - 9/30/17</u>
Regular	7.52%	7.92%
Special Risk Administrative Support	28.06%	34.63%
Special Risk	22.57%	23.27%
Senior Management Service	21.77%	22.71%
Elected Officers	42.47%	45.50%
DROP participants	12.99%	13.26%

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017, respectively.

The Port Authority's contributions to the Pension Plan totaled \$915,804 the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - At September 30, 2017, the Port Authority reported a liability of \$10,405,808 for its proportionate share of the net pension liability as of September 30, 2017. The net pension liability for each fiscal year was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. The Port Authority's proportionate share of the net pension liability was based on the Port Authority's contributions relative to the same fiscal year contributions of all participating members of the Board. The Port Authority's proportionate share is indicated below.

	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>Decrease</u>
Port Authority's proportionate share	0.035179%	0.033402%	-0.001777%

For the fiscal year ended September 30, 2017, the Port Authority recognized pension expense of \$1,733,153. In addition, the Port Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 955,003	\$ 57,643
Change of assumptions	3,497,086	-
Net difference between projected and actual earnings on Pension Plan investments	-	257,882
Changes in proportion and differences between Port Authority FRS contributions and proportionate share of contributions	971,969	16,111
Port Authority FRS contributions subsequent to the measurement date	209,695	-
	<u>\$ 5,633,753</u>	<u>\$ 331,636</u>

The deferred outflows of resources related to the Pension Plan, totaling \$209,695 resulting from the Port Authority's contributions to the Pension Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30,</u>	
2018	\$ 665,821
2019	\$ 1,766,252
2020	\$ 1,234,965
2021	\$ 252,333
2022	\$ 853,442
Thereafter	\$ 319,609

Actuarial Assumptions - The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases, average, including inflation	3.25%
Investment rate of return, net of pension plan investment expense, including inflation	7.60%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.7%
Fixed income	18.0%	4.5%	4.4%	4.6%
Global equity	53.0%	7.8%	6.6%	17.2%
Real equity (property)	10.0%	6.6%	5.9%	12.0%
Private equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	11.1%
Total	<u>100.0%</u>			

Assumed inflation - Mean

2.6%

1.9%

Note: (1) As outlined in the Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 7.10%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Sensitivity of the Port Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following presents the Port Authority's proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as what the Port Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1- percentage-point higher (8.10%) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
Port Authority's proportionate share of the net pension liability	\$ 18,833,882	\$ 10,405,807	\$ 3,408,574

Pension Plan Fiduciary Net Position - Detailed information about the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2017, the Port Authority reported no payables for the outstanding amount of contributions to the Pension Plan required for the fiscal year ended September 30, 2017.

HIS Pension Plan

Plan Description - The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For the fiscal year ended September 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2017, the HIS contribution for the period October 1, 2016 through June 30, 2017 and from July 1, 2017 through September 30, 2017 was 1.66% and 1.66%, respectively. The System contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled. The Port Authority's contributions to the HIS Plan totaled \$188,359 for the fiscal year ended September 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2017, the Port Authority reported a net pension liability of \$3,805,582 for its proportionate share of the HIS Plan's net pension liability. The net pension liability for each fiscal year was measured as of June 30, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation in each year as of July 1. The Port Authority's proportionate share of the net pension liability was based on the Port Authority's contributions relative to the same fiscal year contributions of all participating members of the Board.

At September 30, 2017, the Port Authority's proportionate share was as indicated below:

	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>Increase</u>
Port Authority's proportionate share	0.035591%	0.035256%	0.000335%

For the fiscal year ended September 30, 2017, the Port Authority recognized pension expense of \$289,458. In addition, the Port Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 7,924
Change of assumptions	534,934	329,073
Net difference between projected and actual earnings on HIS pension plan investments	2,110	-
Changes in proportion and differences between Port Authority HIS contributions and proportionate share of contributions	331,713	12,993
Port Authority HIS contributions subsequent to the measurement date	51,466	-
	<u>\$ 920,223</u>	<u>\$ 349,990</u>

The deferred outflows of resources related to the HIS Plan resulting from System contributions to the HIS Plan subsequent to the measurement date, totaling \$51,466, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	
2017	\$ 161,721
2018	\$ 160,685
2019	\$ 160,188
2020	\$ 120,095
2021	\$ 47,360
Thereafter	\$ (131,282)

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Actuarial Assumptions - The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases, average, including inflation	3.25%
Municipal bond rate investment expense, including inflation	3.58%

Mortality rates were based on the Generational RP-2000 with Projected Scale BB tables.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 3.58%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Port Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Port Authority's proportionate share of the net pension liability calculated using the discount rate of 3.58%, as well as what the Port Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1- percentage-point higher (4.58%) than the current rate:

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
Port Authority's proportionate share of the net pension liability (assets)	\$ 4,342,673	\$ 3,805,582	\$ 3,358,224

Pension Plan Fiduciary Net Position - Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2017, the Port Authority reported no payables for the outstanding amount of contributions to the HIS Plan.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined- benefit plan. Port Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members.

The accompanying notes are an integral part of this statement.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

Allocations to the investment member's accounts during the 2015-16 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

<u>Job Class</u>	<u>10/1/16 - 9/30/17</u>
Regular	6.30%
Special Risk Administrative Support	7.95%
Special Risk	14.00%
Senior Management Service	7.67%
County Elected Officers	11.34%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of Investment Plan members.

For the fiscal year ended September 30, 2017, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Port Authority.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE J - EMPLOYEE RETIREMENT PLANS - Continued

The Port Authority's Investment Plan pension expense totaled \$369,423 for the fiscal year ended September 30, 2017.

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

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

Implementation of New GASB Statement – During fiscal year 2017, the County elected to early implement GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statement, rather than the smaller net OPEB obligation under GASB Statement No. 45. See Hillsborough County Statements for information on the effect of implementation on beginning net position in the governmental and proprietor fund financial statements.

OPEB Plan Description - The County provides the following health-related benefits to retirees and certain former employees: (a) The County is required by Florida Statute 112.0801 to allow retirees and certain former employees to buy healthcare coverage at the same "group insurance rates" that current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an "implicit subsidy" for retirees.

(b) The County offers a monthly stipend of \$6 for each year of service up to a maximum benefit of \$240 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 County does not issue separate OPEB Plan financial statements. As a result all required disclosures are included in this report.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

Actuarial Method and Assumptions – The total OPEB Liability was actuarially determined based on several actuarial assumptions. September 30, 2017 was the actuarial measurement date. 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 actuarial assumptions used in the September 30, 2017 OPEB Plan valuation were based on the results of an actuarial experience study for the period from October 1, 2016 through September 30, 2017.

The entry age normal actuarial cost method was used in the September 30, 2017 actuarial valuation. Other actuarial assumptions included a composite inflation rate of 2.8% and a composite discount rate of 3.6%. In addition, the initial annual healthcare cost trend rate assumptions were 6.0% (5.5% post-Medicare) grading down to ultimate rates of 5.0% for the Sheriff, 7.0% (7.0% post-Medicare) grading down to ultimate rates of 4.5% for the BOCC, and 7.31% (8.51% post-Medicare) generally grading down to 5.18% (5.15% post-Medicare) for the Tax Collector. In addition, the average age of active participants was 44.5 years and the average age of inactive participants was 61.2 years. Mortality rates were based on the RP-2014 generation table scaled using MP-2017 and applied on a gender-specific basis (except for the Sheriff's portion, which was based on RP-2014 mortality fully generational using scale MP-2016).

Sensitivity of Total OPEB Liability to Changes in Either the Discount Rate or Changes in the Healthcare Trend Rate – The first chart below presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.6%) or 1 percentage-point higher (4.6%) than the current discount rate. The second chart below presents the County's total OPEB liability, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower (5.4%) or 1 percentage-point higher (7.4%) than the current healthcare trend rate.

Tampa Port Authority

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE K - OTHER POSTEMPLOYMENT BENEFITS (OPEB) - Continued

Sensitivity of Total OPEB Liability to Changes in Discount Rate		
1% Decrease (2.6%)	Discount Rate (3.6%)	1% Increase (4.6%)
\$ 93,689,000	\$ 83,212,000	\$ 73,916,000

Sensitivity of Total OPEB Liability to Changes in Healthcare Trend Rate		
1% Decrease (5.4%)	Healthcare Trend Rate (6.4%)	1% Increase (7.4%)
\$ 74,002,000	\$ 83,212,000	\$ 97,341,000

The Healthcare trend rate of 6.4% is a composite initial rate. The total OPEB liability shown on the preceding chart, however, is based on the following healthcare trend rates. Approximately 6.0% (5.5% post-Medicare) grading down 1% each year to ultimate rates of 5.0% for the Sheriff. Approximately 7.0% (7.0% post-Medicare) grading down 1% per year to ultimate rates of 4.5% for the BOCC. Approximately 7.31% (8.51% post-Medicare) generally grading down to 5.18% (5.15% post-Medicare) for the Tax Collector.

The entry age normal actuarial cost method was used in the September 30, 2017 actuarial valuation. Other actuarial assumptions included a 4.0% discount rate, a 3.5% salary increase assumption, and an initial annual healthcare cost trend rate of 6.0% (5.0% post-Medicare) grading down 1% per year to an ultimate rate of 4.5%. The actuarial value of the County's assets was determined using the fair value of cash and investments at September 30, 2017. The County's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period used by the County at September 30, 2017, was 30 years.

The Port Authority's share of the other post-employment benefits liability for the year ended September 30, 2017 is \$0 as the liability is immaterial to the financial statements.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE L - FLORIDA PORTS FINANCING COMMISSION

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

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

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

The Port Authority has been allocated approximately \$61.7 million from Ports Commission bond proceeds, which amounts were deposited into interest earning escrow accounts for certain projects, specifically, cargo and cruise berth and terminal improvements; intermodal road, rail and other infrastructure improvements; cargo-handling equipment; and dredge material disposal site development.

The Port Authority, like all participants in the program, has agreed to provide moneys (from sources other than proceeds borrowed under the loan agreement with the Ports Commission) to fund a portion of the cost of such projects. These moneys will be utilized by the Port Authority to pay the costs of such projects on a matching basis with moneys received by the Port Authority pursuant to its loan agreement with the Ports Commission. The Port Authority has drawn down approximately \$61.7 million from its escrow account to fund such projects at September 30, 2017.

The accompanying notes are an integral part of this statement.

NOTES TO COMBINED FINANCIAL STATEMENTS - CONTINUED

September 30, 2017

NOTE M - 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 N - 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. Commitments

The Tampa Port Authority had contractual commitments for various projects that amounted to approximately \$32 million as of September 30, 2017.

NOTE O - SUBSEQUENT EVENTS

Subsequent events were evaluated through March 20, 2018, which is the date the financial statements were available to be issued. There are no subsequent events to disclose.

SUPPLEMENTARY INFORMATION



Tampa Port Authority

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

For the year ended September 30, 2017

Grantor and Program Title	CSFA Number	Grant Number	Award Amount	Accrued Revenue September 30, 2016	Receipts	Expenditures	Accrued Revenue September 30, 2017
STATE AGENCY							
Indirect Awards							
Pass-through Hillsborough County	55.008						
County Incentive Grant Program (CIGP)		43358315801	\$ 750,000	\$ 163,469	\$ 483,431	\$ 319,962	\$ -
County Incentive Grant Program (CIGP)		43358415801	\$ 900,000	-	900,000	900,000	-
County Incentive Grant Program (CIGP)		43536015801	\$ 750,000	76,897	76,897	34,301	34,301
Total CSFA # 55.008				240,366	1,460,328	1,254,263	34,301
Direct Awards							
Florida Department of Transportation							
Seaport Grants	55.005						
Infrastructure improvements		42282629401	\$ 16,125,000	1,105,600	3,197,659	3,667,219	1,575,160
Infrastructure improvements		43130219401	\$ 5,875,000	-	9,477	17,435	7,958
Infrastructure improvements		43513019401	\$ 6,300,000	735,524	981,325	257,212	11,411
Total CSFA # 55.005				1,841,124	4,188,461	3,941,866	1,594,529
Intermodal Development Program - Port Security	55.014						
Infrastructure improvements		44092919401	\$ 477,231	-	-	28,366	28,366
Infrastructure improvements		41274619417	\$ 736,612	-	594,286	600,342	6,056
Infrastructure improvements		43488419401	\$ 750,000	15,592	15,592	-	-
Infrastructure improvements		43500919401	\$ 1,363,486	-	1,363,486	1,363,486	-
Infrastructure improvements		43501019401	\$ 1,045,656	139,891	246,798	130,039	23,132
Total CSFA # 55.014				155,483	2,220,162	2,122,233	57,554
Transportation System Development	55.034						
Seaport Investment Program bond Fund		43332119401	\$ 13,225,992	797,235	4,112,794	3,278,810	(36,749)
Total CSFA # 55.034				797,235	4,112,794	3,278,810	(36,749)
State infrastructure bank loan	55.020	ARK67	\$ 12,000,000	-	3,405,830	11,118,710	-
State infrastructure bank loan		GOH02	\$ 12,000,000	-	9,727,814	9,727,814	-
Total CSFA # 55.020				-	13,133,644	20,846,524	-
Total state financial assistance				\$ 3,034,208	\$ 25,115,389	\$31,443,696	\$ 1,649,635

Tampa Port Authority

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

September 30, 2017

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 - LOANS OUTSTANDING

The Port Authority had two State Infrastructure Bank Loans (CSFA #55.020) in the amount of \$20,84,524 outstanding at September 30, 2017. The September 30, 2016 loan balance for these loans was \$7,712,880. During the year ended September 30, 2017 \$13,133,644 of loan proceeds were expended.

Tampa Port Authority

SCHEDULE OF TAMPA PORT AUTHORITY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FOR THE FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM

Last Four Fiscal Years

Florida Retirement System	2017	2016	2015	2014
The Port Authority's proportion of the net pension liability	0.0352%	0.0334%	0.0336%	0.0334%
The Port Authority's proportionate share of the net pension liability	<u>\$ 10,405,808</u>	<u>\$ 8,434,086</u>	<u>\$ 4,335,833</u>	<u>\$ 2,036,755</u>
The Port Authority's covered-employee payroll	<u>\$ 11,988,814</u>	<u>\$ 11,391,970</u>	<u>\$ 10,281,940</u>	<u>\$ 10,077,646</u>
The Port Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	87%	74%	42%	20%
FRS Plan fiduciary net position as a percentage of the total pension liability	84%	85%	92%	96%
Health Insurance Subsidy Program	2017	2016	2015	2014
The Port Authority's proportion of the net pension liability	0.0356%	0.0353%	0.0333%	0.0335%
The Port Authority's proportionate share of the net pension liability	<u>\$ 3,805,582</u>	<u>\$ 4,108,920</u>	<u>\$ 3,391,602</u>	<u>\$ 313,636</u>
The Port Authority's covered-employee payroll	<u>\$ 11,988,814</u>	<u>\$ 11,391,970</u>	<u>\$ 10,281,940</u>	<u>\$ 10,077,646</u>
The Port Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	32%	36%	33%	31%
HIS Plan fiduciary net position as a percentage of the total pension liability	7%	7%	7%	7%

Notes:

1) The amounts presented for each fiscal year were determined as of the Plan fiscal year measurement date of June 30th.

Tampa Port Authority

SCHEDULE OF TAMPA PORT AUTHORITY'S CONTRIBUTIONS FOR THE FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM

Last Four Years

Florida Retirement System	2017	2016	2015	2014
Contractually required contribution	\$ 915,804	\$ 856,963	\$ 1,041,840	\$ 984,116
Contributions in relation to the contractually required contribution	915,804	856,963	1,041,840	984,116
Contribution deficiency (expense)	\$ -	\$ -	\$ -	\$ -
The Port Authority's covered-employee payroll	\$ 11,988,814	\$ 11,391,970	\$ 10,281,940	\$ 10,077,646
Contributions as a percentage of covered-employee payroll	8%	8%	10%	10%
Health Insurance Subsidy Program	2017	2016	2015	2014
Contractually required contribution	\$ 188,359	\$ 189,107	\$ 170,680	\$ 167,289
Contributions in relation to the contractually required contribution	188,359	189,107	170,680	170,680
Contribution deficiency (expense)	\$ -	\$ -	\$ -	\$ (3,391)
The Port Authority's covered-employee payroll	\$ 11,988,814	\$ 11,391,970	\$ 10,281,940	\$ 10,077,646
Contributions as a percentage of covered-employee payroll	2%	2%	2%	2%

Notes:

1) The amounts presented for each fiscal year were determined as of the Plan fiscal year measurement date of June 30th.



PORT
TAMPA BAY™



PORT TAMPA BAY™

STATISTICAL SECTION







STATISTICAL SECTION

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

Contents

Financial Trends Information:

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

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

Revenue Capacity Information:

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

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

Debt Capacity Information:

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

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

STATISTICAL SECTION – Continued

Demographics and Economic Information:

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

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

Operating Information:

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

1. Schedule of Revenue by Activity – Table 15
2. Annual Cargo Tonnages and Passenger Count – Table 16
3. Capital Assets – Table 17
4. Staffing by Division/Department – Table 18

Other Port Financial Information:

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

SEC Rule 15c2-12 Reporting:

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

Table 1

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net Position at Year-End										
Net investment in										
capital assets	\$ 324,479	\$ 353,335	\$ 377,444	\$ 381,604	\$ 401,589	\$ 431,713	\$ 457,966	\$ 480,769	\$ 532,160	\$ 552,692
Restricted	36,655	31,787	21,752	15,435	8,250	9,421	9,004	7,001	7,079	7,076
Unrestricted	<u>38,751</u>	<u>44,988</u>	<u>52,688</u>	<u>59,937</u>	<u>74,488</u>	<u>67,910</u>	<u>63,547</u>	<u>60,959</u>	<u>42,602</u>	<u>34,877</u>
Total Net Position	<u>\$ 399,885</u>	<u>\$ 430,110</u>	<u>\$ 451,884</u>	<u>\$ 456,976</u>	<u>\$ 484,327</u>	<u>\$ 509,044</u>	<u>\$ 530,517</u>	<u>\$ 548,729</u>	<u>\$ 581,841</u>	<u>\$ 594,645</u>

* Note 1: Years 2007-2011 were not restated per GASB 65, see Note 17 fiscal year 2014 audited financial statement.

* Note 2: Years prior to 2015 were not restated per GASB 68 and 71, see Note 17 fiscal year 2015 audited financial statement.

Table 2

<p style="text-align: center;">TAMPA PORT AUTHORITY Changes in Fund Net Position Last Ten Fiscal Years (Unaudited) (amounts in thousands)</p>										
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating Revenue										
Port Usage Fees	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539	\$ 36,429	\$ 38,975	\$ 36,793	\$ 39,916
Land & Building Leases	9,442	9,662	9,504	9,595	9,934	11,725	11,226	11,551	11,752	13,058
Tenant Utilities	552	519	531	591	545	476	531	536	382	431
Other Port Operating Revenue	<u>919</u>	<u>719</u>	<u>683</u>	<u>514</u>	<u>348</u>	<u>349</u>	<u>244</u>	<u>207</u>	<u>281</u>	<u>367</u>
Total Operating Revenue	\$ 39,247	\$ 39,847	\$ 40,627	\$ 42,094	\$ 43,662	\$ 44,089	\$ 48,430	\$ 51,269	\$ 49,208	\$ 53,772
Non-Operating Revenue										
Operating Assistance Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ -
Grants	3,604	20,062	10,523	4,041	21,438	17,941	14,057	17,098	29,307	10,974
Interest Income	3,281	1,730	1,472	1,032	2,058	2,398	498	659	259	284
Ad Valorem Tax Receipts	16,807	15,700	13,490	11,838	11,512	10,926	10,830	10,945	11,065	11,152
Other Non-Operating Income	<u>1,773</u>	<u>3,558</u>	<u>6,732</u>	<u>1,827</u>	<u>1,336</u>	<u>1,757</u>	<u>4,414</u>	<u>2,953</u>	<u>1,567</u>	<u>1,258</u>
Total Non-Operating Revenue	\$ 25,465	\$ 41,050	\$ 32,217	\$ 18,738	\$ 36,344	\$ 33,022	\$ 29,799	\$ 31,655	\$ 42,201	\$ 23,668
Total Revenues	\$ 64,712	\$ 80,897	\$ 72,844	\$ 60,832	\$ 80,006	\$ 77,111	\$ 78,229	\$ 82,924	\$ 91,409	\$ 77,440
Operating Expenses										
Personnel	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690	\$ 12,880	\$ 13,477	\$ 14,738	\$ 16,341
Promotional	287	218	266	302	328	701	970	1,307	1,049	1,165
Administrative	12,849	12,560	11,895	13,063	12,792	12,868	14,257	13,534	13,181	14,558
Depreciation & Amortization Expense	<u>16,536</u>	<u>17,714</u>	<u>19,047</u>	<u>20,296</u>	<u>21,327</u>	<u>21,049</u>	<u>20,619</u>	<u>23,677</u>	<u>24,063</u>	<u>27,643</u>
Total Operating Expenses	\$ 39,079	\$ 40,581	\$ 41,788	\$ 44,039	\$ 44,959	\$ 45,308	\$ 48,726	\$ 51,995	\$ 53,031	\$ 59,707
Non-Operating Expenses										
Interest Expense	\$ 7,891	\$ 7,457	\$ 6,944	\$ 6,684	\$ 5,457	\$ 5,041	\$ 4,133	\$ 4,217	\$ 2,999	\$ 2,494
Bond Related Costs	218	215	214	205	-	-	-	-	-	-
Tax Collector/Property Appraiser	1,441	1,431	1,307	998	796	910	954	1,566	1,066	1,103
Other non-operating expense	<u>2,823</u>	<u>987</u>	<u>817</u>	<u>763</u>	<u>1,444</u>	<u>1,135</u>	<u>981</u>	<u>914</u>	<u>1,200</u>	<u>1,332</u>
Total Non-Operating Expenses	\$ 12,373	\$ 10,090	\$ 9,282	\$ 8,650	\$ 7,697	\$ 7,086	\$ 6,068	\$ 6,697	\$ 5,265	\$ 4,929
Special Item										
Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,962	\$ -	\$ -	\$ -
Effect of GASB 65	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Items	\$ -	\$ -	\$ -	\$ 3,050	\$ -	\$ -	\$ 1,962	\$ -	\$ -	\$ -
Total Expenses	\$ 51,452	\$ 50,671	\$ 51,070	\$ 55,739	\$ 52,656	\$ 52,394	\$ 56,756	\$ 58,692	\$ 58,296	\$ 64,636
Change in Fund Net Position	\$ 13,260	\$ 30,226	\$ 21,774	\$ 5,093	\$ 27,350	\$ 24,717	\$ 21,473	\$ 24,232	\$ 33,113	\$ 12,804

Note: Years prior to 2015 were not restated per GASB 68 and 71, see Note 17 fiscal year 2015 audited financial statement.

Table 3

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating Revenue:										
Dockage										
Dockage - Cargo	\$ 4,449	\$ 4,112	\$ 4,313	\$ 4,413	\$ 4,451	\$ 5,051	\$ 4,887	\$ 5,599	\$ 5,813	\$ 6,926
Dockage - Cruise	780	808	784	908	1,057	954	997	1,092	1,032	1,204
Dockage - Other	658	660	967	571	645	488	592	901	659	228
Subtotal - Dockage	<u>\$ 5,887</u>	<u>\$ 5,580</u>	<u>\$ 6,064</u>	<u>\$ 5,892</u>	<u>\$ 6,153</u>	<u>\$ 6,493</u>	<u>\$ 6,476</u>	<u>\$ 7,592</u>	<u>\$ 7,504</u>	<u>\$ 8,358</u>
Wharfage										
Wharfage - Cargo	\$ 8,660	\$ 8,269	\$ 8,372	\$ 8,388	\$ 8,410	\$ 11,918	\$ 8,639	\$ 9,811	\$ 9,791	\$ 10,561
Wharfage - Cruise	4,463	4,669	4,690	5,105	5,698	5,271	6,650	6,614	6,371	8,041
Wharfage - Other (a)	2,587	2,891	5,140	4,648	4,154	2,285	9,125	9,772	8,706	8,231
Subtotal - Wharfage	<u>\$ 15,710</u>	<u>\$ 15,829</u>	<u>\$ 18,202</u>	<u>\$ 18,141</u>	<u>\$ 18,262</u>	<u>\$ 19,474</u>	<u>\$ 24,414</u>	<u>\$ 26,197</u>	<u>\$ 24,868</u>	<u>\$ 26,833</u>
Land & Building Leases	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725	\$ 11,226	\$ 11,551	\$ 11,752	\$ 13,058
Other Operating Revenue	<u>\$ 6,208</u>	<u>\$ 8,776</u>	<u>\$ 6,857</u>	<u>\$ 8,466</u>	<u>\$ 9,313</u>	<u>\$ 6,397</u>	<u>\$ 6,314</u>	<u>\$ 5,929</u>	<u>\$ 5,084</u>	<u>\$ 5,523</u>
Total Operating Revenue	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>	<u>\$ 48,430</u>	<u>\$ 51,269</u>	<u>\$ 49,208</u>	<u>\$ 53,772</u>
Cargo Tonnage (to nearest thousand) (b)	14,377	13,211	14,567	13,701	13,356	13,349	13,172	14,547	14,141	14,981
Average Wharfage Revenue per Cargo Ton	<u>\$ 0.60</u>	<u>\$ 0.63</u>	<u>\$ 0.57</u>	<u>\$ 0.61</u>	<u>\$ 0.63</u>	<u>\$ 0.89</u>	<u>\$ 0.66</u>	<u>\$ 0.67</u>	<u>\$ 0.69</u>	<u>\$ 0.70</u>
Cruise Passengers (to nearest thousand)	768	803	807	876	974	854	888	867	814	961
Average Wharfage Revenue per Passenger	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.83</u>	<u>\$ 5.85</u>	<u>\$ 6.17</u>	<u>\$ 7.49</u>	<u>\$ 7.63</u>	<u>\$ 7.83</u>	<u>\$ 8.37</u>
Berth linear feet	11,855	12,855	16,655	17,235	17,235	18,435	18,435	18,435	19,435	19,435
Average Dockage Revenue per Berth Linear Feet	<u>\$ 496.58</u>	<u>\$ 434.07</u>	<u>\$ 364.09</u>	<u>\$ 341.86</u>	<u>\$ 357.01</u>	<u>\$ 352.21</u>	<u>\$ 351.29</u>	<u>\$ 411.83</u>	<u>\$ 386.11</u>	<u>\$ 430.05</u>
Leased Acreage (actual in hundreds)	1,290	1,285	1,270	1,260	1,310	1,287	1,287	1,305	1,305	1,305
Average per Acre (whole \$)	<u>\$ 7,319</u>	<u>\$ 7,519</u>	<u>\$ 7,483</u>	<u>\$ 7,615</u>	<u>\$ 7,583</u>	<u>\$ 9,110</u>	<u>\$ 8,723</u>	<u>\$ 8,851</u>	<u>\$ 9,005</u>	<u>\$ 10,006</u>

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

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

Table 4

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Port Usage Fees Revenues:										
Dockage	\$ 5,887	\$ 5,580	\$ 6,064	\$ 5,892	\$ 6,154	\$ 6,493	\$ 6,476	\$ 7,592	\$ 7,504	\$ 8,358
Wharfage	13,123	12,938	13,357	13,508	14,135	13,939	15,326	16,468	16,212	18,656
Wharfage (in lieu of wharfage)	2,587	2,891	3,723	4,633	4,127	5,535	9,088	9,729	8,656	8,177
Parking and related	4,976	5,892	5,208	5,659	5,896	4,935	4,901	4,297	3,694	3,970
Teminal Operations	1,409	1,361	1,357	1,490	1,744	411	405	607	448	414
Other Usage Fees	352	285	200	212	779	226	233	283	279	341
Total Port Usage Fees	<u>\$ 28,334</u>	<u>\$ 28,947</u>	<u>\$ 29,909</u>	<u>\$ 31,394</u>	<u>\$ 32,835</u>	<u>\$ 31,539</u>	<u>\$ 36,429</u>	<u>\$ 38,976</u>	<u>\$ 36,793</u>	<u>\$ 39,916</u>
Percentage of Total Revenue	43.8%	35.8%	41.1%	51.6%	41.0%	40.9%	46.6%	47.0%	40.3%	51.5%
Land & Building Leases:										
Land & Building Leases	\$ 9,432	\$ 9,552	\$ 9,476	\$ 9,583	\$ 9,897	\$ 11,722	\$ 11,225	\$ 11,546	\$ 11,747	\$ 13,053
Cruise Terminal Rentals	5	110	13	12	37	3	1	5	5	5
Port Property Access Fees	5	-	15	-	-	-	-	-	-	-
Total Land & Building Leases	<u>\$ 9,442</u>	<u>\$ 9,662</u>	<u>\$ 9,504</u>	<u>\$ 9,595</u>	<u>\$ 9,934</u>	<u>\$ 11,725</u>	<u>\$ 11,226</u>	<u>\$ 11,551</u>	<u>\$ 11,752</u>	<u>\$ 13,058</u>
Percentage of Total Revenue	14.6%	11.9%	13.0%	15.8%	12.4%	15.2%	14.4%	13.9%	12.9%	16.9%
Tenant Utilities:										
Tenant Water	\$ 23	\$ 17	\$ 16	\$ 17	\$ 17	\$ 19	\$ 35	\$ 19	37	24
Dockside Water	527	501	514	573	526	456	496	516	345	407
Electricity	2	1	2	1	2	1	-	-	-	-
Total Tenant Utilities	<u>\$ 552</u>	<u>\$ 519</u>	<u>\$ 532</u>	<u>\$ 591</u>	<u>\$ 545</u>	<u>\$ 476</u>	<u>\$ 531</u>	<u>\$ 535</u>	<u>\$ 382</u>	<u>\$ 431</u>
Percentage of Total Revenue	0.9%	0.6%	0.7%	1.0%	0.7%	0.6%	0.7%	0.6%	0.3%	0.3%
Other Port Operating Revenue:										
Work Permits	\$ 32	\$ 29	\$ 11	\$ 8	\$ 9	\$ 2	\$ 7	\$ 7	\$ 12	\$ 23
Fingerprinting/Badging	810	624	606	430	276	277	182	160	182	184
License Fees	77	66	65	76	63	70	55	40	47	46
Miscellaneous Revenue	-	-	-	-	-	-	-	-	40	114
Total Other Port Operating Revenue	<u>\$ 919</u>	<u>\$ 719</u>	<u>\$ 682</u>	<u>\$ 514</u>	<u>\$ 348</u>	<u>\$ 349</u>	<u>\$ 244</u>	<u>\$ 207</u>	<u>\$ 281</u>	<u>\$ 367</u>
Percentage of Total Revenue	1.4%	0.9%	0.9%	0.8%	0.4%	0.5%	0.3%	0.2%	0.3%	0.5%
Total Operating Revenue	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>	<u>\$ 48,430</u>	<u>\$ 51,269</u>	<u>\$ 49,208</u>	<u>\$ 53,772</u>
Percentage of Total Revenue	60.6%	49.3%	55.8%	69.2%	54.6%	57.2%	61.9%	61.8%	53.8%	69.4%

Continued

Table 4

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Non-Operating Revenue:										
Operating Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ -
Capital Grants	3,604	20,062	10,523	4,041	21,438	17,941	14,057	17,098	29,308	10,974
Ad Valorem Tax Receipts	16,807	15,700	13,490	11,838	11,512	10,926	10,830	10,945	11,065	11,152
Interest, Unrestricted	2,634	1,073	1,030	533	746	2,040	201	426	94	186
Interest, Restricted	54	52	39	-	906	-	-	-	-	-
Interest, PAI Crane	-	76	140	121	92	83	62	41	19	1
Interest, TBIT & TBSB Notes	593	525	454	378	314	275	235	192	146	97
Other, TBIT & TBSB Notes	175	177	184	124	-	-	-	-	-	-
Dredge and Fill Income	79	1,362	247	475	-	179	2,958	517	201	195
Gain/Loss on Sale of Investment	-	-	-	-	-	-	-	-	-	-
Gain/Loss on Disposal of Capital Assets	95	19	(422)	-	8	12	43	(38)	10	19
Harbormaster Fees	978	891	864	822	845	820	895	913	888	906
Conference Donations	102	70	55	54	43	43	79	60	82	80
Amortization Premiums	275	274	270	264	266	234	270	655	119	-
Corporate Tax Credit					-	-	133	758	89	-
Other Miscellaneous Revenue	69	769	5,343	88	174	469	36	88	177	58
Total Non-Operating Revenue	<u>\$ 25,465</u>	<u>\$ 41,050</u>	<u>\$ 32,217</u>	<u>\$ 18,738</u>	<u>\$ 36,344</u>	<u>\$ 33,022</u>	<u>\$ 29,799</u>	<u>\$ 31,655</u>	<u>\$ 42,201</u>	<u>\$ 23,668</u>
Percentage of Total Revenue	39.4%	50.7%	44.2%	30.8%	45.4%	42.8%	38.1%	38.2%	46.2%	30.6%
Total Revenue	<u>\$ 64,712</u>	<u>\$ 80,897</u>	<u>\$ 72,844</u>	<u>\$ 60,832</u>	<u>\$ 80,006</u>	<u>\$ 77,111</u>	<u>\$ 78,229</u>	<u>\$ 82,924</u>	<u>\$ 91,409</u>	<u>\$ 77,440</u>

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

Table 5

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

Wharfage Revenue

FY2017			FY2008		
Customer	Revenue	Percentage of Total Wharfage	Customer	Revenue	Percentage of Total Wharfage
Carnival Cruise Lines	\$ 4,816,416	17.9%	Carnival Cruise Lines	\$ 3,761,610	23.9%
Central Florida Pipeline	3,579,730	13.3%	Kinder Morgan	2,079,064	13.2%
Royal Caribbean Cruise Lines	2,224,788	8.3%	Zim Shipping Services	873,505	5.6%
Cemex Construction Materials Florida	1,994,925	7.4%	Vulcan Materials	857,522	5.5%
Transflo Terminal Services	1,538,669	5.7%	Trademark Metals	708,254	4.5%
Transmontaigne, Inc.	1,437,666	5.4%	Royal Caribbean Cruise Lines	688,674	4.4%
Titan Florida	1,163,353	4.3%	Ports America	631,453	4.0%
Norwegian Cruise Line	983,864	3.7%	Transmontaigne, Inc.	591,641	3.8%
Ports America	912,676	3.4%	Murphy Oil	536,950	3.4%
Trademark Metals	907,649	3.4%	CF Industries	426,022	2.7%
Ten largest customers	19,559,736	72.8%	Ten largest customers	11,154,695	71.0%
Others	7,273,218	27.2%	Others	4,555,305	29.0%
Total Wharfage Revenue	<u>\$ 26,832,954</u>	<u>100.0%</u>	Total Wharfage Revenue	<u>\$ 15,710,000</u>	<u>100.0%</u>

Dockage Revenue

FY2017			FY2008		
Customer	Revenue	Percentage of Total Dockage	Customer	Revenue	Percentage of Total Dockage
Central Florida Pipeline	\$ 1,815,427	21.7%	Kinder Morgan	\$ 1,026,074	17.4%
Ports America	813,511	9.7%	Ports America	635,706	10.8%
Royal Caribbean	591,052	7.1%	Carnival Cruise Lines	553,178	9.4%
Titan Florida	527,294	6.3%	Transmontaigne, Inc.	398,654	6.8%
Logistec Gulf Coast	463,402	5.5%	CF Industries	346,912	5.9%
Transmontaigne, Inc.	456,717	5.5%	Murphy Oil	310,397	5.3%
Mosaic Crop Nutrition	417,103	5.0%	Martin Operating Partners	210,711	3.6%
Carnival Cruise Lines	387,783	4.6%	Vulcan Materials	201,813	3.4%
Gaetano Cacciatore	315,769	3.8%	Martin Marietta	180,797	3.1%
Martin Marietta Aggregates	284,363	3.4%	Trademark Metals	160,203	2.7%
Ten largest customers	6,072,421	72.6%	Ten largest customers	4,024,445	68.4%
Others	2,285,698	27.4%	Others	1,862,555	31.6%
Total Dockage Revenue	<u>\$ 8,358,119</u>	<u>100.0%</u>	Total Dockage Revenue	<u>\$ 5,887,000</u>	<u>100.0%</u>

Table 6

TAMPA PORT AUTHORITY
Revenue Rates
Last Ten Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
DOCKAGE RATES:										
Vessels, Barges & Tug Boats:										
0-199 ft	\$ 2.25	\$ 2.32	\$ 2.32	\$ 2.46	\$ 2.46	\$ 2.54	\$ 2.61	\$ 2.69	\$ 2.77	\$ 2.77
200-299	2.96	3.05	3.05	3.23	3.23	3.33	3.43	3.53	3.64	3.64
300-349	2.96	4.15	3.05	3.23	3.23	3.33	3.43	3.53	3.64	3.64
350-399	2.96	4.15	3.05	3.23	3.23	3.33	3.43	3.53	3.64	3.64
400-449	4.03	4.15	4.15	4.40	4.40	4.53	4.67	4.81	4.95	4.95
450-499	4.03	4.15	4.15	4.40	4.40	4.53	4.67	4.81	4.95	4.95
500-549	5.41	5.57	5.57	5.91	5.91	6.09	6.27	6.46	6.65	6.65
550-599	5.41	5.57	5.57	5.91	5.91	6.09	6.27	6.46	6.65	6.65
600-649	6.28	6.47	6.47	6.86	6.86	7.07	7.28	7.50	7.72	7.72
650-699	6.28	6.47	6.47	6.86	6.86	7.07	7.28	7.50	7.72	7.72
700-799	7.97	8.21	8.21	8.71	8.71	8.98	9.24	9.52	9.80	9.80
800-899	9.60	9.89	9.89	10.50	10.50	10.81	11.13	11.46	11.81	11.81
900 ft +	11.49	11.83	11.83	12.55	12.55	12.92	13.31	13.71	14.12	14.12
Passenger Vessels:										
0- 550 ft	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.71	4.85	4.85
551-600	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.64	6.84	6.84
601-650	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.86	7.07	7.07
651-700	6.80	6.80	6.80	6.80	6.80	6.80	6.80	7.14	7.35	7.35
701-725	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.57	7.80	7.80
726-750	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.85	8.09	8.09
751 ft +	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.57	8.83	8.83

Continued

Table 6

TAMPA PORT AUTHORITY
Revenue Rates
Last Ten Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
WHARFAGE RATES:										
<u>General Cargo/Breakbulk:</u>										
All articles (not provided for below)	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.43	2.43	2.43
Automobiles (new)/each	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.22	4.22	4.22
Automobiles (used)/each	7.10	7.10	7.10	7.10	7.10	7.10	7.10	7.31	7.31	7.31
Livestock	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.33	4.33	4.33
Citrus & Citrus Products	1.96	1.96	1.96	1.96	1.96	1.96	1.96	2.02	2.02	2.02
Containers (loaded)	1.97	1.97	1.97	1.97	1.97	1.97	1.97	2.03	2.03	2.03
USDA Bagged Goods (Public Law 480)	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.23	0.23	0.23
Citrus Concentrate (drums or tanks)	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.59	1.59	1.59
Cordage	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.72	1.72	1.72
Fertilizer (in bags)	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.79	1.79	1.79
Flour or Rice (in bags)	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.36	1.36	1.36
Forest Products	1.59	1.59	-	1.59	1.59	1.59	1.59	1.64	1.64	1.64
Lumber & Logs (per thousand board feet)	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.47	1.47	1.47
Frozen Meat and/or Poultry	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.36	2.36	2.36
Fruits and Vegetables (fresh)	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.08	2.08	2.08
Iron & Steel Articles	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.98	1.98	1.98
Iron & Steel Wire Coils and Reinforcing Rods	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.75	1.75	1.75
Mobile & Modular Homes (< 10,000 lbs) each	21.82	21.82	21.82	21.82	21.82	21.82	21.82	22.47	22.47	22.47
Mobile & Modular Homes (> 10,000 lbs) net ton	2.94	2.94	2.94	2.94	2.94	2.94	2.94	3.03	3.03	3.03
Paper Waste (in bales domestic moves only)	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.32	1.32	1.32
Project Cargo (weight or measurement)	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.43	2.43	2.43
Scrap Metal	2.39	2.39	2.39	2.39	2.39	2.39	2.39	2.46	2.46	2.46
USDA Public Law 480 (bagged goods)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.42	0.42	0.42
USDA Products (chilled & frozen)	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.73	1.73	1.73
Vehicles (trucks, buses, tractors, etc.) net ton	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.28	2.28	2.28
Yachts & Boats (less than 25' LOA) (a)	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.08	1.08	1.08
Yachts & Boats (greater than 25' LOA) (a)	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.63	1.63	1.63

Continued

Table 6

TAMPA PORT AUTHORITY
Revenue Rates
Last Ten Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Cruise Wharfage Rates (per passenger):</u>										
Passengers Embarking	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75	7.00	7.00
Passengers Disembarking	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75	7.00	7.00
Passengers in transit	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75	7.00	7.00
<u>Bulk Cargo Wharfage Rates:</u>										
Aggregate (including pumice & slag)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.78	0.78	0.78
Anhydrous Ammonia	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.386	0.386	0.386
Bulk, Dry N.O.S.	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.22	1.22	1.22
Bulk, Liquid N.O.S.	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.22	1.22	1.22
Caustic Soda	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43	0.43	0.43
Cement	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.87	0.87	0.87
Citrus Concentrate, (via pipeline)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.10	1.10	1.10
Citrus Pellets	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41	0.41	0.41
Coal	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.68	0.68	0.68
Fertilizer, N.O.S.	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.252	0.252	0.252
Fly Ash	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.91	0.91	0.91
Grain, N.O.S.	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43	0.43	0.43
Gypsum	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.61	0.61	0.61
Petroleum and Petroleum Products (per barrel)	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08
Petroleum (Bunkering) (per barrel)	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09	0.09
Petroleum Coke	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.68	0.68	0.68
Phosphate Products (other than crude rock)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphate Rock, (wet or dry)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Phosphoric Acid	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41	0.41	0.41
Pomace	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.70	0.70	0.70
Potash	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.29	0.29	0.29
Salt	0.53	0.53	0.53	-	-	-	-	-	-	-
Sand	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.77	0.77	0.77
Seawater	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.27	0.27	0.27
Sulphur	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41	0.41	0.41
Sulphuric Acid	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43	0.43	0.43
Tallow	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.62	0.62	0.62

Table 7

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

2017				2008			
Customer	Type of Business	Revenue	Percent of Operating Revenue	Customer	Type of Business	Revenue	Percent of Operating Revenue
Carnival Cruise Lines	Cruise industry	\$ 6,501,389	12.1%	Carnival Cruise Lines	Cruise industry	\$ 7,237,183	18.4%
Central Florida Pipeline	Petroleum	5,722,261	10.6%	Kinder Morgan	Misc liquid bulk commodities	3,451,859	8.8%
Royal Caribbean	Cruise industry	3,816,964	7.1%	Ports America	Terminal operator	2,268,756	5.8%
Cemex Construction	Cementitious, aggregate	3,024,691	5.6%	Vulcan Materials	Cementitious, aggregate	2,047,183	5.2%
Transmontaigne	Petroleum products	2,308,204	4.3%	Trinity Materials	Cementitious, aggregate	1,485,139	3.8%
Ports America	Terminal operator	2,055,612	3.8%	Royal Caribbean	Cruise industry	1,394,499	3.6%
Titan Florida	Cementitious, aggregate	2,021,306	3.8%	Transmontaigne	Petroleum products	1,342,295	3.4%
Transflo Terminal Services	Petroleum	1,876,326	3.5%	Murphy Oil	Petroleum products	1,062,947	2.7%
Vulcan Materials	Limestone	1,535,546	2.9%	Trademark Metals	Scrap metal	1,035,386	2.6%
Trademark Metals	Scrap Metal	1,462,269	2.7%	Cemex Industries	Cementitious, aggregate	1,018,554	2.6%
	Ten largest customers	30,324,568	56.4%		Ten largest customers	22,343,801	56.9%
	Others	23,446,478	43.6%		Others	16,903,156	43.1%
	Total Operating Revenue	<u>\$ 53,771,046</u>	<u>100.0%</u>		Total Operating Revenue	<u>\$ 39,246,957</u>	<u>100.0%</u>

Table 8

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

Fiscal Year	Revenue Bond/Notes	Refunding Revenue Bonds	Total	(a) Percentage of Personal Income	Outstanding Debt Per Capita
2008	\$ 78,600,000	\$ 72,819,151	\$ 151,419,151	0.33%	\$ 128
2009	76,345,000	68,956,534	145,301,534	0.33%	121
2010	74,590,000	64,321,016	138,911,016	0.29%	114
2011	72,765,000	59,512,282	132,277,282	0.27%	107
2012	70,494,815	54,435,122	124,929,937	0.24%	99
2013	67,057,531	49,120,000	116,177,531	0.23%	91
2014	63,935,385	42,530,000	106,465,385	0.20%	84
2015	97,891,280	-	97,891,280	0.18%	77
2016	93,851,881	-	93,851,881	0.16%	71
2017	95,746,759	-	95,746,759	0.16%	71

(a) Refer to Table 11 for detail of population and personal income information.

Table 9

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

	(a)	(b)				(d)	(e)
	Gross	Operating	Net Revenue	Debt			Coverage
Fiscal Year	Revenues	Expenses	Available for Debt Service	Principal	Interest	Total	Ratio
2008	43,626	22,543	21,083	5,468	7,674	13,142	1.60
2009	44,018	22,867	21,151	6,725	7,276	14,001	1.51
2010	43,233	22,741	20,492	6,424	6,993	13,417	1.53
2011	43,829	23,743	20,086	6,723	6,691	13,414	1.50
2012	44,895	23,632	21,263	6,422	6,141	12,563	1.69
2013	46,875	24,259	22,616	8,837	5,780	14,617	1.55
2014	52,148	28,107	24,041	9,116	5,202	14,318	1.68
(c) 2015	53,288	28,318	24,970	8,574	4,760	13,334	1.87
2016	49,923	28,968	20,955	11,752	3,626	15,378	1.36
2017	54,307	32,064	22,243	11,239	3,182	14,421	1.54

(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) In FY2015, Tampa Port Authority Board approved the Master Junior Lien Resolution and an amendment to the 2014 State Infrastructure Bank Loan authorizing its move to a junior and subordinate lien position.

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

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

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating Revenue										
Port Usage Fees	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539	\$ 36,429	\$ 38,975	\$ 36,793	\$ 39,916
Land & Building Leases	9,442	9,662	9,504	9,595	9,934	11,725	11,226	11,551	11,752	13,058
Tenant Utilities	552	519	531	591	545	476	531	536	382	431
Other Port Operating Revenue	919	719	683	514	348	349	244	207	281	367
Total Operating Revenue	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>	<u>\$ 48,430</u>	<u>\$ 51,269</u>	<u>\$ 49,208</u>	<u>\$ 53,772</u>
Non-Operating Revenue										
Grants, Operating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ -
Interest Income, Unrestricted	3,227	1,674	1,624	684	1,152	2,123	498	659	259	284
Other Non-Operating Income	1,152	2,497	982	1,051	81	663	3,220	1,360	453	251
Total Non-Operating Revenue	<u>\$ 4,379</u>	<u>\$ 4,171</u>	<u>\$ 2,606</u>	<u>\$ 1,735</u>	<u>\$ 1,233</u>	<u>\$ 2,786</u>	<u>\$ 3,718</u>	<u>\$ 2,019</u>	<u>\$ 715</u>	<u>\$ 535</u>
Gross Revenue Available for Debt (a)	<u>\$ 43,626</u>	<u>\$ 44,018</u>	<u>\$ 43,233</u>	<u>\$ 43,829</u>	<u>\$ 44,895</u>	<u>\$ 46,875</u>	<u>\$ 52,148</u>	<u>\$ 53,288</u>	<u>\$ 49,923</u>	<u>\$ 54,307</u>
Less: Annual debt service requirement (b)	<u>\$ 13,142</u>	<u>\$ 14,001</u>	<u>\$ 13,417</u>	<u>\$ 13,414</u>	<u>\$ 12,563</u>	<u>\$ 14,617</u>	<u>\$ 14,318</u>	<u>\$ 13,334</u>	<u>\$ 15,378</u>	<u>\$ 14,421</u>
Net Revenue Available for payment of Operating Expenses:	<u>\$ 30,484</u>	<u>\$ 30,017</u>	<u>\$ 29,816</u>	<u>\$ 30,415</u>	<u>\$ 32,332</u>	<u>\$ 32,258</u>	<u>\$ 38,714</u>	<u>\$ 39,954</u>	<u>\$ 34,545</u>	<u>\$ 39,886</u>
Operating Expenses (c)										
Personnel	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690	\$ 12,880	\$ 13,477	\$ 14,738	\$ 16,341
Promotional	287	218	266	302	328	701	970	1,307	1,049	1,165
Administrative	12,849	12,560	11,895	13,063	12,792	12,868	14,257	13,534	13,181	14,558
Total Operating Expenses	<u>\$ 22,543</u>	<u>\$ 22,867</u>	<u>\$ 22,741</u>	<u>\$ 23,743</u>	<u>\$ 23,632</u>	<u>\$ 24,259</u>	<u>\$ 28,107</u>	<u>\$ 28,318</u>	<u>\$ 28,968</u>	<u>\$ 32,064</u>
Surplus Port Revenues (d)	<u>\$ 7,941</u>	<u>\$ 7,150</u>	<u>\$ 7,075</u>	<u>\$ 6,672</u>	<u>\$ 8,700</u>	<u>\$ 7,999</u>	<u>\$ 10,607</u>	<u>\$ 11,636</u>	<u>\$ 5,577</u>	<u>\$ 7,822</u>

(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.

*Note 1: Years 2007-2011 were not restated per GASB 65, see Note 17 fiscal year 2014 audited financial statement.

Table 11

HILLSBOROUGH COUNTY, FLORIDA
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income <i>(in thousands)</i>	Personal Income Per Capita	Median Age	Public High School Graduation Rates	Total Public School Enrollment	Unemployment Rate
2007	1,184,686	44,394,128	37,473	36	62.1%	193,062	4.0%
2008	1,196,773	45,385,156	37,923	36	63.9%	191,965	6.3%
2009	1,214,050	43,600,982	35,914	36	66.1%	193,239	10.7%
2010	1,233,373	47,339,654	38,382	35	66.7%	194,353	11.4%
2011	1,267,775	49,671,035	39,180	35	69.3%	200,074	10.5%
2012	1,247,440	51,109,828	40,972	36	72.6%	202,000	8.5%
2013	1,263,050	52,541,062	41,599	37	74.1%	202,885	7.0%
2014	1,279,560	55,155,924	43,105	36	73.5%	206,474	5.8%
2015	1,325,563	58,596,262	44,205	36	76.0%	209,840	5.1%
2016	1,350,910	60,283,900	44,625	37	79.1%	212,038	4.9%
	(a) (b)	(a)	(a)	(b)	(c)	(d)	(e)

Sources: (a) U.S. Census Bureau, U.S. Department of Commerce Bureau of Economic Analysis (<https://www.bre.gov>)
 (b) Tampa Economic Development Corporation (<https://tampaedc.com/demographics>)
 (c) Florida Department of Education (<http://www.fldoe.org>)
 (d) Hillsborough County School (<http://www.sdhc.k12.fl.us>)
 (e) Florida Legislature, Office of Economic and Demographic Research (<http://edr.state.fl.us>)

Table 12

HILLSBOROUGH COUNTY, FLORIDA
Principal Employers
Current Year and Nine Years Prior

Employer	Type of Operation	2017			2008		
		Employees	%	Rank	Employees	%	Rank
Hillsborough County School Board	Public education	25,900	3.7%	1	24,692	4.2%	1
MacDill Air Force Base	Military base	19,978	2.8%	2	6,656	1.1%	6
Hillsborough County Government	Government	10,000	1.4%	3	10,442	1.8%	2
Publix Super Markets, Inc.	Supermarkets	7,732	1.1%	4	4,984	0.8%	8
Tampa International Airport	International airport	7,635	1.1%	5	7,500	1.3%	3
University of South Florida	Education services	6,398	0.9%	6	6,000	1.0%	5
St. Joseph Hospital	Medical facilities	6,243	0.9%	7	4,273	0.7%	10
Tampa General Hospital	Medical facilities	5,378	0.8%	8	5,842	1.0%	7
James A. Haley VA Hospital	Medical facilities	4,600	0.6%	9	4,529	0.8%	9
City of Tampa	Government	4,151	0.6%	10	4,502	0.8%	9
HCA West Florida	Medical facilities	3,886	0.5%	11	1,585	0.3%	21
Hillsborough County Sheriff's Office	Public Safety	3,833	0.5%	12	3,450	0.6%	15
Tampa Electric Company	Electric utility	3,710	0.5%	13	3,370	0.6%	16
H. Lee Moffit Cancer Center	Medical facilities	3,218	0.5%	14	3,725	0.6%	12
US Postal Service	Postal services	3,197	0.5%	15	3,456	0.6%	13
Total Principal Employers		115,859	13.8%		95,006	13.5%	
Other employers		592,892	86.2%		492,855	86.5%	
Total Hillsborough County employment		708,751	100.0%		587,861	100.0%	

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

Table 13

HILLSBOROUGH COUNTY, FLORIDA
Property Tax Millage Rates for Direct and Overlapping Governments
Last Ten Years

(Millage Rates Rounded to Nearest Thousandth)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Countywide (BOCC):										
BOCC General Revenue	5.744	5.742	5.741	5.739	5.737	5.736	5.734	5.732	5.732	5.731
BOCC Library Service	0.558	0.558	0.558	0.558	0.558	0.588	0.558	0.558	0.558	0.558
Environmentally sensitive lands (voted)	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>	<u>0.060</u>
Total millage	<u>6.362</u>	<u>6.360</u>	<u>6.359</u>	<u>6.358</u>	<u>6.355</u>	<u>6.384</u>	<u>6.352</u>	<u>6.350</u>	<u>6.351</u>	<u>6.350</u>
Maximum millage per statute (a)	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>	<u>10.060</u>
Unincorporated Area (BOCC):										
BOCC Municipal Service Taxing Unit	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375
Parks and Recreation (voted)	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>	<u>0.026</u>
Total millage	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>	<u>4.401</u>
Maximum millage per statute (a)	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>	<u>10.026</u>
Countywide (Other):										
Tampa Port Authority	0.195	0.193	0.190	0.190	0.185	0.175	0.165	0.155	0.145	0.130
Southwest Florida Water Management District	0.387	0.387	0.377	0.393	0.393	0.382	0.366	0.349	0.332	0.313
School Board	7.777	7.692	7.592	7.913	7.877	7.690	7.353	7.247	6.906	6.596
Children's Board	0.500	0.500	0.500	0.500	0.500	0.483	0.459	0.459	0.459	0.459
Unincorporated Area (Other)										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.216	0.216	0.216	0.216	0.000	0.000	0.000	0.000	0.000	0.000
Hillsborough River Basin	0.255	0.242	0.242	0.230	0.000	0.000	0.000	0.000	0.000	0.000
NW Hillsborough Basin	0.242	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transit Authority	0.468	0.468	0.468	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Municipalities:										
Tampa	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	6.208
Temple Terrace	4.569	5.283	5.283	6.150	6.430	6.430	6.305	6.995	7.205	6.955
Plant City	4.165	4.716	4.716	4.716	4.716	4.716	4.716	4.716	4.716	5.716
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	20.306	20.217	20.103	20.471	20.211	20.015	19.596	19.461	19.093	18.749

- (a) Section 200.071, Florida Statutes, states that the maximum ad valorem tax millage for either the countywide or unincorporated area (municipal services taxing unit) of the BOCC is set at 10 mills plus any voted levies.
- (b) Dependent on its location, property within Tampa may either be in the Alafia, the Hillsborough River, or the NW Hillsborough Watershed Basin. Plant City property may be in either the Alafia or the Hillsborough River Basin. During fiscal year 2009, the NW Hillsborough Basin was merged into the Hillsborough River Basin.

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

Table 14

HILLSBOROUGH COUNTY, FLORIDA
Principal Property Taxpayers
Current year and Nine Years Prior
(amounts in thousands)

Taxpayer	Type of Business	2017			2008		
		Taxes Levied	Rank	Percentage of Total Taxes Levied	Taxes Levied	Rank	Percentage of Total Taxes Levied
Tampa Electric Company	Electric Utility	\$ 42,735	1	2.34%	\$ 36,664	1	1.88%
Hillsborough County Aviation Authority	Transportation	12,664	2	0.69%	11,285	3	0.58%
Verizon Communications Inc.	Communications	12,480	3	0.68%	19,477	2	1.00%
Mosaic Company	Mining, Fertilizer & Chemicals	8,071	4	0.44%	7,955	4	0.41%
Highwoods/Florida Holdings LP	Real Estate Management	7,258	5	0.40%	-	-	-
Post Apartment Homes LP	Real Estate	5,948	6	0.33%	4,585	8	0.24%
Westfield	Shopping Malls	5,828	7	0.32%	-	-	-
Wal-Mart	Retail Sales	4,705	8	0.26%	4,865	6	0.25%
Metropolitan Life	Insurance	4,056	9	0.22%	-	-	-
Liberty Property	Property Management	4,015	10	0.22%	4,777	7	0.25%
Camden Operating LP	Real Estate	-		-	5,834	5	0.30%
Tampa Port Authority	Cargo/Cruise/Real Estate	-		-	3,763	9	0.19%
Teachers Insurance and Annuity Assoc.	Insurance	-		-	3,189	10	0.16%
		<u>\$ 107,760</u>		<u>5.89%</u>	<u>\$ 102,394</u>		<u>5.25%</u>

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

Table 15

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
PORT USAGE FEES, MAJOR CARGO CATEGORIES										
Bulk Cargo:										
Dockage	\$ 3,686	\$ 3,470	\$ 3,754	\$ 3,800	\$ 3,705	\$ 4,282	\$ 4,048	\$ 4,740	\$ 5,086	\$ 5,929
Wharfage	<u>6,079</u>	<u>5,632</u>	<u>6,423</u>	<u>6,157</u>	<u>5,968</u>	<u>6,341</u>	<u>6,261</u>	<u>7,272</u>	<u>7,414</u>	<u>7,752</u>
Subtotal, Bulk Cargo	\$ 9,765	\$ 9,102	\$ 10,177	\$ 9,957	\$ 9,673	\$ 10,623	\$ 10,309	\$ 12,012	\$ 12,500	\$ 13,681
Bulk Cargo Tonnage (a)	13,144	12,116	13,706	12,722	12,194	12,318	12,142	13,517	13,108	13,613
Dockage & Wharfage per ton	\$ 0.74	\$ 0.75	\$ 0.74	\$ 0.78	\$ 0.79	\$ 0.86	\$ 0.85	\$ 0.89	\$ 0.95	\$ 1.00
General Cargo:										
Dockage	\$ 763	\$ 642	\$ 559	\$ 613	\$ 746	\$ 769	\$ 839	\$ 859	\$ 727	\$ 990
Wharfage	<u>2,581</u>	<u>2,637</u>	<u>1,949</u>	<u>2,232</u>	<u>2,442</u>	<u>2,327</u>	<u>2,378</u>	<u>2,538</u>	<u>2,378</u>	<u>2,808</u>
Subtotal, General Cargo	\$ 3,344	\$ 3,279	\$ 2,508	\$ 2,845	\$ 3,188	\$ 3,096	\$ 3,217	\$ 3,397	\$ 3,105	\$ 3,798
General Cargo Tonnage (a)	1,235	1,095	863	968	1,162	1,068	1,030	1,030	1,033	1,368
Dockage & Wharfage per ton	\$ 2.71	\$ 2.99	\$ 2.91	\$ 2.94	\$ 2.74	\$ 2.90	\$ 3.12	\$ 3.30	\$ 3.01	\$ 2.78
Cruise:										
Dockage	\$ 780	\$ 808	\$ 784	\$ 900	\$ 1,057	\$ 954	\$ 997	\$ 1,092	\$ 1,032	\$ 1,203
Wharfage	<u>4,463</u>	<u>4,669</u>	<u>4,690</u>	<u>5,105</u>	<u>5,698</u>	<u>5,271</u>	<u>6,650</u>	<u>6,614</u>	<u>6,371</u>	<u>8,041</u>
Subtotal, Cruise	\$ 5,243	\$ 5,477	\$ 5,474	\$ 6,005	\$ 6,755	\$ 6,225	\$ 7,647	\$ 7,706	\$ 7,403	\$ 9,244
Passengers (a)	768	803	807	876	974	854	888	867	814	961
Dockage & Wharfage per passenger	\$ 6.83	\$ 6.82	\$ 6.78	\$ 6.86	\$ 6.94	\$ 7.29	\$ 8.61	\$ 8.89	\$ 9.09	\$ 9.62
Combined Dockage & Wharfage:										
Bulk Cargo	\$ 9,765	\$ 9,102	\$ 10,177	\$ 9,957	\$ 9,673	\$ 10,623	\$ 10,309	\$ 12,012	\$ 12,500	\$ 13,681
General Cargo	<u>3,344</u>	<u>3,279</u>	<u>2,508</u>	<u>2,845</u>	<u>3,188</u>	<u>3,096</u>	<u>3,217</u>	<u>3,397</u>	<u>3,105</u>	<u>3,798</u>
Cruise	<u>5,243</u>	<u>5,477</u>	<u>5,474</u>	<u>6,005</u>	<u>6,755</u>	<u>6,225</u>	<u>7,647</u>	<u>7,706</u>	<u>7,403</u>	<u>9,244</u>
Total Combined Dockage & Wharfage Major Category	\$ 18,352	\$ 17,858	\$ 18,159	\$ 18,807	\$ 19,616	\$ 19,944	\$ 21,173	\$ 23,115	\$ 23,008	\$ 26,723

Continued

Table 15

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
OTHER PORT USAGE FEES:										
Dockage/wharfage, non-cargo related	\$ 658	\$ 660	\$ 967	\$ 579	\$ 645	\$ 488	\$ 629	\$ 945	\$ 708	\$ 291
In lieu of Wharfage, (shortfalls, rail, truck)	2,587	2,891	3,723	4,647	4,147	5,535	9,088	9,729	8,656	8,177
Parking and related	4,976	5,892	5,208	5,659	5,896	4,935	4,901	4,297	3,694	3,970
Terminal Operations	1,409	1,361	1,357	1,490	2,268	411	405	607	448	414
Other Usage Fees	352	285	495	212	263	226	233	283	279	341
Total Other Port Usage Fees:	\$ 9,982	\$ 11,089	\$ 11,750	\$ 12,587	\$ 13,219	\$ 11,595	\$ 15,256	\$ 15,861	\$ 13,785	\$ 13,193
PORT USAGE FEES, TOTAL	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539	\$ 36,429	\$ 38,976	\$ 36,793	\$ 39,916
LAND & BUILDING LEASES	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725	\$ 11,226	\$ 11,551	\$ 11,752	\$ 13,058
OTHER OPERATING:										
Tenant Utilities	\$ 553	\$ 520	\$ 532	\$ 591	\$ 545	\$ 476	\$ 531	\$ 535	\$ 382	\$ 431
Fingerprinting/Badging	810	624	606	430	275	277	182	160	182	184
Other Port Operating	108	94	76	84	73	72	62	47	99	183
Total Other Operating Revenue	\$ 1,471	\$ 1,238	\$ 1,214	\$ 1,105	\$ 893	\$ 825	\$ 775	\$ 742	\$ 663	\$ 798
TOTAL OPERATING REVENUE	\$ 39,247	\$ 39,847	\$ 40,627	\$ 42,094	\$ 43,662	\$ 44,089	\$ 48,430	\$ 51,269	\$ 49,208	\$ 53,772

(a) Source: Tampa Port Authority statistics

Table 16

TAMPA PORT AUTHORITY Annual Cargo Tonnages and Passenger Counts Last Ten Fiscal Years (amounts in thousands)										
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
DRY BULK CARGO										
Cement, Bulk	345	115	99	87	85	182	99	181	362	428
Citrus Pellets	138	103	94	96	71	86	43	35	9	0
Granite Rock, Bulk	977	1,204	968	1,014	854	734	653	584	602	752
Limestone	1,136	542	816	575	887	1,415	1,838	2,201	2,068	1,986
Phosphatic Chemical, Bulk	1,108	1,349	1,230	1,280	1,375	1,227	1,318	1,318	901	1,075
Other Dry Bulk	<u>147</u>	<u>198</u>	<u>243</u>	<u>221</u>	<u>160</u>	<u>119</u>	<u>194</u>	<u>245</u>	<u>516</u>	<u>747</u>
TOTAL DRY BULK CARGO:	<u>3,851</u>	<u>3,511</u>	<u>3,450</u>	<u>3,273</u>	<u>3,432</u>	<u>3,763</u>	<u>4,145</u>	<u>4,564</u>	<u>4,458</u>	<u>4,988</u>
LIQUID BULK CARGO										
Ammonia, Anhydrous	434	410	502	589	444	551	441	445	390	318
Concentrate & Citrus, Bulk	77	52	67	47	85	179	88	103	83	136
Petroleum Products	7,145	6,959	8,093	7,649	7,150	6,794	6,496	7,031	7,155	7,349
Sulphur, Liquid	1,321	922	1,244	1,008	929	888	885	1,145	771	529
Sulphuric Acid	219	179	271	96	88	53	12	65	63	50
Other Liquid Bulk	<u>97</u>	<u>83</u>	<u>79</u>	<u>60</u>	<u>66</u>	<u>90</u>	<u>75</u>	<u>164</u>	<u>188</u>	<u>243</u>
TOTAL LIQUID BULK CARGO:	<u>9,293</u>	<u>8,605</u>	<u>10,256</u>	<u>9,449</u>	<u>8,762</u>	<u>8,555</u>	<u>7,997</u>	<u>8,953</u>	<u>8,650</u>	<u>8,625</u>
TOTAL BULK CARGO:	<u>13,144</u>	<u>12,116</u>	<u>13,706</u>	<u>12,722</u>	<u>12,194</u>	<u>12,318</u>	<u>12,142</u>	<u>13,517</u>	<u>13,108</u>	<u>13,613</u>
GENERAL CARGO										
Containerized	364	397	304	311	342	363	415	487	440	511
Forest Products	8	1	0	0	0	0	0	0	0	0
General Cargo	34	24	10	3	18	16	12	6	14	6
Reefer Cargo	35	32	0	0	0	0	0	0	0	0
Scrap Metal	594	535	495	562	642	476	353	177	331	522
Steel Products	154	85	37	80	151	204	245	356	247	329
Vehicles (in tons)	<u>46</u>	<u>21</u>	<u>17</u>	<u>12</u>	<u>9</u>	<u>9</u>	<u>5</u>	<u>4</u>	<u>1</u>	<u>0</u>
TOTAL GENERAL CARGO:	<u>1,235</u>	<u>1,095</u>	<u>863</u>	<u>968</u>	<u>1,162</u>	<u>1,068</u>	<u>1,030</u>	<u>1,030</u>	<u>1,033</u>	<u>1,368</u>
TOTAL BULK AND GENERAL:	<u>14,379</u>	<u>13,211</u>	<u>14,569</u>	<u>13,690</u>	<u>13,356</u>	<u>13,386</u>	<u>13,172</u>	<u>14,547</u>	<u>14,141</u>	<u>14,981</u>
TOTAL TEUs (includes empties)	<u>43,892</u>	<u>48,788</u>	<u>44,000</u>	<u>39,632</u>	<u>39,882</u>	<u>42,198</u>	<u>47,265</u>	<u>56,742</u>	<u>49,714</u>	<u>56,555</u>
TOTAL CRUISE PASSENGERS	<u>768</u>	<u>803</u>	<u>807</u>	<u>876</u>	<u>974</u>	<u>854</u>	<u>888</u>	<u>867</u>	<u>814</u>	<u>961</u>
TOTAL # OF SAILINGS	<u>178</u>	<u>185</u>	<u>187</u>	<u>199</u>	<u>213</u>	<u>187</u>	<u>198</u>	<u>206</u>	<u>180</u>	<u>226</u>

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

Source: Tampa Port Authority statistics

Table 17

TAMPA PORT AUTHORITY
Capital Assets
Last Ten Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
CHANNEL WIDTH (feet)	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
East Bay Channel	400	400	400	400	400	400	400	400	400	400
Ybor Channel	400	400	400	400	400	400	400	400	400	400
Port Sutton Channel	200	200	200	200	200	200	200	200	200	200
Garrison Channel	300	300	300	300	300	300	300	300	300	300
Seddon Channel	200	200	200	200	200	200	200	200	200	200
Hillsborough Bay Channel Cut D	400	400	400	400	400	400	400	400	400	400
Port Sutton Entrance Channel	200	200	200	200	200	200	200	200	200	200
Big Bend Channel E/W (Port Redwing)	200	200	200	200	200	200	200	200	200	200
CHANNEL DEPTH (feet)										
Sparkman Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Eastbay Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Ybor Channel	34	34	34	34	34	34	34	34	34	34
Port Sutton Channel	34	34	34	34	34	34	34	34	34	34
Garrison Channel (not maintained)	<34	<34	<34	<34	<34	<34	<34	<34	<34	<34
Seddon Channel (not maintained)	<34	<34	<34	<34	<34	<34	<34	<34	<34	<34
Hillsborough Bay Channel Cut D	41	41	41	41	41	41	41	41	41	41
Port Sutton Entrance Channel	43	43	43	43	43	43	43	43	43	43
Big Bend Channel E/W (Port Redwing)	34	34	34	34	34	34	34	34	34	34
BERTHING SPACE										
Wharf (linear feet)	11,855	12,855	16,655	17,235	17,235	18,435	18,435	18,435	19,435	19,435
Number of Berths	59	60	64	67	67	72	72	72	73	73
TOTAL LAND (acres)	2,454	2,454	2,485	2,485	2,595	2,595	2,620	2,620	2,640	2,640
Port Owned/Usable - Estimated	1,477	1,477	1,508	1,508	1,618	1,618	1,618	1,618	1,638	1,638
Port Owned/Spoil Islands - Estimated	977	977	977	977	977	977	1,002	1,002	1,002	1,002
Leased - Estimated	1,290	1,285	1,285	1,285	1,310	1,287	1,305	1,305	1,305	1,305
HARD SURFACED OPEN STORAGE (acres)	83	83	83	83	83	83	83	83	83	83
COVERED STORAGE (sq. ft.)	506,000	506,000	506,000	506,000	506,000	506,000	506,000	506,000	506,000	506,000
REFRIGERATED STORAGE (sq. ft.)	118,267	0	0	0	0	0	0	0	0	134,700

Table 18

TAMPA PORT AUTHORITY
Staffing By Division/Department*
Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>EXECUTIVE</u>										
Chief Executive Officer	3	3	3	3	3	4	4	5	5	5
Communications & Board Coordination	2	2	2	2	2	2	2	2	2	2
Public Affairs	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>8</u>	<u>8</u>	<u>8</u>
<u>CHIEF COMMERCIAL OFFICER</u>										
Chief Commercial Officer	0	0	0	0	0	2	2	2	2	2
Real Estate	5	5	5	5	5	6	6	5	5	5
Environmental Affairs	4	3	3	3	3	3	3	3	3	3
Parking Operations	0	0	0	0	0	2	2	0	0	0
Planning & Economic Development	1	1	1	1	1	1	2	2	2	2
Marketing & Business Development	2	3	3	3	3	4	4	4	4	4
Cargo & Cruise Marketing	3	1	1	1	1	1	1	1	1	1
Trade Development	1	1	1	1	1	1	1	1	1	1
Branding & Regional Alliance	0	0	0	0	0	2	2	2	2	2
Operations	18	17	16	17	16	16	15	17	16	17
Cruise Operations	2	2	2	3	3	3	3	3	3	3
Engineering	16	16	16	17	17	16	17	18	19	19
Facilities Management	17	18	17	18	19	18	17	18	18	19
Security	<u>30</u>	<u>28</u>	<u>29</u>	<u>28</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>29</u>	<u>31</u>	<u>32</u>
	<u>99</u>	<u>95</u>	<u>94</u>	<u>97</u>	<u>95</u>	<u>101</u>	<u>101</u>	<u>105</u>	<u>107</u>	<u>110</u>
<u>PRINCIPAL COUNSEL</u>	0	0	0	0	0	0	0	0	2	2
<u>CHIEF FINANCIAL OFFICER</u>										
Chief Financial Officer	2	2	2	2	2	2	3	3	3	3
Finance	7	7	7	8	10	9	9	10	10	10
Chief Information Officer	3	2	2	3	3	5	5	5	6	6
Legal	4	5	4	4	4	4	4	5	3	3
Human Resources	4	4	4	3	3	4	4	3	3	3
Procurement	0	0	2	2	3	3	2	2	2	2
	<u>20</u>	<u>20</u>	<u>21</u>	<u>22</u>	<u>25</u>	<u>27</u>	<u>27</u>	<u>28</u>	<u>27</u>	<u>27</u>
Total Positions	<u>125</u>	<u>121</u>	<u>121</u>	<u>125</u>	<u>126</u>	<u>135</u>	<u>135</u>	<u>141</u>	<u>142</u>	<u>145</u>

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

Source: Tampa Port Authority Human Resources Department

Table 19

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

Fiscal Year	(a) Passenger Count	(b) Cruise Operating Revenue	Average Revenue per Passenger	Total Operating Revenue	Percent of Cruise Operating to Total Operating
2008	767,760	\$ 8,671,080	\$ 11.29	\$ 39,247,140	22.1%
2009	802,937	9,397,927	11.70	39,846,811	23.6%
2010	807,082	9,422,843	11.68	40,627,597	23.2%
2011	875,611	9,943,952	11.36	42,093,061	23.6%
2012	974,259	10,895,959	11.18	43,661,747	25.0%
2013	854,260	9,519,536	11.14	44,089,762	21.6%
2014	888,343	11,534,517	12.98	48,430,293	23.8%
2015	867,114	10,886,791	12.56	51,269,248	21.2%
2016	813,800	9,879,538	12.14	49,208,152	20.1%
2017	960,901	11,823,004	12.30	53,771,046	22.0%

(a) Passenger count includes disembarking, embarking, and in transit.

(b) Cruise revenue includes dockage, wharfage, water, parking, and miscellaneous .

Source: Tampa Port Authority statistics

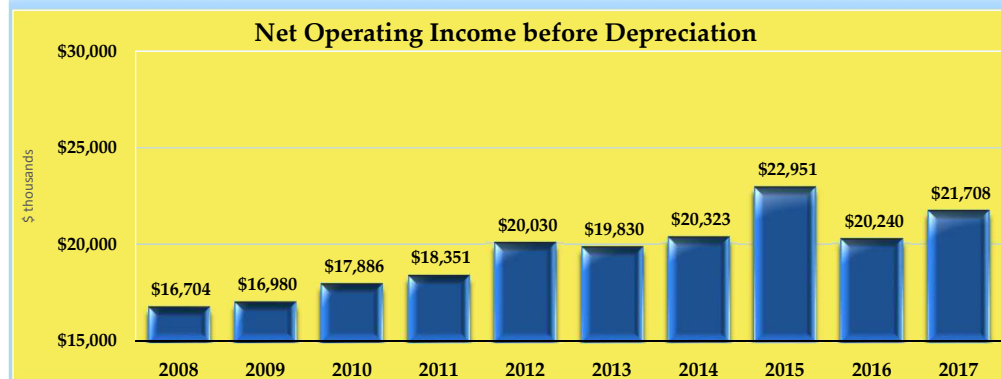
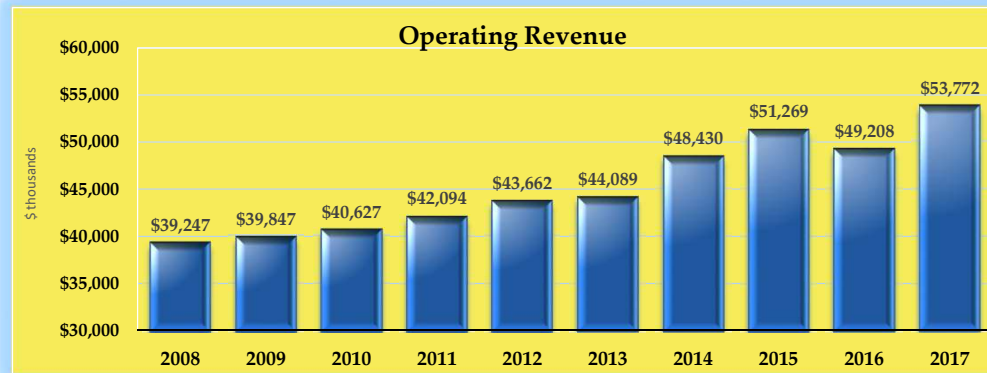
Table 20

TAMPA PORT AUTHORITY
Insurance Coverage
(Unaudited)

Workers' Compensation & Employers' Liability		
	<i>Workers' Compensation Limit</i>	Statutory
	<i>Employers' Liability Level Limit</i>	\$ 1,000,000
General Liability		
	<i>Primary Liability including Protection & Indemnity</i>	\$ 5,000,000
	<i>Garage keepers</i>	\$ 1,000,000
	<i>Maritime Employers Liability</i>	\$ 1,000,000
	<i>Public Officials including Employment Practices</i>	\$ 5,000,000
	<i>Umbrella Liability (over Primary Liability & Primary Auto)</i>	\$ 45,000,000
Primary Automobile		
	<i>Liability</i>	\$ 1,000,000
	<i>Personal Injury (PIP)</i>	Statutory
Employee Crime		
	<i>Public Employees Dishonesty/Faithful Performance</i>	\$ 1,000,000
	<i>Forgery or Alteration</i>	\$ 1,000,000
	<i>Computer Fraud</i>	\$ 1,000,000
	<i>Funds Transfer Fraud</i>	\$ 1,000,000
	<i>Theft of Money & Securities</i>	\$ 500,000
Fire & Allied Property		
	<i>Total Buildings and Allied</i>	\$ 258,766,439
	<u>Sublimits:</u>	<u>Amount</u>
	<i>Buildings</i>	\$ 192,095,147
	<i>Berths</i>	\$ 91,749,200
	<i>Inland Marine (Scheduled Equipment)</i>	\$ 1,077,131
	<i>Business Income</i>	\$ 10,000,000
	<i>Computer Related & Video/Radio Equipment</i>	\$ 2,697,989
National Flood		
	<i>Buildings</i>	\$ 6,500,000
	<i>Contents</i>	\$ 934,500
Gasoline Storage Tank Liability		\$ 2,000,000
Corporate Foreign Travel/Accident, Etc.		\$ 1,000,000
Site Pollution Policy (Ethanol Facility)		\$ 10,000,000
Site Pollution Policy (Petroleum Facility)		\$ 10,000,000
Cyber Liability		\$ 10,000,000
Hull/Machinery (Small boats)		\$ 1,000,000
Vessel Owners Water Pollution		\$ 1,000,000

Source: Tampa Port Authority Finance Department

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



Note 1: Years 2007-2011 were not restated per GASB 65, see Note 17 fiscal year 2014 audited financial statement.

Table 22

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

Fiscal Year	Phosphate	Petroleum	Coal	Sulphur	All Other	(a)
						Total
2008	8,445	18,008	3,971	3,356	8,833	42,613
2009	7,812	16,766	4,310	2,547	6,375	37,810
2010	8,437	16,220	2,693	3,072	6,534	36,956
2011	6,637	15,438	2,391	3,282	6,515	34,263
2012	6,801	15,536	2,113	3,097	6,361	33,908
2013	7,225	15,547	2,237	3,002	6,899	34,910
2014	6,508	15,528	2,725	2,994	8,463	36,218
2015	7,156	16,405	2,500	3,035	8,275	37,371
2016	7,376	16,728	1,561	3,342	7,568	36,575
2017	8,034	16,901	2,276	2,853	8,038	38,102

(a) Represents total cargo in short tons handled at Tampa Port Authority which includes TPA-owned and privately-owned terminals.

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

Source: Tampa Port Authority statistics

Table 23

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

Fiscal Year	Dockage	(a) Wharfage	Passenger Terminal Income	Other Port Usage Fees	Total
2008	\$ 5,887	\$ 15,710	\$ 4,976	\$ 1,761	\$ 28,334
2009	5,580	15,829	5,892	1,646	28,947
2010	6,064	17,080	5,208	1,557	29,909
2011	5,892	18,141	5,659	1,702	31,394
2012	6,154	18,262	5,896	2,523	32,835
2013	6,493	19,474	4,935	637	31,539
2014	6,476	24,414	4,901	638	36,429
2015	7,592	26,197	4,297	890	38,976
2016	7,504	24,868	3,694	727	36,793
2017	8,358	26,833	3,970	755	39,916

(a) 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 in accordance with Tampa Port Authority Revenue bond resolution

Source: Tampa Port Authority statistics

Table 24

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
(Unaudited)

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	Minimum Annual Revenue	Total Revenue Received (a)
Amalie Oil Company	04/01/2011	40	2	10	242,656	377,124
AMEC Foster Wheeler Environment & Infrastructure, Inc	05/01/2015	5	2	3	283,344	283,344
American Victory Ship Memorial Museum	04/18/2000	4	4	4	12,000	12,000
Amports, Inc	11/23/2016	0.6	3	0.6	653,017	678,759
Batson-Cook Co	08/01/2012	5.5	1	5	150,655	150,655
Bronco Transport, Inc.	12/01/2015	5	0	0	46,958	46,958
Cargill Grain (c)	05/01/1973	20	3	20	113,970	161,176
Cargill, Inc. (salt facility) (c)	07/01/1999	20	2	10	442,163	535,783
Carnival Cruise Lines (c)	12/01/2016	2.5	2	1	3,769,364	6,501,389
Carolco Industries Services	01/01/2015	2	3	1	69,731	69,731
Cashman Dredging	11/01/2015	10 mos	0	0	20,000	20,000
Cemex Construction Materials (Cement) (b), (c)	11/01/2007	40	2	20	2,640,235	2,640,235
Cemex Construction Materials (Aggregate) (b), (c)	07/01/2005	5	2	5	278,267	384,456
Central Florida Pipeline (b)	03/28/1995	20	2	10	51,055	51,055
Central Florida Pipeline (b) (c)	10/01/1998	5	3	5	1,981,989	5,727,118
CBP Development LLC (fka Channelside Bay Mall LLC)	04/23/1997	39.7	8	5	923,220	923,220
Diversified Marine	07/01/2009	11	1	5	167,152	167,152
Ecoventure New Port Marina #1	05/19/2005	5	4	5	54,664	54,664
Ecoventure New Port Marina #2	11/01/2005	5	4	5	40,954	40,954
Gaetano Cacciatore, Inc. (c)	12/01/2005	25	8	5	1,229,834	1,229,834
Gulf Marine Repair (berth 250/253) (b)	09/01/2006	10	3	10	399,912	439,069
Gulf Marine Repair (berth 251/252) (b)	11/01/2008	4	3	5	672,437	884,033
Gulf Sulphur Services (c)	01/01/2000	15	3	3	345,672	406,706
HCP Associates, Inc.	02/01/2017	5	1	2	41,722	41,722
International Ship Repair (berth 200/206)	02/01/2006	10	0	0	64,769	64,769
International Ship Repair (Metroport)	10/01/2009	5	5	5	283,161	283,161
Kinder Morgan Bulk Terminals	12/23/2002	20	4	10	100,982	100,982
Kloeckner Metal Corp	08/01/2011	8	1	6	257,762	257,762
Lands End Marina	04/01/2012	10	0	0	14,649	14,649
Logistec Gulf Coast, Inc (b), (c)	03/01/2015	6	0	0	987,973	1,048,403
Marine Towing of Tampa	01/01/2006	10	3	5	26,073	26,073
Maritrans Operating Company, LP	01/01/1980	25	3	10	80,904	80,904
Martin Marietta Materials, Inc. (c)	06/01/2010	20	4	5	1,020,639	1,398,515
Martin Operating (c)	12/16/2006	10	2	5	429,775	467,606

-

Continued

Table 24

TAMPA PORT AUTHORITY
Summary of Leases of Principal Tenants
(Unaudited)

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	Minimum Annual Revenue	Total Revenue Received (a)
Mosaic Crop Nutrition LLC (fka CF Industries) (fertilizer facili	06/01/1972	10	4	10	89,886	711,545
Murphy Oil USA, Inc. (c)	09/01/2007	20	2	10	571,959	840,152
Online Transport Intel, LLC	02/01/2012	2	3	1	64,000	64,000
Pasco Terminals (c)	11/01/2000	10	2	5	150,884	166,242
Peninsula Property Holdings VIII, LLC	12/16/2010	5	4	5	13,122	13,122
Plains LPG Services, L.P. (c)	01/01/1999	22	3	10	556,016	556,016
Port Logistics Terminal Operations LLC	03/15/2016	26.2	2	10/5	469,030	469,030
Ports America (c)	05/30/2016	40	0	0	861,289	2,055,612
Puraglobe, LLC	06/06/2012	20	2	5	529,523	529,523
Riverside Golf Community LLC	03/01/2015	5	5	5	10,550	10,550
Seabulk Towing, Inc.	05/01/2013	10	2	5	52,763	52,763
Starship Cruise Lines (c)	01/01/2006	10	2	10	80,071	87,132
Sulphuric Acid Trading (SATCO) (c)	11/01/1979	25	3	3/12/5	286,016	404,303
Superior Seafoods, Inc.	01/01/1993	5	1	5	35,552	35,552
Tampa Bay International Terminals	12/01/2011	4	0	0	36,000	36,000
Tampa Juice Service	04/05/1995	20	2	10	61,983	120,769
Tampa Port Services (fka CF Industries) (ammonia terminal) (t	04/01/1993	3.3 yrs	3	10	128,034	375,782
Tampa Ship LLC	03/01/2007	5	2	15	1,117,358	1,117,358
TC Port Ybor LLC	04/09/2004	40	4	10	96,375	96,375
Titan Florida, LLC (c)	01/01/2002	20	3	10	1,947,452	2,021,306
Titan Metal Service, Inc (c)	10/01/2006	20	4	5	151,388	151,388
Trademark Metals (c)	05/15/2007	10	2	10	513,318	1,462,269
Transflo Terminal Services, Inc.	11/01/2012	5	3	5	337,657	1,876,326
Transmontaigne (c)	09/01/2007	20	2	10	938,023	2,308,204
TTI Holdings, Inc (b),(c)	04/01/2015	20	3	20	128,493	128,493
University of South Florida	06/01/2010	5	5	1	114,735	114,735
Vastec, Inc.	10/01/2011	7	2	2	231,349	231,349
Verizon Wireless Personal Communications	01/10/2014	5	3	5	17,140	17,140
Versaggi Shrimp Company	10/01/2012	3	0	0	17,776	17,776
Vulcan Materials (c)	10/01/2011	20	4	5	1,391,115	1,535,546
WCI Communities, Inc.	05/03/2005	5	7	5	88,477	88,477
Yara North America (L100) (c)	10/01/2007	20	2	10	126,700	149,027
Yara North America (L258)	05/01/2015	9	0	0	30,953	30,953
					<u>\$ 29,142,645</u>	<u>\$ 43,444,776</u>

(a) Excludes tenants with least revenue less than \$10,000 per year.

(b) 2016 Revenues reported on Table 7 of this Comprehensive Annual Financial Report are inclusive of multiple leases for these customers.

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

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



PORT
TAMPA BAY™



PORT TAMPA BAY

COMPLIANCE SECTION





COMPLIANCE SECTION



PORT
TAMPA BAY™

Regulatory Reports



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

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Sam A. Lazzara	Christopher F. Terrigino
Kevin R. Bass	James K. O'Connor
Jonathan E. Stein	
Richard B. Gordimer, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Tampa Port Authority (the "Authority") as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 20, 2018.

Internal Control Over Financial Reporting

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

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

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

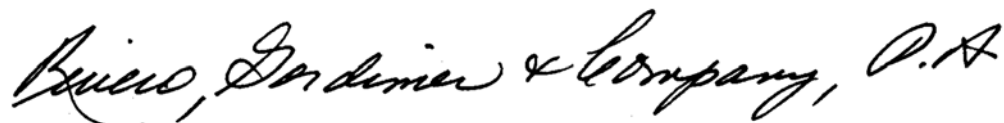
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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

Tampa, Florida
March 20, 2018

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



RIVERO, GORDIMER & COMPANY, P.A.
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY CHAPTER 10.550, RULES OF
THE AUDITOR GENERAL

Board of Commissioners
Tampa Port Authority

Report on Compliance for Major State Project

We have audited Tampa Port Authority's (the "Authority") compliance 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 the Tampa Port Authority's major State projects for the year ended September 30, 2017. Tampa Port Authority's major State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Tampa Port Authority's major State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*. Chapter 10.550, *Rules of the Auditor General*, requires 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 Tampa Port Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major State projects. However, our audit does not provide a legal determination of Tampa Port Authority's compliance.

Opinion on Each Major State Project

In our opinion, Tampa Port Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State projects for the year ended September 30, 2017.

Report on Internal Control Over Compliance

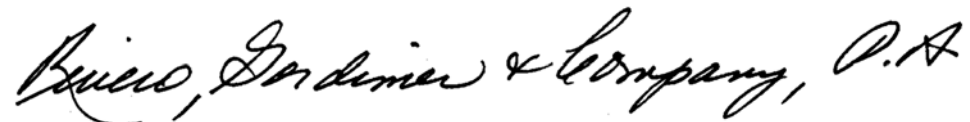
Management of Tampa Port Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tampa Port Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State project 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 Tampa 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 each 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

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

Tampa, Florida
March 20, 2018

Tampa Port Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS – STATE FINANCIAL ASSISTANCE PROJECTS

For the year ended September 30, 2017

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued	<u>Unmodified</u>
Internal control over financial reporting	
Material weakness(es) identified?	_____ yes <u>X</u> no
Significant deficiency(ies) identified?	_____ yes <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes <u>X</u> no

State Financial Assistance

Internal control over major state projects	
Material weakness(es) identified?	_____ yes <u>X</u> no
Significant deficiency(ies) identified?	_____ yes <u>X</u> none reported
Type of auditors' report issued on compliance for major State projects?	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, <i>Rules of the Auditor General</i> ?	_____ yes <u>X</u> no

Identification of major State projects:

<u>CSFA Number</u>	<u>Name of State Projects</u>
55.005	Intermodal Development Program
	Port Security
55.020	State Infrastructure Bank

Dollar threshold used to distinguish between type A and type B State projects	<u>\$ 943,311</u>
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Section II - Financial Statement Findings

No matters were reported for the year ended September 30, 2017. Accordingly, a corrective action plan is not required.

Section III - State Financial Assistance

Findings and Questioned Costs

No matters were reported for the year ended September 30, 2017. Accordingly, a corrective action plan is not required.

Tampa Port Authority

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

September 30, 2017

FINDINGS – AUDIT OF FINANCIAL STATEMENTS

Item 2016-001 *Passed-through the Department of Homeland Security
P.A. Security Grant Program – CFDA No. 97.056*

*Grant No.: EMW-2014-PU-00362-501
 EMW-2015-PU-00292-501
Grant Period: September 1, 2014 to August 31, 2017
 September 1, 2015 to August 31, 2018*

Significant deficiency in internal control over compliance and non-material compliance (reporting).

Material Weakness and Condition:

The SF-PPR reports were not submitted to the grantors within the required timeframe.

Recommendation:

Internal controls over the grant reporting process should be enhanced to ensure that all reports are submitted on time.

Current Status:

Internal controls have been implemented to ensure appropriate filing. All SF-PPR reports have been submitted to the federal awarding agency. The reports were submitted within thirty days of the end of the reporting period. (July for the reporting period of January through June 30; and January 30 for the report period of July 1, through December 31)



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

Board of Commissioners
Tampa Port Authority

Report on the Financial Statements

We have audited the financial statements of the Tampa Port Authority (the "Authority"), as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated March 20, 2018.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our 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*; Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control Over Compliance Required by Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs, and Independent Accountant's Report on Compliance with the Requirements of Section 218.415, Florida Statutes on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in

those reports and schedule, which are dated March 20, 2018, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosures are included in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Annual Financial Report

Sections 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, requires us to apply appropriate procedures and communicate the results of our determination as to whether the annual financial report for the Authority for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section

218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports to be filed were in agreement.

Special District Component Units

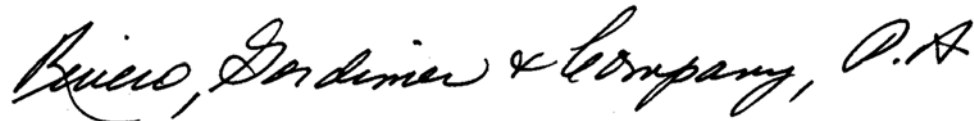
Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a country, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the country, municipality, or special district, in accordance with Section 218.32(1)(a), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.32(1)(a), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Members of the Authority's Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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Tampa, Florida
March 20, 2018



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

INDEPENDENT ACCOUNTANTS' REPORT ON
COMPLIANCE WITH THE REQUIREMENTS OF
SECTION 218.415, FLORIDA STATUTES

To the Board of Commissioners
Tampa Port Authority

Report on Compliance

We have examined Tampa Port Authority's investment policy compliance with the requirements of Section 218.415, Florida Statutes during the year ended September 30, 2017. Management is responsible for Tampa Port Authority's compliance with those requirements. Our responsibility is to express an opinion on Tampa Port Authority's compliance based on our examination.

Scope

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and, accordingly, included examining, on a test basis, evidence about Tampa Port Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Tampa Port Authority's compliance with specified requirements.

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Opinion

In our opinion, Tampa Port Authority complied in all material respects, with the aforementioned requirements for the year ended September 30, 2017.

Bureau, Gordinier & Company, P.A.

Tampa, Florida
March 20, 2018



PORT
TAMPA BAY™