



PORT TAMPA BAY.

Tampa Port Authority  
**Comprehensive Annual  
Financial Report for Fiscal Year  
ended September 30, 2015**

Hillsborough County  
Port District, Florida



# **Hillsborough County Port District, Florida**

## **Comprehensive Annual Financial Report**

**For Fiscal Year Ended September 30, 2015**



**Prepared by: Finance Department**

**Michael J. Macaluso, Chief Financial Officer**



PORT  
TAMPA BAY™

**TAMPA PORT AUTHORITY**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2015**

**TABLE OF CONTENTS**

**PAGE**

**INTRODUCTORY SECTION**

Letter of Transmittal.....	i-v
Certificate of Achievement for Excellence in Financial Reporting.....	vi
Organizational Chart.....	vii
List of Officials.....	viii

**FINANCIAL SECTION**

Independent Auditors' Report.....	1-3
Management's Discussion and Analysis.....	4-10

**Basic Financial Statements:**

Proprietary Fund – Enterprise Fund:	
Statement of Net Position.....	11-13
Statement of Revenues, Expenses, and Changes in Fund Net Position.....	14
Statement of Cash Flows.....	15-17
Notes to Financial Statements.....	18-50

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System Pension Plan.....	51
Schedule of Contributions – Florida Retirement System.....	52
Schedule of Proportionate Share of Net Pension Liability – Health Insurance Subsidy Pension Plan.....	53
Schedule of Contributions – Health Insurance Subsidy Pension Plan.....	54

**TAMPA PORT AUTHORITY**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2015**

PAGE

**STATISTICAL SECTION (UNAUDITED)**

Statistical Section Summary.....	55-56
----------------------------------	-------

**Table Number**

**Financial Trends Information**

1. Net Assets by Component.....	57
2. Changes in Fund Net Position.....	58

**Revenue Capacity Information**

3. Operating Revenue by Type and Related Averages.....	59
4. Principal Revenue Sources and Revenue by Categories.....	60-61
5. Wharfage and Dockage Revenue – Ten Largest Customers.....	62
6. Revenue Rates.....	63-65
7. Top Ten Customers.....	66

**Debt Capacity Information**

8. Ratios of Outstanding Debt by Type.....	67
9. Revenue Bond Coverage.....	68
10. Summary of Surplus Port Revenues after Debt and Operating Costs.....	69

**Demographics and Economics Information**

11. Hillsborough County, FL Demographics and Economic Statistics.....	70
12. Hillsborough County, FL Principal Employers.....	71
13. Hillsborough County, FL Property Tax Millage Rates.....	72
14. Hillsborough County, FL Principal Taxpayers.....	73

**TAMPA PORT AUTHORITY**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2015**

PAGE

**STATISTICAL SECTION (Continued)**

**Table Number**

**Operating Information**

15.	Schedule of Revenue by Activity .....	74-75
16.	Cargo Statistics, TEUs, and Passenger Counts.....	76
17.	Capital Assets.....	77
18.	Staffing by Division/Department.....	78

**Other Port Financial Information**

19.	Cruise Statistics.....	79
20.	Insurance Coverage.....	80
21.	Financial Highlights.....	81

**SEC Rule 15c2-12 Reporting**

22.	Port of Tampa Tonnage Distribution—Last Ten Years.....	82
23.	Port Usage Fees – Last Ten Years.....	83
24.	Summary of Leases of Principal Tenants.....	84-85

**COMPLIANCE SECTION**

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	86-87
--	-------

Report of Independent Auditor on Compliance for Each Major Federal Program and State Financial Assistance Project and on Internal Control over Compliance Required by OMB Circular A-133 and Chapter 10.550, <i>Rules of the Auditor General</i> .....	88-89
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**TAMPA PORT AUTHORITY**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2015**

PAGE

**COMPLIANCE SECTION (Continued)**

**Table Number**

25.	Schedule of Expenditures of Federal Awards and State Financial Assistance.....	90
	Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.....	91
26.	Schedule of Findings and Questioned Costs.....	92-94
27.	Summary Schedule of Prior Audit Findings.....	95
	Independent Auditor's Management Letter.....	96-97
	Report of Independent Accountant on Compliance with Local Government Investment Policies.....	98



PORT TAMPA BAY.

INTRODUCTORY SECTION







May 27, 2016

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, 2015 is hereby submitted for your review. Responsibility for both the accuracy of the data and the completeness, reliability and fairness of presentation, including all disclosures, rests with the Tampa Port Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Port Authority. All disclosures necessary to enable the reader to gain an understanding of the Port Authority's financial activities and operations have been included.

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

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

1101 Channelside Drive \* Tampa, Florida 33602-3612 \* Ph: 813-905-7678 \* 800-741-2297 \* Fx: 813-905-5109  
Website: [www.porttb.com](http://www.porttb.com) \* E-Mail: [info@tampaport.com](mailto: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, Cherry Bekaert LLP. Their opinion is also included in the Financial Section of this CAFR.

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

## **Factors Affecting Port Authority's Financial Condition**

In fiscal year 2015, the Tampa Port Authority was able to improve on its already-solid financial performance in fiscal year 2014. The details behind the Port Authority's fiscal year 2015 financial performance are discussed in the MD&A included in the Financial Section of the CAFR. The Port Authority's current and future financial condition is also dependent upon a number of key factors and initiatives. Listed below is a discussion of those key factors and initiatives.

### **Local Economy**

The Port of Tampa is geographically located within the boundaries of Hillsborough County, Florida. Principal employers in Hillsborough County include: the Hillsborough County School Board, University of South Florida, Hillsborough County Government, Tampa International Airport and MacDill Air Force Base. Several Fortune 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 80,000 jobs and generating almost \$15 billion in annual economic impact. The Port ranks first in the State of Florida in terms of cargo tonnage handling nearly half of all of the seaborne commerce that passes through the state and 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 FY2015. 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. Fiscal year 2015 continued to show a strong recovery in steel and aggregates, which we expect to continue for the foreseeable future.

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

In fiscal year 2015, required implementation of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* has resulted in a number of changes to the presentation of the Port Authority's financial statements, as well as the financial statements of all state and local governments participating in pension

plans. A detailed discussion of the impact of GASB 68 and GASB 71 on the Port Authority's financial statements is included in the Notes to the Financial Statements included in the Financial Section of this CAFR.

### **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 has recently contracted with a consulting group with expertise in this area and is in the process of incorporating such updates with a revised Strategic and Master Plan which will be available sometime in calendar year 2016.

### **Major Initiatives**

The list below includes some of the major ongoing initiatives undertaken by the Port Authority in fiscal year 2015 as well as several 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 2015 and are expected to have a positive impact on the Port Authority's financial results in the short and long term

- Purchase of two (2) new Container Gantry Cranes: In fiscal year 2015, a contract was finalized with Zhenhua Heavy Industries Co., LTD (ZPMC) for the fabrication and delivery of two (2) new container gantry cranes. These cranes will provide the Port Authority with the ability to handle larger container vessels in the 8,000 to 9,000 twenty-foot equivalent range. These cranes were funded through a \$12 million State of Florida grant and a \$12 million loan from the Florida Department of Transportation (FDOT) State Infrastructure Bank (SIB) program.
- Improvements to Container Facilities on Hookers Point: The Port Authority began work to construct the transportation infrastructure associated with the Hookers Point Container Yard Development. The transportation infrastructure, which includes the construction of roadways, railroad tracks and utility relocations will be used as an intermodal container transfer for the Hookers Point Container Facility.

- Port Redwing Development: The Port Authority is in the process of the Port Redwing Development which will improve roadways, railroads, utilities and security systems on a 150 acre site in southern Hillsborough County. In fiscal year 2014 and fiscal year 2015, the Port Authority's Board of Commissioners approved funding for the construction of a new roadway connecting U.S. Highway 41 to the Port Redwing peninsula as well as funding for the construction of a double-track railroad extending from the west end of the Port Redwing peninsula.
- Eastport Development: In fiscal year 2014, the Port Authority's Board of Commissioners approved funding for the design and construction of a new berth (Berth 150), a 20 acre cargo yard and roadway relocations to improve uplands access at the Eastport site. Work on this site continued in fiscal year 2015.

### **Awards and Acknowledgements**

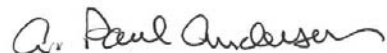
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Tampa Port Authority for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2014. This was the fifteenth (15<sup>th</sup>) consecutive 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 fourteen (14) years, the accomplishment of the Certificate of Achievement for the fifteenth 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 Cherry Bekaert LLP. We gratefully acknowledge their contributions.

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

Respectfully Submitted,



A. Paul Anderson  
President and CEO



Michael J. Macaluso  
Chief Financial Officer



Government Finance Officers Association

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

Presented to

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

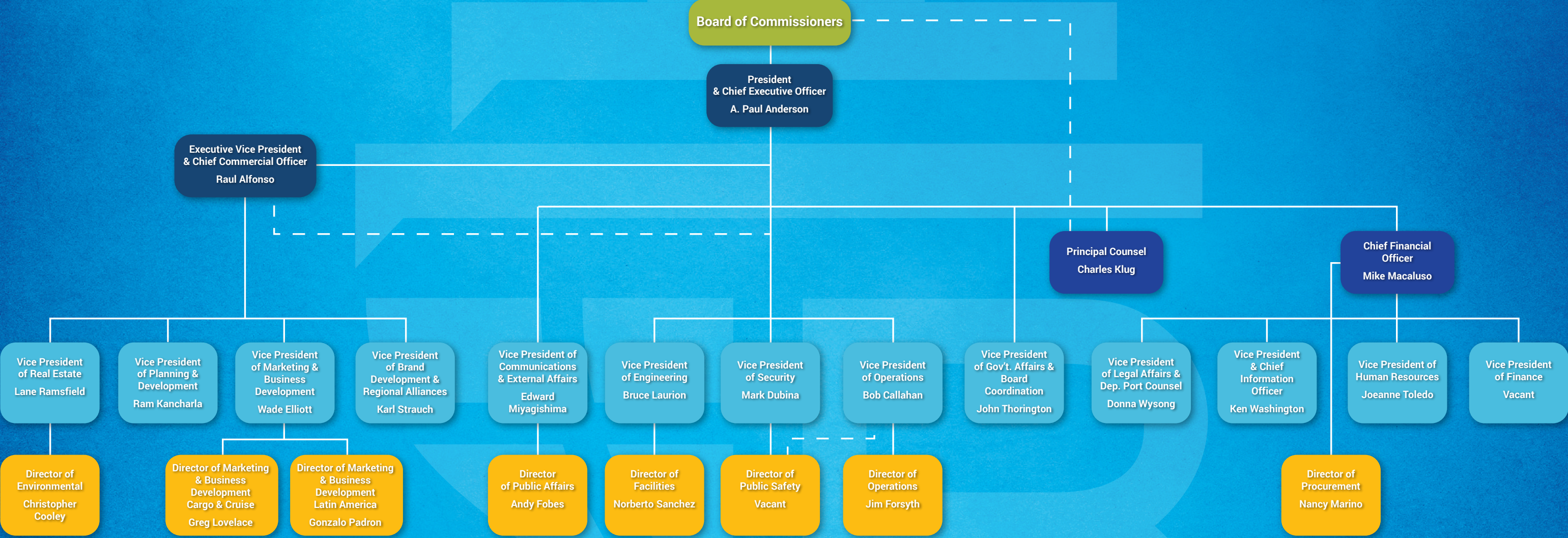
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is written in a cursive, flowing style.

Executive Director/CEO

# PORT TAMPA BAY MANAGEMENT TEAM



**LEGEND**

- Executive Management Team
- Senior Management Team
- Management Team





## **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
John B. Grandoff, III	Commissioner
Gregory Celestan	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





## **Report of Independent Auditor**

Board of Commissioners of  
Tampa Port Authority  
Tampa, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Tampa Port Authority (the "Port Authority") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of the Port Authority, as of September 30, 2015, 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.

***Emphasis of Matter***

As discussed in Note 17 to the basic financial statements the Port Authority adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, during the year ended September 30, 2015. Our opinion is not modified with respect to these matters.

***Other Matters******Prior Year Information***

We have previously audited the Port Authority's 2014 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the business-type activities and discretely presented component unit in our report dated March 27, 2015. In our opinion, the summarized information presented herein as of and for the year ended September 30, 2014 is consistent, in all material respects, with the audited financial statements from which it has been derived. The summarized information has not been modified for the effects of GASB Statements No. 68 and 71 and thus is not comparative to the current year amounts.

***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 3 through 10 and 51 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 introductory section and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance project is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*, and is also not a required part of the basic financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2016, on our consideration of the Port Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Port Authority's internal control over financial reporting and compliance.

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

Tampa, Florida  
May 27, 2016

## Tampa Port Authority

### MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

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, 2015, with selected comparisons to the prior fiscal year ended September 30, 2014. 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 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 issuing bonds and short-term financings, awards of federal and state grants, ad valorem tax revenue, and surplus operating funds above those needed to cover operating expenses and debt service. While the Port Authority has the ability to levy up to \$.50 mills in ad valorem taxes each year, the Port Authority's FY2015 millage rate was \$.1650 mills.

The Port Authority publishes a uniform tariff which contains standardized rates for conducting various port activities on port-owned facilities including wharfage, dockage, transit, storage, warehousing and handling of cargo to and from vessels. In addition to the revenue generated from these activities, the Port Authority leases its properties to various maritime and other businesses for which it collects rents and negotiated commodity rates, and in 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, 2015.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

Overview of the Financial Statements

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

In the fiscal year ended September 30, 2015, the Port Authority implemented GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*. The Port Authority's implementation of GASB Statements 68 and 71 required the recognition of the proportionate liability of the Port Authority's contributions for defined benefit pensions (net pension liability), measured as the portion of the present value of projected benefit payments to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. This resulted in a restatement of the Statement of Net Position for the prior fiscal year. These changes are discussed in greater detail in Note 17 of the financial statements.

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

The financial section of this annual report consists of 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 2015 with comparisons to FY 2014 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.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

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, 2015 and 2014 is as follows:

STATEMENT OF NET POSITION

	<b><u>FY2015</u></b>	<b><u>FY2014</u></b> <b><u>(as restated **)</u></b>
<b>(in thousands)</b>		
<b>ASSETS</b>		
Current assets	\$ 88,778	\$ 82,426
Noncurrent assets		
Capital related, net	577,048	563,199
Noncapital	<u>1,928</u>	<u>3,290</u>
Total assets	<u>\$ 667,754</u>	<u>\$ 648,915</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>	<u>\$ 10,519</u>	<u>\$ 10,363</u>
<b>LIABILITIES</b>		
Current liabilities	\$ 23,295	\$ 18,805
Noncurrent liabilities	<u>105,092</u>	<u>112,453</u>
Total liabilities	<u>\$ 128,387</u>	<u>\$ 131,258</u>
<b>DEFERRED INFLOW OF RESOURCES</b>	<u>\$ 1,157</u>	<u>\$ 3,524</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 480,769	\$ 457,966
Restricted	7,001	9,005
Unrestricted	<u>60,958</u>	<u>57,525</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 548,729</u></u>	<u><u>\$ 524,496</u></u>

\*\* restated due to the implementation of GASB 68

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

At September 30, 2015, the Port Authority's assets were \$667.8 million, an increase of \$18.8 million over September 30, 2014. Deferred outflow of resources increased from \$10.4 million (as restated) on September 30, 2014 to \$10.5 million on September 30, 2015 as a result of the implementation of GASB 68. Deferred inflow of resources decreased from \$3.5 million (as restated) to \$1.6 million, also as a result of GASB 68 implementation. (Refer to Note 11 Employee Retirement Plans of the accompanying notes to the financial statements for more information.) The Port Authority's Net Position on September 30, 2015 was \$548.7 million, a \$24.2 million increase over September 30, 2014. For the fiscal year ended September 30, 2015, the largest portion of the Port Authority's net position represents its investment in capital assets, less the related debt outstanding used to acquire those capital assets. The Port Authority uses these capital assets to provide services to the passengers, visitors, customers, and tenants of Port Tampa Bay. 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, 2015 amounted to \$578.9 million, of which capital assets were \$577.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, facility and infrastructure improvements and enhancements, equipment, furniture and fixtures, and construction work in progress. Capital asset acquisitions are capitalized at cost and depreciated over estimated useful lives using the straight-line method. (Refer to Note 2 Capital Assets of the accompanying notes to the financial statements for a more complete description.) The total increase in the Port Authority's investment in capital assets after accumulated depreciation for FY2015 was 2.5%, or \$13.9 million due to the reasons stated below.

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

- Purchase of 2 new gantry cranes
- Expansion of the container yard
- Road and rail improvements at Port Redwing
- Ongoing maintenance dredging
- Continuation of the construction of new Berths 151 & 152 and the Eastport Cargo Yard
- Port Authority Security Operations Center improvements

The Port Authority's capital program is funded through a combination of ad valorem taxes, federal and state grants, surplus operating funds, a loan from the Florida Department of Transportation State Infrastructure Bank, and revenue bond issues. Additional information on the Port Authority's capital assets can be found in Notes 2 and 6 in the accompanying notes to the financial statements.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

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

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>FY2015</u>	<u>FY2014</u>
(in thousands)		
<b>Operating revenues</b>		
Port usage fees	\$ 38,975	\$ 36,429
Land and building leases	11,551	11,226
Other operating revenue	<u>743</u>	<u>775</u>
Total operating revenue	<u>51,269</u>	<u>48,430</u>
<b>Operating expenses</b>	<u>28,317</u>	<u>28,107</u>
Operating income before depreciation	22,952	20,323
Depreciation	<u>23,677</u>	<u>20,620</u>
Operating loss after depreciation	<u>(725)</u>	<u>(297)</u>
<b>Non-operating revenues (expenses)</b>		
Ad valorem taxes	10,945	10,830
Interest income	659	498
Other non-operating revenues	2,298	4,146
Interest expense	(4,217)	(4,133)
Amortization of bond premiums/discounts	655	268
Other non-operating expenses	<u>(2,480)</u>	<u>(1,934)</u>
Net Non-operating revenue	<u>7,860</u>	<u>9,675</u>
Income before capital contributions and special items	7,135	9,378
Capital grants and contributions	17,098	14,057
Special item - settlement	<u>-</u>	<u>(1,962)</u>
Increase in net position	24,233	21,473
Total net position at beginning of year, as previously reported	<u>530,517</u>	<u>509,044</u>
Accumulative effect of accounting change (see Note 17)	<u>(6,021)</u>	<u>-</u>
Total net position at beginning of year, as restated	<u>524,496</u>	<u>509,044</u>
Total net position at end of year	<u>\$ 548,729</u>	<u>\$ 530,517</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

Financial Operations Highlights

Listed below are the highlights of changes between the fiscal years ended September 30, 2015 and 2014, as shown in the Statements of Revenues, Expenses and Changes in Net Position above:

- Operating revenues increased by 5.8% from \$48.4 million to \$51.3 million primarily due to the impact of a full year of petroleum shipments through the Petroleum Terminal Facility (FY2014 included a partial year of these shipments), increased cargo shipments in steel, containers and most bulk commodities, and increased cruise revenue as result of an additional seasonal home-port vessel. Lease revenue was also higher than in FY2014 as a result of number of new leases, scheduled rent increases on existing leases, and higher percentage rent than in previous years.
- Operating expenses increased by 0.7% from \$28.1 million in FY2014 to \$28.3 million in FY2015. This was the result of increased personnel costs and promotional costs offset by a decline in administrative costs.
- Depreciation and amortization increased \$3.1 million from \$20.6 million to \$23.7 million. This increase is due to the impact of a full year of depreciation of several large capital assets added to the depreciation schedule in FY2014, particularly the Petroleum Facility.
- Non-operating revenues, net of non-operating expenses, decreased by \$1.8 million. The primary reason was lower dredging revenues in FY2014 than FY2015. Ad valorem tax payments paid by the Port Authority were higher than FY2014 due to more Port Authority property being subjected to ad valorem taxes than in previous years. Interest Income was slightly higher in FY2015 and despite a reduced millage rate, Ad valorem tax revenues were also slightly higher in FY2015 due to higher collection rates.
- Capital grants increased in FY2015 by \$3.0 million from FY2014. Grant revenues are recognized as the grant funds are expended on the project to which the funds are allocated. In FY2015, construction activity for which grant funds were allocated increased as compared to FY2014, particularly as they relate to expenditures on the new gantry cranes, the Hooker's Point container yard improvements and the berths and cargo yard currently under construction at Eastport.

Tampa Port Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2015

Debt Administration

The Port Authority had outstanding revenue bonds and notes of \$97.9 million as of September 30, 2015.

In FY2015, the Port Authority entered into two (2) bank loan agreements with SunTrust Bank and the Florida Department of Transportation (FDOT) State Infrastructure Bank (SIB), respectively. The purpose of the SunTrust Bank loan was to refund the Port Authority's Series 2005A Revenue Refunding Bonds. The purpose of the FDOT SIB loan was to finance the purchase of a container gantry crane to be used in the Port Authority's expanding container operations. Details regarding the current outstanding long-term debt transactions can be found in Note 9 of the accompanying notes to the financial statements.

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

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 2015 and 2014 was met and exceeded for both years.

Request for Information

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

**TAMPA PORT AUTHORITY**  
**STATEMENT OF NET POSITION**

SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 66,790,465	\$ 1,387,345	\$ 68,177,810	\$ 61,319,500
Investments	304,730	-	304,730	173,312
Accounts receivable	3,267,619	-	3,267,619	4,334,091
Due from other governments	7,794,875	-	7,794,875	6,005,404
Notes receivable	706,696	-	706,696	660,693
Net investment in lease	655,510	-	655,510	655,510
Interest and other receivables	926,835	-	926,835	133,360
Prepaid expenses and other current assets	1,329,998	911	1,330,909	1,530,123
Restricted assets:				
Cash and cash equivalents	7,001,355	-	7,001,355	6,277,689
Investments	-	-	-	2,727,051
Total Current Assets	88,778,083	1,388,256	90,166,339	83,816,733
Noncurrent assets:				
Capital assets, net of depreciation	577,047,737	-	577,047,737	563,198,940
Notes receivable	1,775,699	-	1,775,699	2,482,395
Net investment in lease	152,387	-	152,387	807,897
Total Noncurrent Assets	578,975,823	-	578,975,823	566,489,232
<b>Total Assets</b>	667,753,906	1,388,256	669,142,162	650,305,965
(Continued)				

The accompanying notes are an integral part of this statement.

**TAMPA PORT AUTHORITY**  
**STATEMENT OF NET POSITION (CONTINUED)**

SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Interest rate swap	5,905,589	-	5,905,589	5,683,817
Deferred loss on refunding of debt	1,731,624	-	1,731,624	2,007,050
Deferred amounts related to pensions	2,881,814	-	2,881,814	-
<b>Total Deferred Outflow of Resources</b>	<b>\$ 10,519,027</b>	<b>\$ -</b>	<b>\$ 10,519,027</b>	<b>\$ 7,690,867</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	\$ 1,009,158	\$ 195	\$ 1,009,353	\$ 570,952
Construction contracts and retainages payable	2,885,248	-	2,885,248	4,489,607
Accrued liabilities	2,748,292	-	2,748,292	2,714,006
Accrued bond interest	578,261	-	578,261	1,035,018
Long-term debt due within one year	10,803,625	-	10,803,625	9,909,105
Unearned revenue	5,270,059	-	5,270,059	91,731
<b>Total Current Liabilities</b>	<b>23,294,643</b>	<b>195</b>	<b>23,294,838</b>	<b>18,810,419</b>

(Continued)

The accompanying notes are an integral part of this statement.

**TAMPA PORT AUTHORITY**  
**STATEMENT OF NET POSITION (CONTINUED)**

*SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)*

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
Noncurrent Liabilities:				
Bonds, notes and loans payable, net	87,206,857	-	87,206,857	97,330,912
Unearned revenue	1,022,269	-	1,022,269	1,088,579
Deposits	2,062,414	-	2,062,414	2,012,212
Derivative instruments - interest rate swap liability	5,905,589	-	5,905,589	5,683,817
Other obligation	1,167,885	-	1,167,885	1,167,885
Net pension liability	7,727,435		7,727,435	-
Total Noncurrent Liabilities	105,092,449	-	105,092,449	107,283,405
<b>Total Liabilities</b>	<b>128,387,092</b>	<b>195</b>	<b>128,387,287</b>	<b>126,093,824</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred amounts related to pensions	1,157,337	-	1,157,337	-
<b>Total Deferred Inflow of Resources</b>	<b>1,157,337</b>	<b>-</b>	<b>1,157,337</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	480,768,879	-	480,768,879	457,965,936
Restricted:				
Bond debt service	7,001,355	-	7,001,355	8,845,225
Capital projects	-	-	-	159,515
Unrestricted	60,958,270	1,388,061	62,346,331	64,932,332
Total Net Position	<b>\$ 548,728,504</b>	<b>\$ 1,388,061</b>	<b>\$ 550,116,565</b>	<b>\$ 531,903,008</b>

The accompanying notes are an integral part of this statement.

# TAMPA PORT AUTHORITY

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
Operating Revenues:				
Port usage fees	\$ 38,975,288	\$ -	\$ 38,975,288	\$ 36,429,411
Land and buildings leases	11,551,020	-	11,551,020	11,226,381
Other operating revenues	742,940	54,984	797,924	829,432
Total Operating Revenues	51,269,248	54,984	51,324,232	48,485,224
Operating Expenses:				
Personnel	13,476,511	-	13,476,511	12,880,236
Promotional	1,307,143	3,115	1,310,258	972,896
Administrative	13,534,152	49,351	13,583,503	14,310,070
Depreciation	23,676,974	-	23,676,974	20,619,573
Total Operating Expenses	51,994,780	52,466	52,047,246	48,782,775
Total Operating Income (Loss)	(725,532)	2,518	(723,014)	(297,551)
Non-operating Revenues (Expenses):				
Ad valorem taxes	10,944,745	-	10,944,745	10,829,471
Interest income	659,054	-	659,054	498,455
Other non-operating revenues	1,540,319	-	1,540,319	4,013,040
Tax credit certificate revenues	758,088	-	758,088	133,360
Interest expense	(4,217,488)	-	(4,217,488)	(4,133,349)
Amortization of bond premiums and discounts	655,430	-	655,430	268,055
Other non-operating expenses	(2,480,165)	-	(2,480,165)	(1,934,270)
Total Non-operating Revenues (Expenses)	7,859,983	-	7,859,983	9,674,762
Income before capital contributions and special item	7,134,451	2,518	7,136,969	9,377,211
Capital grants and contributions	17,097,810	-	17,097,810	14,057,480
Special item - settlement expense (see Note 18)	-	-	-	(1,961,855)
Increase in net position	24,232,261	2,518	24,234,779	21,472,836
Total net position, beginning of year, as previously reported	530,517,465	1,385,543	531,903,008	510,430,172
Restatement (see Note 17)	(6,021,222)	-	(6,021,222)	-
Total net position, beginning of year, as restated	524,496,243	1,385,543	525,881,786	510,430,172
Total net position, end of year	\$ 548,728,504	\$ 1,388,061	\$ 550,116,565	\$ 531,903,008

The accompanying notes are an integral part of this statement.

**TAMPA PORT AUTHORITY**  
**STATEMENT OF CASH FLOWS**

*YEAR ENDED SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)*

	<b>Primary Government</b>	<b>Component Unit</b>	<b>Total Reporting Entity</b>	
	<b>Tampa Port Authority</b>	<b>Tampa Bay International Terminals, Inc.</b>	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities:</b>				
Received from customers	\$ 57,497,940	\$ 54,984	\$ 57,552,924	\$ 45,399,742
Payments to suppliers for goods and services	(14,197,750)	(58,396)	(14,256,146)	(17,474,559)
Payments to employees for services	(13,460,489)	-	(13,460,489)	(14,113,701)
Net cash provided by (used in) operating activities	29,839,701	(3,412)	29,836,289	13,811,482
<b>Cash flows from non-capital financing activities:</b>				
Ad valorem taxes received, net of fees paid	10,944,745	-	10,944,745	10,829,471
Payment of ad valorem taxes	(641,086)	-	(641,086)	(408,056)
Special item	-	-	-	(1,961,855)
Other non-capital financing activities	(261,246)	-	(261,246)	2,579,418
Net cash provided by non-capital financing activities	10,042,413	-	10,042,413	11,038,978
<b>Cash flows from capital and related financing activities:</b>				
Capital grants and contributions received	15,308,339	-	15,308,339	12,595,176
Acquisition and construction of capital assets	(39,171,870)	-	(39,171,870)	(32,329,132)
Principal payments on debt	(46,549,105)	-	(46,549,105)	(8,232,146)
Proceeds from issuance of debt	37,975,000	-	37,975,000	-
Accretion on debt	-	-	-	(1,480,000)
Proceeds from sale of capital assets	4,226	-	4,226	75,000
Interest payments on debt	(4,398,819)	-	(4,398,819)	(3,948,103)
Net cash used in capital and related financing activities	(36,832,229)	-	(36,832,229)	(33,319,205)
				(Continued)

The accompanying notes are an integral part of this statement.

**TAMPA PORT AUTHORITY**  
**STATEMENT OF CASH FLOWS (CONTINUED)**

*YEAR ENDED SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)*

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
<b>Cash flows provided by investing activities</b>				
Proceeds from (loss on) the sale of investments	2,595,633	-	2,595,633	(176,024)
Proceeds from repayment of notes receivable	660,693	-	660,693	620,917
Proceeds from repayment of capital lease receivable	655,510	-	655,510	655,510
Interest and dividends received	623,667	-	623,667	707,945
Net cash provided by investing activities	4,535,503	-	4,535,503	1,808,348
Net increase (decrease) in cash and cash equivalents	7,585,388	(3,412)	7,581,976	(6,660,397)
Cash and cash equivalents at beginning of year	66,206,432	1,390,757	67,597,189	74,257,586
Cash and cash equivalents at end of year	<u>\$ 73,791,820</u>	<u>\$ 1,387,345</u>	<u>\$ 75,179,165</u>	<u>\$ 67,597,189</u>
Cash and cash equivalents	\$ 66,790,465	\$ 1,387,345	\$ 68,177,810	\$ 61,319,500
Restricted cash and cash equivalents	7,001,355	-	7,001,355	6,277,689
	<u>\$ 73,791,820</u>	<u>\$ 1,387,345</u>	<u>\$ 75,179,165</u>	<u>\$ 67,597,189</u>

(Continued)

The accompanying notes are an integral part of this statement.

**TAMPA PORT AUTHORITY**  
**STATEMENT OF CASH FLOWS (CONTINUED)**

*YEAR ENDED SEPTEMBER 30, 2015 (WITH SUMMARIZED FINANCIAL INFORMATION TOTAL FOR 2014)*

	Primary Government	Component Unit	Total Reporting Entity	
	Tampa Port Authority	Tampa Bay International Terminals, Inc.	2015	2014
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ (725,532)	\$ 2,518	\$ (723,014)	\$ (297,551)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	23,676,974	-	23,676,974	20,619,573
(Increase) decrease in:				
Accounts receivable	1,066,472	-	1,066,472	158,278
Prepaid expenses and deposits	200,125	(911)	199,214	(291,968)
Increase (decrease) in:				
Accounts payable	443,420	(5,019)	438,401	(1,899,625)
Accrued liabilities	34,286	-	34,286	(1,233,465)
Deferred revenue	5,112,018	-	5,112,018	(146,919)
Deposits	50,202	-	50,202	(3,096,841)
Net pension liability	(18,264)	-	(18,264)	-
Total adjustments	30,565,233	(5,930)	30,559,303	14,109,033
Net cash provided by operating activities	\$ 29,839,701	\$ (3,412)	\$ 29,836,289	\$ 13,811,482
<b>Supplemental schedule of noncash financing and investing activities:</b>				
Construction contracts and retainages payable	\$ 1,604,359	\$ -	\$ 1,604,359	\$ 2,713,891
Amortization of bond premiums and discounts	\$ 655,430	\$ -	\$ 655,430	\$ 268,055
Gain (Loss) on disposal of capital asset	\$ (37,514)	\$ -	\$ (37,514)	\$ 40,768
Amortization of deferred loss on refunding	\$ 275,426	\$ -	\$ 275,426	\$ 275,425

The accompanying notes are an integral part of this statement.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### Note 1—Organization and reporting entity

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

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

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

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

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

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### **Note 1—Organization and reporting entity (continued)**

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

### **Note 2—Summary of significant accounting policies**

*Basis of Presentation* - 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. In addition, the prior year summarized information does not include the effects of GASB Statements No. 68 and 71 and thus are not comparative to the current year amounts. Accordingly, such information should be read in conjunction with the Port Authority's financial statements for the year ended September 30, 2014, from which the summarized information was derived.

*Measurement Focus and Basis of Accounting* - The Port Authority's financial statements are presented in accordance with accounting principles generally accepted in the United States 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.

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

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

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### Note 2—Summary of significant accounting policies (continued)

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

*Accounts Receivable* - The Port Authority records accounts receivable at estimated net realizable value. Accordingly, accounts receivable are shown net of allowances for doubtful accounts. The Port Authority believes all receivables are fully collectible and as such, an allowance for doubtful accounts was not considered necessary at September 30, 2015.

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

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

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

*Amortization* - Bond premiums and dredging are being amortized on a straight-line basis over the term of the related debt or period of benefit in the case of dredging.

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

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### **Note 2—Summary of significant accounting policies (continued)**

*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 .1650 mill (\$.1650 per \$1,000 value) ad valorem property tax during fiscal year 2015.

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

Revenue is available when it is due and collectible within the current period or soon enough thereafter to pay the liabilities of the current period. No accrual for the ad valorem tax levy becoming due in November 2015 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

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

*Use of Estimates* - The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

*Deferred Losses on Refunding of Debt* - In accordance with GAAP, losses incurred on proprietary fund debt refunding are deferred and amortized. The amount deferred is reported as a deferred outflow of resources in the accompanying statement of net position. The amount amortized, using the straight-line method, is reported as a component of interest expense. The amortization period of deferred refunding losses, is the remaining life of the old debt or the life of the new debt, whichever is shorter.

*Operating Revenues* - Total operating revenues of the Port Authority for the year ended September 30, 2015 amounted to approximately \$51 million, approximately 99% of which is made up of port usage fees and rental income comprised of port usage fees of approximately \$39 million (of which dockage, wharfage, and terminal operations are approximately \$34 million) and rental income of approximately \$12 million.

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

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### **Note 2—Summary of significant accounting policies (continued)**

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 Authority 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 premiums, ad valorem tax payments and associated fees related to the collection of ad valorem tax receipts.

*Capitalized Interest* - Interest costs on funds borrowed to finance the construction of property and equipment during the period of construction, net of interest income, are capitalized. Interest costs of \$818,093 were capitalized for the year ended September 30, 2015.

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

In addition to liabilities, the statement of financial net position and 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.

*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 purposes 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 the 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.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### Note 3—Cash, cash equivalents, and investments

*Deposits* - The bank balance of the Port Authority's (primary government) deposits (unrestricted and restricted) was \$74,393,270 at September 30, 2015 and the book balance was \$73,778,820. For the component unit, the bank balance was \$1,383,669 at September 30, 2015 and the book balance of deposits was \$1,387,245. The difference between the book and bank amounts is due to outstanding checks and transfers, and deposits in transit in its demand accounts.

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

Of the September 30, 2015 Port Authority's bank balance, \$250,000 was covered by the FDIC and \$74,143,270 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. At September 30, 2015, the component unit had cash and cash equivalent balances of \$1,133,669 in excess of these insured limits.

*Cash on Hand* - The Port Authority had cash on hand in its petty cash funds totaling approximately \$13,000 at September 30, 2015. The component unit had approximately \$100 cash on hand at September 30, 2015.

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

- a. The Local Government Surplus Funds Trust Fund, an investment pool, under the sponsorship of the Florida State Board of Administration.
- b. Negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by the U.S. Government.
- c. Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Florida Statute 280.02.
- d. Obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, or Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

### Note 3—Cash, cash equivalents, 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, 2015 consisted of the following:

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

The Florida PRIME has met the criteria as a “2a7-like” pool; this pool was assigned a rating of “AAAm” by the Standard and Poor’s Rating Service. As of September 30, 2015, the Port Authority had a balance of \$304,730 in the Florida PRIME. The weighted days to maturity of the Florida PRIME at September 30, 2015 were 29 days.

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

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

	<u>Fair Value</u>		
	<u>Primary</u>	<u>Weighted Avg.</u>	
	<u>Government</u>	<u>Maturity (yrs)</u>	<u>Credit Rating</u>
Florida Prime Fund	\$ 304,730	0.08	AAAm

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

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**Note 3—Cash, cash equivalents, and investments (continued)**

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

**Note 4—Notes receivable**

Notes receivable consist of the following at September 30, 2015:

Note receivable balance due from Tampa Bay Shipbuilding Company as of September 30, 2015; principal and interest payable monthly, beginning December 1, 2006 and ending on December 1, 2018	\$ 2,482,395
Less: due within one year	(706,696)
Non-current portion notes receivable	<u>\$ 1,775,699</u>

**Note 5—Net investment in lease**

The Port Authority has a crane lease receivable under a direct financing lease. The lease is secured by equipment and is payable in 32 quarterly payments of \$163,878 beginning January 1, 2009, with an interest rate of 3.5%. The Port Authority has \$20,587 of unearned interest income related to the direct financing lease included in unearned revenue at September 30, 2015.

The minimum lease payments to be received are as follows:

<u>Year Ending September 30,</u>	
2016	\$ 655,510
2017	152,387
Total minimum lease payments	<u>\$ 807,897</u>

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 6—Capital assets**

A summary of changes in capital assets is as follows:

<b>Primary Government</b>	<b>October 1, 2014</b>	<b>Additions</b>	<b>Transfers</b>	<b>Deletions</b>	<b>September 30, 2015</b>
Capital assets not being depreciated					
Land	\$ 128,835,725	\$ -	\$ -	\$ -	\$ 128,835,725
Construction in progress	23,320,691	37,567,511	(22,558,612)	-	38,329,590
Total capital assets not depreciated	152,156,416	37,567,511	(22,558,612)	-	167,165,315
Capital assets being depreciated					
Buildings	165,429,184	-	3,754,365	(121,710)	169,061,839
Infrastructure	388,446,195	-	14,747,289	-	403,193,484
Dredging	82,289,214	-	2,177,546	-	84,466,760
Equipment and furnishings	15,386,090	-	1,879,412	-	17,265,502
Total capital assets depreciated	651,550,683	-	22,558,612	(121,710)	673,987,585
Less accumulated depreciation					
Buildings	52,557,451	4,790,008	-	(79,970)	57,267,489
Infrastructure	118,006,350	12,908,411	-	-	130,914,761
Dredging	59,289,737	4,403,995	-	-	63,693,732
Equipment and furnishings	10,654,621	1,574,560	-	-	12,229,181
Total accumulated depreciation	240,508,159	23,676,974	-	(79,970)	264,105,163
Total depreciable capital assets, net	411,042,524	(23,676,974)	22,558,612	(41,740)	409,882,422
Capital assets, net	\$ 563,198,940	\$ 13,890,537	\$ -	\$ (41,740)	\$ 577,047,737

Depreciation expense for the Tampa Port Authority (primary government) for the year ended September 30, 2015 was \$23,676,974. The Port Authority's construction in progress at September 30, 2015 primarily relates to capital improvements, development and new construction of berths and warehouse facilities, and interest costs capitalized on debt issued to finance long-term construction projects.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

*SEPTEMBER 30, 2015*

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**Note 7—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 80 years. These leases are classified as operating.

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

<b>Year Ending September 30,</b>	
2016	\$ 11,288,612
2017	11,122,160
2018	11,186,160
2019	10,977,966
2020	10,822,150
2021 to 2025	51,749,750
2026 to 2030	43,684,516
2031 to 2035	41,141,051
2036 to 2040	37,859,471
2041 to 2045	30,978,988
2046 to 2050	22,449,658
2051 to 2055	14,684,537
2056 to 2060	13,722,215
2061 to 2065	13,849,870
2066 to 2070	14,051,950
2071 to 2075	11,879,238
2076 to 2080	7,951,181
2081 to 2085	6,383,651
2086 to 2090	3,516,188
2091 to 2095	1,537,200
	<u>\$ 370,836,512</u>

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 8—Accumulated unpaid employee benefits**

Port Authority employees generally earn one day of vacation and one day of sick leave each month. Vacation and sick leave accumulate on a monthly basis and are fully vested when earned. Accumulated vacation and sick leave for the primary government at September 30, 2015 was \$1,006,929 and are included in accrued liabilities on the statement of net position. There was no accumulated vacation and sick leave for the component unit at September 30, 2015.

**Note 9—Bonds, notes and loans payable**

The following is long-term debt activity for the year ended September 30, 2015:

	October 1, 2014			September 30, 2015	Due Within One Year
	As restated	Additions	Deductions		
Revenue bonds, notes and loans	\$ 106,465,385	\$ 37,975,000	\$ 46,549,105	\$ 97,891,280	\$ 10,803,625
Premium	774,632	-	655,430	119,202	-
	107,240,017	37,975,000	47,204,535	98,010,482	10,803,625
Unearned revenue	1,180,310	5,226,236	114,218	6,292,328	5,270,059
Deposits	2,012,212	199,300	149,098	2,062,414	-
Derivative instrument liability	5,683,817	221,772	-	5,905,589	-
Other obligation	1,167,885	-	-	1,167,885	-
Net pension liability	5,169,391	2,558,044	-	7,727,435	-
Total	\$ 122,453,632	\$ 46,180,352	\$ 47,467,851	\$ 121,166,133	\$ 16,073,684

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 9—Bonds, notes and loans payable (continued)**

Debt maturities and related interest payments at September 30, 2015 consist of the following:

<b>Year Ending September 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	\$ 10,803,625	\$ 2,088,982	\$ 12,892,607
2017	11,167,145	1,892,552	13,059,697
2018	11,534,460	1,689,493	13,223,953
2019	11,923,580	1,478,964	13,402,544
2020	12,331,075	1,260,986	13,592,061
2021-2025	22,940,310	4,699,938	27,640,248
2026-2030	9,146,085	2,719,398	11,865,483
2031-2035	5,460,000	1,483,575	6,943,575
2036	2,585,000	195,500	2,780,500
<b>Total</b>	<b>\$ 97,891,280</b>	<b>\$ 17,509,388</b>	<b>\$ 115,400,668</b>

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, 2015 is \$1,167,885.

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

The Port Authority entered into a revenue note with a bank in June 2008 for \$27,000,000 at an interest rate of 65% of the 1 month LIBOR, plus 87 basis points. The revenue note was used to retire the 1998 bonds and to terminate the existing synthetic forward refunding and is collateralized by a pledge and lien on gross revenues of the Port Authority. As a result of this debt, a deferred refunding loss of \$669,353 was recorded as a 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, 2015 was \$342,114. 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 10).

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 9—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, 2015 was \$279,518.

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, 2015 was \$250,264. 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 10).

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 amount outstanding on this loan at September 30, 2015 is \$1,225,000.

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, 2015 was \$859,728. 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.

*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.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### Note 9—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, 2015:

Revenue Bonds, Series 1998 Term Bonds	\$	24,050,000
Revenue Bonds, Series 2002A Term Bonds		17,360,000
Revenue Bonds, Series 2002B Term Bonds		7,125,000
	\$	<u>48,535,000</u>

### Note 10—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, 2015 is \$1,951,969.

During the year ended September 30, 2012, the Port Authority entered into a revenue note payable of \$19,675,000 which bears interest equal to 72% of one month LIBOR plus 88 basis points, and matures in 2027. At the closing of the loan, the Port Authority entered into an interest rate swap agreement whereby the Port Authority swaps their variable rate debt for a fixed interest rate of 5.05%. The swap will cover the entire principal amount of the 2012 revenue note and the term of the swap is equal to the term of the 2012 revenue note. The estimated negative fair value of the swap at September 30, 2015 is \$3,953,620.

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, 2015, 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.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

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**Note 10—Derivative instruments**

*Credit risk* - Because the swaps have a negative fair value, the Port Authority is exposed to the credit risk of the counterparties in the amount of the swap's fair value. The 2008 swap counterparty has ratings of A3 (long-term) and P-2 (short-term) by Moody's Investors Services and BBB+ (long-term) and A-2 (short-term) by Standard & Poor's at September 2014. The 2012 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 2015.

*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, 2015:

<b>Year Ending September 30,</b>	
2016	\$ 1,665,662
2017	1,481,108
2018	1,325,789
2019	1,167,845
2020	1,009,979
2021 to 2025	2,662,927
2026 to 2027	226,835
	<u>\$ 9,540,145</u>

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 11—Employee retirement plans**

##### *Florida Retirement System*

*General Information* – Substantially 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 the 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”). 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

State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000, or from the Website: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

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

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 11—Employee retirement plans (continued)**

*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, 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. 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. 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. 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. 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 Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is 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 three percent per year. 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 three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. 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.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### **Note 11—Employee retirement plans (continued)**

*Contributions* - Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent 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, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively, were as follows: Regular--7.37% and 7.26%; Special Risk Administrative Support--42.07% and 32.95%; Special Risk--19.82% and 22.04%; Senior Management Service--21.14% and 21.43%; Elected Officers'--43.24% and 42.27%; and DROP participants--12.28% and 18.75%. These employer contribution rates include 1.20% and 1.26% HIS Plan subsidy for the periods October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively.

The Port Authority's contributions to the Pension Plan totaled \$810,702 the fiscal year ended September 30, 2015.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions* - At September 30, 2015, the Port Authority reported a liability of \$4,335,833 for its proportionate share of the net pension liability as of September 30, 2015. 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, 2015, the Port Authority's proportionate share was 0.033569% which was an increase of 0.000188% from its proportionate share of 0.033381% measured as of September 30, 2014.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 11—Employee retirement plans (continued)**

For the fiscal year ended September 30, 2015, the Port Authority recognized pension benefit of \$181,165. In addition, the Port Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 457,736	\$ 102,833
Change of assumptions	287,784	-
Net difference between projected and actual earnings on Pension Plan investments	-	1,035,324
Changes in proportion and differences between Port Authority FRS contributions and proportionate share of contributions	1,378,691	-
Port Authority FRS contributions subsequent to the measurement date	176,357	-
Total	<u>\$ 2,300,568</u>	<u>\$ 1,138,157</u>

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

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**Note 11—Employee retirement plans (continued)**

The deferred outflows of resources related to the Pension Plan, totaling \$176,357 resulting from the Port Authority's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. 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:

<b>Fiscal Year Ending September 30</b>	<b>Amount</b>
2016	\$ (124,158)
2017	(124,158)
2018	(124,158)
2019	730,017
2020	318,109
Thereafter	310,402

*Actuarial Assumptions.* The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return expense, including inflation	7.65%, net of pension plan investment

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 11—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:

<b>Asset Class</b>	<b>Target Allocation (1)</b>	<b>Annual Arithmetic Return</b>	<b>Compound Annual (Geometric) Return</b>	<b>Standard Deviation</b>
Cash	1.0%	3.2%	3.1%	1.7%
Fixed income	18.0%	4.8%	4.7%	4.7%
Global equity	53.0%	8.5%	7.2%	17.7%
Real estate (property)	10.0%	6.8%	6.2%	12.0%
Private equity	6.0%	11.9%	8.2%	30.0%
Strategic investments	12.0%	6.7%	6.1%	11.4%
Total	100.0%			
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 7.65%. The 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.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 11—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 7.65 percent, 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 (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	<b>1% Decrease (6.65%)</b>	<b>Current Discount Rate (7.65)</b>	<b>1% Increase (8.65%)</b>
Port Authority's proportionate share of the net pension liability (asset)	\$ 11,235,124	\$ 4,335,833	\$ (1,405,510)

*Pension Plan Fiduciary Net Position* - Detailed information about the 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, 2015, the Port Authority reported no payables for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2015.

*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, 2015, 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.

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 11—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, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.20% and 1.26%, 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 \$147,070 for the fiscal year ended September 30, 2015.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* - At September 30, 2015, the Port Authority reported a net pension liability of \$3,391,602 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, 2015, the Port Authority's proportionate share was 0.033256% which was a decrease of 0.00025% from its proportionate share of 0.033503% measured as of September 30, 2014.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 11—Employee retirement plans (continued)**

For the fiscal year ended June 30, 2015, the Port Authority recognized pension expense of \$162,908. In addition, the Port Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Reserouces</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions	\$ 266,831	\$ -
Net difference between projected and actual earnings on HIS pension plan investments	1,836	-
Changes in proportion and differences between Port Authority HIS contributions and proportionate share of contributions	272,431	19,180
Port Authority HIS contributions subsequent to the measurement date (fiscal year 2015 contributions)	40,148	-
Total	<u>\$ 581,246</u>	<u>\$ 19,180</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 \$40,148, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. 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:

<u>Fiscal Year Ending September 30</u>	<u>Amount</u>
2016	\$ 81,642
2017	81,642
2018	81,642
2019	81,269
2020	81,090
Thereafter	114,633

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

### Note 11—Employee retirement plans (continued)

*Actuarial Assumptions* - The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	3.80 %

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

The actuarial assumptions used in the July 1, 2015 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 3.80%. 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 3.80 percent, 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 (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current rate:

	1% Decrease (2.80%)	Current Discount Rate (3.80)	1% Increase (4.80%)
Port Authority's proportionate share of the net pension liability	\$ 3,864,573	\$ 3,391,602	\$ 2,997,216

*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, 2015, the Port Authority reported no payables for the outstanding amount of contributions to the HIS Plan.

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 11—Employee retirement plans (continued)**

##### *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 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2014-15 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class--6.30%, Special Risk Administrative Support class--7.95%, Special Risk class--14.00%, Senior Management Service class--7.67% and County Elected Officers class--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 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2015, 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 Port Authority's Investment Plan pension expense totaled \$256,990 for the fiscal year ended September 30, 2015.

# TAMPA PORT AUTHORITY

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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### **Note 12—Other Postemployment Benefits (OPEB)**

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

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

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

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 12—Other Postemployment Benefits (OPEB) (continued)**

*Annual OPEB cost and net OPEB Obligation* - The actuary's estimate of the County's accrued OPEB liability, also known as the actuarial accrued liability, which approximates the present value of all future expected postemployment medical premiums, associated administrative costs and stipend payments (which are attributable to the past service of active and retired employees) was \$83.268 million at September 30, 2015. The County's annual OPEB cost, which is defined as annual OPEB expenses on an accrual basis, was \$5.920 million at September 30, 2015. The annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost (current and future benefits earned) each year and to amortize any unfunded actuarial liabilities over a period of time not to exceed thirty years. The County's estimated ARC for fiscal year 2015 was \$5.843 million. The net OPEB obligation, at the end of the year, is the net amount the County was obligated for at year-end and is equivalent to the annual OPEB cost for the fiscal year, plus the net OPEB obligation at the start of the fiscal year less contributions such as retiree claims and stipends paid by the County during the fiscal year. The inter-relationships between the ARC, annual OPEB cost, and net OPEB obligation are presented below:

	<b>Fiscal Year 2015</b>
Annual required contribution (ARC)	\$ 5,843,000
Interest on the NET OPEB obligation for fiscal year	537,000
Less amortization of Net OPEB obligation for fiscal year	(460,000)
Annual OPEB cost for fiscal year	5,920,000
Net OPEB obligation, beginning of year	12,915,000
Less contributions (claims paid, etc.) for fiscal year	(5,502,000)
Net OPEB obligation, end of year	<u>\$ 13,333,000</u>

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 12—Other Postemployment Benefits (OPEB) (continued)**

The County's net OPEB obligation at September 30, 2015 was \$13.333 million. The net OPEB obligation increased from the prior year primarily due to higher health care costs expected for retirees as well as interest imputed on the net OPEB obligation since the County did not "fund" its OPEB liabilities (see next paragraph).

<b>Fiscal Year</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation</b>
2013	\$ 6,047,000	87%	\$ 12,460,000
2014	6,268,000	93%	12,915,000
2015	5,920,000	93%	13,333,000

*Funding Policy, Status and Progress* - In order for OPEB obligations to be considered funded under GASB Statement No. 45 an irrevocable trust fund must be used. Since that would be considered very restrictive, the County did not "fund" the net OPEB obligation, but instead chose to appropriate and set aside an amount approximating the net OPEB obligation in the Self-Insurance Internal Service Fund. Each fund was assessed its share of OPEB costs based on an allocation using the number of employees in the fund divided by the total number of County employees. Assessments were then placed in the Self-Insurance Internal Service Fund. Even though money set aside exceeded the net OPEB obligation, the County is not considered to have funded any of the obligation since an irrevocable trust fund was not used. It is the County's intent to continue setting aside an amount equivalent to the annual OPEB cost in future years. The County, however, has no legal or contractual obligation to do so. The status of the plan as of September 30, 2015, was as follows:

	<b>September 30, 2015</b>
<b>Actuarial valuation date</b>	
Actuarial value of plan assets	\$ -
Actuarial accrued liability (AAL)	83,268,000
Unfunded actuarial accrued liability (UAAL)	83,268,000
Actuarial value of plan assets/AAL (funded ratio)	0%
Covered payroll (active plan members)	528,266,000
UAAL as percentage of covered payroll	15.8%

\* Although \$20.815 million were set aside in the County's Self-Insurance Internal Service Fund to more than offset the County's net OPEB obligation of \$13.333 million at September 30, 2015, the amount considered to be funded was zero since an irrevocable trust fund was not established.

## TAMPA PORT AUTHORITY

### NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

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#### **Note 12—Other Postemployment Benefits (OPEB) (continued)**

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

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

The entry age normal actuarial cost method was used in the September 30, 2015 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 7.0% (6.0% 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, 2015. 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, 2015, was 30 years.

The Port Authority's share of the other post-employment benefits liability for the year ended September 30, 2015 is \$-0-.

#### **Note 13—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.

## **TAMPA PORT AUTHORITY**

### **NOTES TO FINANCIAL STATEMENTS**

*SEPTEMBER 30, 2015*

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#### **Note 13—Florida Ports Financing Commission (continued)**

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

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

The Port Authority has been allocated approximately \$61.7 million from Ports Commission bond proceeds, which amounts were deposited into interest earning escrow accounts for certain projects, specifically, cargo and cruise berth and terminal improvements; intermodal road, rail and other infrastructure improvements; cargo-handling equipment; and dredge material disposal site development. The Port Authority, like all participants in the program, has agreed to provide moneys (from sources other than proceeds borrowed under the loan agreement with the Ports Commission) to fund a portion of the cost of such projects. These moneys will be utilized by the Port Authority to pay the costs of such projects on a matching basis with moneys received by the Port Authority pursuant to its loan agreement with the Ports Commission. The Port Authority has drawn down approximately \$61.7 million from its escrow account to fund such projects as of September 30, 2015.

#### **Note 14—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 15—Commitments and contingencies**

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

*Commitments* - The Tampa Port Authority had contractual commitments for various projects that amounted to approximately \$49 million as of September 30, 2015.

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

SEPTEMBER 30, 2015

**Note 16—General cargo terminal services**

In August 2012, the Port Authority and Ports America agreed to terminate the then-existing month to month agreement for general cargo terminal services and enter into a new two year agreement with a one year option. The business terms of this agreement were approved by the Port Authority Board of Commissioners and, since that time, both parties have been abiding by those terms until a final agreement is executed. These terms call for Ports America to provide all terminal equipment and operational related costs for the break bulk operations directly within the defined Concession Area including line handling, loading and unloading of cargo as well as other break bulk terminal operations customarily performed in comparable seaports. Ports America also agreed to reimburse Port Authority 12% of the gross revenues generated by Ports America on the first 250,000 tons of cargo and 10% of the gross revenues thereafter.

**Note 17—Change in accounting principles**

The Port Authority participates in the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy (HIS) defined benefit plan administered by Florida Division of Retirement. As a participating employer, the Port Authority implemented Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*, which requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employers’ proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. The beginning net position of the Port Authority was decreased by \$6,021,222. The Port Authority’s proportionate share of the net pension liabilities at October 1, 2014 totaled \$5,169,391.

	<b>Net Position</b> <b>October 1, 2014</b>
Beginning net position, as previously reported	\$ 530,517,465
Prior period restatement - Implementation of No. GASB 68 and 71	
Net pension liability, October 1, 2014	(5,169,391)
Deferred outflows related to pensions, October 1, 2014	2,671,854
Deferred inflows related to pensions, October 1, 2014	(3,523,685)
Total prior period restatement	<u>(6,021,222)</u>
Beginning net position, as restated	<u>\$ 524,496,243</u>

**TAMPA PORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**

*SEPTEMBER 30, 2015*

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**Note 18—Subsequent events**

Subsequent events were evaluated through May 27, 2016, which is the date the financial statements were available to be issued. Subsequent to September 30, 2015, the Port Authority issued \$15,416,346 through the Revenue Refunding Note, Series 2016 to refund the 2006 Revenue Bonds.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**TAMPA PORT AUTHORITY****SCHEDULE OF SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – FLORIDA RETIREMENT SYSTEM  
PENSION PLAN***YEAR ENDED SEPTEMBER 30, 2015*

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	<b>2015*</b>	<b>2014*</b>
The Port Authority's proportion of the net pension liability	0.0336%	0.0334%
The Port Authority's proportionate share of the net pension liability	\$ 4,335,833	\$ 2,036,755
The Port Authority's covered-employee payroll	\$ 10,103,039	\$ 9,966,987
The Port Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	43%	20%
FRS Plan fiduciary net position as a percentage of the total pension liability	92%	96%

\* Represents the measurement date, of June 30, 2015.

*Note: Data was unavailable prior to 2014.*

**TAMPA PORT AUTHORITY**  
**SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIRMENT SYSTEM**

*YEAR ENDED SEPTEMBER 30, 2015*

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	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 1,041,840	\$ 984,116
Contributions in relation to the contractually required contribution	1,041,840	984,116
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
The Port Authority's covered-employee payroll	\$ 10,281,940	\$ 10,077,646
Contributions as a percentage of covered-employee payroll	10%	10%

*Note: Data was unavailable prior to 2014.*

**TAMPA PORT AUTHORITY****SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – HEALTH INSURANCE SUBSIDY PENSION PLAN***YEAR ENDED SEPTEMBER 30, 2015*

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	<u>2015*</u>	<u>2014*</u>
The Port Authority's proportion of the net pension liability	0.0333%	0.0335%
The Port Authority's proportionate share of the net pension liability	\$ 3,391,602	\$ 3,132,636
The Port Authority's covered-employee payroll	\$ 10,103,039	\$ 9,966,987
The Port Authority's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	34%	31%
FRS Plan fiduciary net position as a percentage of the total pension liability	7%	7%

\* Represents the measurement date, of June 30, 2015.

*Note: Data was unavailable prior to 2014.*

**TAMPA PORT AUTHORITY****SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN***YEAR ENDED SEPTEMBER 30, 2015*

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	<b>2015</b>	<b>2014</b>
Contractually required contribution	\$ 170,680	\$ 167,289
Contributions in relation to the contractually required contribution	170,680	167,289
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
The Port Authority's covered-employee payroll	\$ 10,281,940	\$ 10,077,646
Contributions as a percentage of covered-employee payroll	2%	2%

*Note: Data was unavailable prior to 2014.*



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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Net Position at Year-End</b>										
Net Investment in										
Capital Assets	\$ 296,454	\$ 319,218	\$ 324,479	\$ 353,335	\$ 377,444	\$ 381,604	\$ 401,589	\$ 431,713	\$ 457,966	\$ 480,769
Restricted	36,720	36,971	36,655	31,787	21,752	15,435	8,250	9,421	9,004	7,001
Unrestricted	<u>26,585</u>	<u>30,437</u>	<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>
<b>Total Net Position</b>	<u>\$ 359,759</u>	<u>\$ 386,626</u>	<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>

Note 1: Years 2006 - 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

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Operating Revenue</b>										
Port Usage Fees	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539	\$ 36,429	\$ 38,975
Land & Building Leases	8,419	8,125	9,442	9,662	9,504	9,595	9,934	11,725	11,226	11,551
Tenant Utilities	624	629	552	519	531	591	545	476	531	536
Other Port Operating Revenue	<u>913</u>	<u>905</u>	<u>919</u>	<u>719</u>	<u>683</u>	<u>514</u>	<u>348</u>	<u>349</u>	<u>244</u>	<u>207</u>
<b>Total Operating Revenue</b>	<b>\$ 39,308</b>	<b>\$ 36,915</b>	<b>\$ 39,247</b>	<b>\$ 39,847</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>	<b>\$ 43,662</b>	<b>\$ 44,089</b>	<b>\$ 48,430</b>	<b>\$ 51,269</b>
<b>Non-Operating Revenue</b>										
Operating Assistance Grants	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	4,845	13,991	3,604	20,062	10,523	4,041	21,438	17,941	14,057	17,098
Interest Income	4,207	5,253	3,281	1,730	1,472	1,032	2,058	2,398	498	659
Ad Valorem Tax Receipts	16,205	16,681	16,807	15,700	13,490	11,838	11,512	10,926	10,830	10,945
Other Non-Operating Income	<u>1,666</u>	<u>1,229</u>	<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>
<b>Total Non-Operating Revenue</b>	<b>\$ 27,263</b>	<b>\$ 37,154</b>	<b>\$ 25,465</b>	<b>\$ 41,050</b>	<b>\$ 32,217</b>	<b>\$ 18,738</b>	<b>\$ 36,344</b>	<b>\$ 33,022</b>	<b>\$ 29,799</b>	<b>\$ 31,655</b>
<b>Total Revenues</b>	<b>\$ 66,571</b>	<b>\$ 74,069</b>	<b>\$ 64,712</b>	<b>\$ 80,897</b>	<b>\$ 72,844</b>	<b>\$ 60,832</b>	<b>\$ 80,006</b>	<b>\$ 77,111</b>	<b>\$ 78,229</b>	<b>\$ 82,924</b>
<b>Operating Expenses</b>										
Personnel	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690	\$ 12,880	\$ 13,477
Promotional	439	329	287	218	266	302	328	701	970	1,307
Administrative	11,033	12,195	12,849	12,560	11,895	13,063	12,792	12,868	14,257	13,534
Depreciation & Amortization Expense	<u>12,527</u>	<u>14,450</u>	<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>
<b>Total Operating Expenses</b>	<b>\$ 32,440</b>	<b>\$ 35,886</b>	<b>\$ 39,079</b>	<b>\$ 40,581</b>	<b>\$ 41,788</b>	<b>\$ 44,039</b>	<b>\$ 44,959</b>	<b>\$ 45,308</b>	<b>\$ 48,726</b>	<b>\$ 51,995</b>
<b>Non-Operating Expenses</b>										
Interest Expense	\$ 7,623	\$ 7,978	\$ 7,891	\$ 7,457	\$ 6,944	\$ 6,684	\$ 5,457	\$ 5,041	\$ 4,133	\$ 4,217
Bond Related Costs	1,073	463	218	215	214	205	-	-	-	-
Tax Collector/Property Appraiser	1,470	1,850	1,441	1,431	1,307	998	796	910	954	1,566
Other non-operating expense	<u>2,150</u>	<u>1,025</u>	<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>
<b>Total Non-Operating Expenses</b>	<b>\$ 12,316</b>	<b>\$ 11,316</b>	<b>\$ 12,373</b>	<b>\$ 10,090</b>	<b>\$ 9,282</b>	<b>\$ 8,650</b>	<b>\$ 7,697</b>	<b>\$ 7,086</b>	<b>\$ 6,068</b>	<b>\$ 6,697</b>
<b>Special Item</b>										
Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,962	\$ -
Effect of GASB 65	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Special Items	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,050.00</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,962.00</u>	<u>\$ -</u>
<b>Total Expenses</b>	<b>\$ 44,756</b>	<b>\$ 47,202</b>	<b>\$ 51,452</b>	<b>\$ 50,671</b>	<b>\$ 51,070</b>	<b>\$ 55,739</b>	<b>\$ 52,656</b>	<b>\$ 52,394</b>	<b>\$ 56,756</b>	<b>\$ 58,692</b>
<b>Change in Fund Net Position</b>	<b>\$ 21,815</b>	<b>\$ 26,867</b>	<b>\$ 13,260</b>	<b>\$ 30,226</b>	<b>\$ 21,774</b>	<b>\$ 5,093</b>	<b>\$ 27,350</b>	<b>\$ 24,717</b>	<b>\$ 21,473</b>	<b>\$ 24,232</b>

Note 1: Years 2006 - 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 3

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Operating Revenue:</b>										
Dockage										
Dockage - Cargo	\$ 5,199	\$ 4,771	\$ 4,449	\$ 4,112	\$ 4,313	\$ 4,413	\$ 4,451	\$ 5,051	\$ 4,887	\$ 5,599
Dockage - Cruise	985	792	780	808	784	908	1,057	954	997	1,092
Dockage - Other	<u>717</u>	<u>673</u>	<u>658</u>	<u>660</u>	<u>967</u>	<u>571</u>	<u>645</u>	<u>488</u>	<u>592</u>	<u>901</u>
Subtotal - Dockage	<u>\$ 6,901</u>	<u>\$ 6,236</u>	<u>\$ 5,887</u>	<u>\$ 5,580</u>	<u>\$ 6,064</u>	<u>\$ 5,892</u>	<u>\$ 6,153</u>	<u>\$ 6,493</u>	<u>\$ 6,476</u>	<u>\$ 7,592</u>
Wharfage										
Wharfage - Cargo	\$ 8,658	\$ 8,695	\$ 8,660	\$ 8,269	\$ 8,372	\$ 8,388	\$ 8,410	\$ 11,918	\$ 8,639	\$ 9,811
Wharfage - Cruise	5,119	4,449	4,463	4,669	4,690	5,105	5,698	5,271	6,650	6,614
Wharfage - Other (a)	<u>1,162</u>	<u>874</u>	<u>2,587</u>	<u>2,891</u>	<u>5,140</u>	<u>4,648</u>	<u>4,154</u>	<u>2,285</u>	<u>9,125</u>	<u>9,772</u>
Subtotal - Wharfage	<u>\$ 14,939</u>	<u>\$ 14,018</u>	<u>\$ 15,710</u>	<u>\$ 15,829</u>	<u>\$ 18,202</u>	<u>\$ 18,141</u>	<u>\$ 18,262</u>	<u>\$ 19,474</u>	<u>\$ 24,414</u>	<u>\$ 26,197</u>
<b>Land &amp; Building Leases</b>	\$ 8,419	\$ 8,125	\$ 9,442	\$ 9,662	\$ 9,504	\$ 9,595	\$ 9,934	\$ 11,725	\$ 11,226	\$ 11,551
<b>Other Operating Revenue</b>	<u>\$ 9,049</u>	<u>\$ 8,536</u>	<u>\$ 6,208</u>	<u>\$ 8,776</u>	<u>\$ 6,857</u>	<u>\$ 8,466</u>	<u>\$ 9,313</u>	<u>\$ 6,397</u>	<u>\$ 6,314</u>	<u>\$ 5,929</u>
<b>Total Operating Revenue</b>	<u>\$ 39,308</u>	<u>\$ 36,915</u>	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>	<u>\$ 48,430</u>	<u>\$ 51,269</u>
<b>Cargo Tonnage (to nearest thousand) (b)</b>	16,738	15,578	14,377	13,211	14,567	13,701	13,356	13,349	13,172	14,547
<b>Average Wharfage Revenue per Cargo Ton (whole \$)</b>	<u>\$ 0.52</u>	<u>\$ 0.56</u>	<u>\$ 0.60</u>	<u>\$ 0.63</u>	<u>\$ 0.57</u>	<u>\$ 0.61</u>	<u>\$ 0.63</u>	<u>\$ 0.89</u>	<u>\$ 0.66</u>	<u>\$ 0.67</u>
<b>Cruise Passengers (to nearest thousand)</b>	911	781	768	803	807	876	974	854	888	867
<b>Average Wharfage Revenue per Passenger (whole \$)</b>	<u>\$ 5.62</u>	<u>\$ 5.70</u>	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.81</u>	<u>\$ 5.83</u>	<u>\$ 5.85</u>	<u>\$ 6.17</u>	<u>\$ 7.49</u>	<u>\$ 7.63</u>
<b>Berth linear feet</b>	11,855	11,855	11,855	12,855	16,655	17,235	17,235	18,435	18,435	18,435
<b>Average Dockage Revenue per Berth Linear Feet</b>	<u>\$ 582.12</u>	<u>\$ 526.02</u>	<u>\$ 496.58</u>	<u>\$ 434.07</u>	<u>\$ 364.09</u>	<u>\$ 341.86</u>	<u>\$ 357.01</u>	<u>\$ 352.21</u>	<u>\$ 351.29</u>	<u>\$ 411.83</u>
<b>Leased Acreage (actual in hundreds)</b>	1,300	1,290	1,290	1,285	1,270	1,260	1,310	1,287	1,287	1,305
<b>Average per Acre (whole \$)</b>	<u>\$ 6,476</u>	<u>\$ 6,298</u>	<u>\$ 7,319</u>	<u>\$ 7,519</u>	<u>\$ 7,483</u>	<u>\$ 7,615</u>	<u>\$ 7,583</u>	<u>\$ 9,110</u>	<u>\$ 8,723</u>	<u>\$ 8,851</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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Port Usage Fees Revenues:</b>										
Dockage	\$ 6,901	\$ 6,236	\$ 5,887	\$ 5,580	\$ 6,064	\$ 5,892	\$ 6,154	\$ 6,493	\$ 6,476	\$ 7,592
Wharfage	13,777	13,144	13,123	12,938	13,357	13,508	14,135	13,939	15,326	16,468
Wharfage (in lieu of wharfage)	1,162	874	2,587	2,891	3,723	4,633	4,127	5,535	9,088	9,729
Parking and related	5,569	5,431	4,976	5,892	5,208	5,659	5,896	4,935	4,901	4,297
Terminal Operations	1,670	1,288	1,409	1,361	1,357	1,490	1,744	411	405	607
Other Usage Fees	<u>273</u>	<u>283</u>	<u>352</u>	<u>285</u>	<u>200</u>	<u>212</u>	<u>779</u>	<u>226</u>	<u>233</u>	<u>282</u>
<b>Total Port Usage Fees</b>	<b>\$ 29,352</b>	<b>\$ 27,256</b>	<b>\$ 28,334</b>	<b>\$ 28,947</b>	<b>\$ 29,909</b>	<b>\$ 31,394</b>	<b>\$ 32,835</b>	<b>\$ 31,539</b>	<b>\$ 36,429</b>	<b>\$ 38,975</b>
<b>Percentage of Total Revenue</b>	<b>44.1%</b>	<b>36.8%</b>	<b>43.8%</b>	<b>35.8%</b>	<b>41.1%</b>	<b>51.6%</b>	<b>41.0%</b>	<b>40.9%</b>	<b>46.6%</b>	<b>47.0%</b>
<b>Land &amp; Building Leases:</b>										
Land & Building Leases	\$ 8,349	\$ 8,102	\$ 9,432	\$ 9,552	\$ 9,476	\$ 9,583	\$ 9,897	\$ 11,722	\$ 11,225	\$ 11,546
Cruise Terminal Rentals	45	23	5	110	13	12	37	3	1	5
Port Property Access Fees	<u>25</u>	<u>-</u>	<u>5</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Land &amp; Building Leases</b>	<b>\$ 8,419</b>	<b>\$ 8,125</b>	<b>\$ 9,442</b>	<b>\$ 9,662</b>	<b>\$ 9,504</b>	<b>\$ 9,595</b>	<b>\$ 9,934</b>	<b>\$ 11,725</b>	<b>\$ 11,226</b>	<b>\$ 11,551</b>
<b>Percentage of Total Revenue</b>	<b>12.6%</b>	<b>11.0%</b>	<b>14.6%</b>	<b>11.9%</b>	<b>13.0%</b>	<b>15.8%</b>	<b>12.4%</b>	<b>15.2%</b>	<b>14.4%</b>	<b>13.9%</b>
<b>Tenant Utilities:</b>										
Tenant Water	\$ 20	\$ 25	\$ 23	\$ 17	\$ 16	\$ 17	\$ 17	\$ 19	\$ 35	\$ 20
Dockside Water	593	598	527	501	514	573	526	456	496	516
Electricity	<u>11</u>	<u>6</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>-</u>	<u>-</u>
<b>Total Tenant Utilities</b>	<b>\$ 624</b>	<b>\$ 629</b>	<b>\$ 552</b>	<b>\$ 519</b>	<b>\$ 532</b>	<b>\$ 591</b>	<b>\$ 545</b>	<b>\$ 476</b>	<b>\$ 531</b>	<b>\$ 536</b>
<b>Percentage of Total Revenue</b>	<b>0.9%</b>	<b>0.8%</b>	<b>0.9%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>1.0%</b>	<b>0.7%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>0.7%</b>
<b>Other Port Operating Revenue:</b>										
Work Permits	\$ 45	\$ 48	\$ 32	\$ 29	\$ 11	\$ 8	\$ 9	\$ 2	\$ 7	\$ 7
Fingerprinting/Badging	798	793	810	624	606	430	276	277	182	160
Security Training Fees	2	-	-	-	-	-	-	-	-	-
License Fees	<u>68</u>	<u>64</u>	<u>77</u>	<u>66</u>	<u>65</u>	<u>76</u>	<u>63</u>	<u>70</u>	<u>55</u>	<u>40</u>
<b>Total Other Port Operating Revenue</b>	<b>\$ 913</b>	<b>\$ 905</b>	<b>\$ 919</b>	<b>\$ 719</b>	<b>\$ 682</b>	<b>\$ 514</b>	<b>\$ 348</b>	<b>\$ 349</b>	<b>\$ 244</b>	<b>\$ 207</b>
	<b>1.4%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>0.9%</b>	<b>0.9%</b>	<b>0.8%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>0.3%</b>	<b>0.2%</b>
<b>Total Operating Revenue</b>	<b>\$ 39,308</b>	<b>\$ 36,915</b>	<b>\$ 39,247</b>	<b>\$ 39,847</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>	<b>\$ 43,662</b>	<b>\$ 44,089</b>	<b>\$ 48,430</b>	<b>\$ 51,269</b>
<b>Percentage of Total Revenue</b>	<b>59.0%</b>	<b>49.8%</b>	<b>60.6%</b>	<b>49.3%</b>	<b>55.8%</b>	<b>69.2%</b>	<b>54.6%</b>	<b>57.2%</b>	<b>61.9%</b>	<b>61.8%</b>

Table 4

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Non-Operating Revenue:</b>										
Operating Grants	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Grants	4,845	13,991	3,604	20,062	10,523	4,041	21,438	17,941	14,057	17,098
Ad Valorem Tax Receipts	16,205	16,681	16,807	15,700	13,490	11,838	11,512	10,926	10,830	10,945
Interest, Unrestricted	3,877	4,544	2,634	1,073	1,030	533	746	2,040	201	426
Interest, Restricted	54	53	54	52	39	-	906	-	-	-
Interest, PAI Crane	-	-	-	76	140	121	92	83	62	41
Interest, TBIT & TBSB Notes	276	656	593	525	454	378	314	275	235	192
Other, TBIT & TBSB Notes	263	175	175	177	184	124	-	-	-	-
Dredge and Fill Income	17	57	79	1,362	247	475	-	179	2,958	517
Gain/(Loss) on Sale of Investment	564	100	-	-	-	-	-	-	-	-
Gain/(Loss) on Disposal of Capital Assets	(1,020)	(269)	95	19	(422)	-	8	12	43	(38)
Harbormaster Fees	738	696	978	891	864	822	845	820	895	913
Conference Donations	770	105	102	70	55	54	43	43	79	60
Amortization Premiums	273	276	275	274	270	264	266	234	270	655
Corporate Tax Credit	-	-	-	-	-	-	-	-	133	758
Other Miscellaneous Revenue	61	89	69	769	5,343	88	174	469	36	88
<b>Total Non-Operating Revenue</b>	<b>\$ 27,263</b>	<b>\$ 37,154</b>	<b>\$ 25,465</b>	<b>\$ 41,050</b>	<b>\$ 32,217</b>	<b>\$ 18,738</b>	<b>\$ 36,344</b>	<b>\$ 33,022</b>	<b>\$ 29,799</b>	<b>\$ 31,655</b>
<b>Percentage of Total Revenue</b>	<b>41.0%</b>	<b>50.2%</b>	<b>39.4%</b>	<b>50.7%</b>	<b>44.2%</b>	<b>30.8%</b>	<b>45.4%</b>	<b>42.8%</b>	<b>38.1%</b>	<b>38.2%</b>
<b>Total Revenue</b>	<b>\$ 66,571</b>	<b>\$ 74,069</b>	<b>\$ 64,712</b>	<b>\$ 80,897</b>	<b>\$ 72,844</b>	<b>\$ 60,832</b>	<b>\$ 80,006</b>	<b>\$ 77,111</b>	<b>\$ 78,229</b>	<b>\$ 82,924</b>

Table 5

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

***Wharfage Revenue***

FY2015			FY2006		
Customer	Revenue	Percentage of Total Wharfage	Customer	Revenue	Percentage of Total Wharfage
Carnival Cruise Lines	\$ 4,212,633	16.1%	Central Florida Pipeline	\$ 1,831,658	12.3%
Central Florida Pipeline	4,083,396	15.6%	Carnival Cruise Lines	3,734,320	25.0%
Cemex Construction Materials Florida	2,041,600	7.8%	Royal Caribbean	1,384,872	9.3%
Transflo Terminal Services	1,931,913	7.4%	Transmontaigne, Inc.	801,483	5.4%
Royal Caribbean	1,598,958	6.1%	Vulcan Materials Company	580,290	3.9%
Transmontaigne, Inc.	1,327,116	5.1%	Trademark Metals	558,362	3.6%
Zim Israeli Navigation Company	1,190,896	4.5%	SSA Gulf Inc	546,368	3.6%
Tarmac America	1,065,212	4.1%	C F Industries	489,052	3.3%
Vulcan Materials Company	871,500	3.3%	Martin Gas	444,918	3.0%
Norwegian Cruise Line	798,103	3.0%	RMC	433,497	2.9%
Ten largest customers	19,121,327	73.0%	Ten largest customers	10,804,820	72.3%
Other	7,075,271	27.0%	Other	4,134,180	27.7%
Total Wharfage Revenue	26,196,598	100.0%	Total Wharfage Revenue	14,939,000	100.0%

***Dockage Revenue***

FY2015			FY2006		
Customer	Revenue	Percentage of Total Dockage	Customer	Revenue	Percentage of Total Dockage
Central Florida Pipeline	\$ 1,690,962	22.3%	Central Florida Pipeline	\$ 997,732	14.5%
Ports America	784,967	10.3%	Transmontaigne, Inc.	744,400	10.8%
Mosaic Crop Nutrition	525,075	6.9%	Carnival Cruise Lines	550,264	8.0%
Royal Caribbean	486,777	6.4%	C F Industries	444,689	6.4%
Carnival Cruise Lines	421,835	5.6%	Royal Caribbean	416,258	6.0%
Transmontaigne, Inc.	308,861	4.1%	International Ship Repair	265,486	3.8%
Titan Florida	257,265	3.4%	Tarmac America	259,475	3.8%
Martin Operating Partnership	226,145	2.8%	Martin Gas	222,830	3.2%
Buckeye Terminals, LLC	215,578	2.6%	Martin Marietta	200,939	2.9%
Martin Marietta Aggregates	196,353	3.0%			0.0%
Ten largest customers	5,113,818	67.4%	Ten largest customers	4,102,073	59.4%
Other	2,478,642	32.6%	Other	2,798,927	40.6%
Total Dockage Revenue	7,592,460	100.0%	Total Dockage Revenue	6,901,000	100.0%

Table 6

**TAMPA PORT AUTHORITY**  
**Revenue Rates**  
**Last Ten Fiscal Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>DOCKAGE RATES:</b>										
<b>Vessels, Barges &amp; Tug Boats:</b>										
0-199 ft	\$ 2.06	\$ 2.12	\$ 2.25	\$ 2.32	\$ 2.32	\$ 2.46	\$ 2.46	\$ 2.54	\$ 2.61	\$ 2.69
200-299	2.46	2.66	2.96	3.05	3.05	3.23	3.23	3.33	3.43	3.53
300-349	2.58	2.73	2.96	4.15	3.05	3.23	3.23	3.33	3.43	3.53
350-399	2.76	2.81	2.96	4.15	3.05	3.23	3.23	3.33	3.43	3.53
400-449	3.72	3.81	4.03	4.15	4.15	4.40	4.40	4.53	4.67	4.81
450-499	3.72	3.81	4.03	4.15	4.15	4.40	4.40	4.53	4.67	4.81
500-549	5.06	5.15	5.41	5.57	5.57	5.91	5.91	6.09	6.27	6.46
550-599	5.06	5.15	5.41	5.57	5.57	5.91	5.91	6.09	6.27	6.46
600-649	5.87	5.98	6.28	6.47	6.47	6.86	6.86	7.07	7.28	7.50
650-699	5.87	5.98	6.28	6.47	6.47	6.86	6.86	7.07	7.28	7.50
700-799	7.53	7.63	7.97	8.21	8.21	8.71	8.71	8.98	9.24	9.52
800-899	9.07	9.20	9.60	9.89	9.89	10.50	10.50	10.81	11.13	11.46
900 ft +	10.83	10.99	11.49	11.83	11.83	12.55	12.55	12.92	13.31	13.71
<b>Passenger Vessels:</b>										
0- 550 ft	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.49	4.71
551-600	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.32	6.64
601-650	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.53	6.86
651-700	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	6.80	7.14
701-725	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.57
726-750	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.48	7.85
751 ft +	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.16	8.57

Continued

Table 6

## TAMPA PORT AUTHORITY

## Revenue Rates

## Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>WHARFAGE RATES:</b>										
<b>General Cargo/Breakbulk:</b>										
All articles (not provided for below)	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.43
Automobiles (new)/each	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.22
Automobiles (used)/each	5.60	5.60	7.10	7.10	7.10	7.10	7.10	7.10	7.10	7.31
Livestock	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.20	4.33
Citrus & Citrus Products	1.96	1.96	1.96	1.96	1.96	1.96	1.96	1.96	1.96	2.02
Containers (loaded)	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	2.03
USDA Bagged Goods (Public Law 480)	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.23
Citrus Concentrate (drums or tanks)	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.59
Cordage	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.72
Fertilizer (in bags)	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.74	1.79
Flour or Rice (in bags)	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.36
Forest Products	1.59	1.59	1.59	1.59	1.59	1.59	1.59	1.59	1.59	1.64
Lumber & Logs (per thousand board feet))	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.43	1.47
Frozen Meat and/or Poultry	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.36
Fruits and Vegetables (fresh)	2.00	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.02	2.08
Iron & Steel Articles	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.92	1.98
Iron & Steel Wire Coils and Reinforcing Rods	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.75
Mobile & Modular Homes (< 10,000 lbs) each	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	21.82	22.47
Mobile & Modular Homes (> 10,000 lbs) net ton	2.94	2.94	2.94	2.94	2.94	2.94	2.94	2.94	2.94	3.03
Paper Waste (in bales domestic moves only)	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.28	1.32
Project Cargo (weight or measurement)	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.43
Scrap Metal	2.36	2.39	2.39	2.39	2.39	2.39	2.39	2.39	2.39	2.46
USDA Public Law 480 (bagged goods)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.42
USDA Products (chilled & frozen)	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.68	1.73
Vehicles (trucks, buses, tractors, etc.) net ton	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.21	2.28
Yachts & Boats (less than 25' LOA) (a)	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.08
Yachts & Boats (greater than 25' LOA) (a)	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.58	1.63

Continued

Table 6

## TAMPA PORT AUTHORITY

## Revenue Rates

## Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Cruise Wharfage Rates (per passenger):</b>										
Passengers Embarking	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75
Passengers Disembarking	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75
Passengers in transit	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.75
<b>Bulk Cargo Wharfage Rates</b>										
Aggregate (including pumice & slag)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.78
Anhydrous Ammonia	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.375	0.386
Bulk, Dry N.O.S.	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.22
Bulk, Liquid N.O.S.	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.22
Caustic Soda	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43
Cement	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.87
Citrus Concentrate, (via pipeline)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.07	1.10
Citrus Pellets	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41
Coal	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.68
Fertilizer, N.O.S.	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.245	0.252
Fly Ash	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.91
Grain, N.O.S.	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43
Gypsum	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.59	0.59	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	0.66	0.66	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	0.40	0.40	0.41
Pomace	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.68	0.70
Potash	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.28	0.29
Salt	0.53	0.53	0.53	0.53	0.53	-	-	-	-	-
Sand	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.77
Seawater	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.26	0.27
Sulphur	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41
Sulphuric Acid	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.43
Tallow	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.62

Table 7

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

2015				2006			
Customer	Type of Business	Revenue	Percent of Total Operating Revenue	Customer	Type of Business	Revenue	Percent of Total Operating Revenue
Carnival Cruise Lines	Cruise industry	\$ 6,490,076	12.7%	Carnival Cruise Lines	Cruise industry	\$ 6,161,276	15.7%
Central Florida Pipeline	Petroleum	6,047,917	11.8%	Kinder Morgan	Misc liquid bulk commodities	3,016,686	7.7%
Cemex Construction Materials	Cementitious and aggregate	3,126,158	6.1%	Royal Caribbean	Cruise industry	2,551,568	6.5%
Royal Caribbean	Cruise industry	3,013,681	5.9%	SSA Gulf Inc	Terminal operator for general cargo	1,741,704	4.4%
Transflo Terminal Services	Petroleum	2,264,515	4.4%	Transmontaigne	Petroleum	1,607,813	4.1%
Transmontaigne	Petroleum	2,045,772	4.0%	C F Industries	Anhydrous Ammonia, Grains	1,088,614	2.8%
Ports America	Terminal operator for general cargo	1,826,755	3.6%	Trademark Metals	Scrap metal processing facility	989,462	2.5%
Titan Florida	Cementitious and aggregate	1,621,835	3.1%	Martin Gas Sales	Misc liquid bulk commodities	980,393	2.5%
Vulcan Materials	Limestone	1,421,500	2.8%	P&O Ports	Terminal operator for general cargo	922,672	2.3%
Norwegian Cruise Line	Cruise industry	1,376,013	2.6%	Vulcan Materials	Limestone	828,862	2.1%
	Total top ten customers	29,234,222	57.0%		Total top ten customers	19,889,050	50.6%
	Others	22,035,026	43.0%		Others	19,418,472	49.4%
	Total Operating Revenue - FY2015	\$ 51,269,248	100.0%		Total Operating Revenue - FY2006	\$ 39,307,522	100.0%

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	Percentage of Personal Income (1)	Per Capita (1)
2006	\$ 86,825,000	\$ 73,727,571	\$ 160,552,571	0.38%	\$ 142
2007	\$ 81,860,000	\$ 73,275,849	\$ 155,135,849	0.35%	\$ 134
2008	\$ 78,600,000	\$ 72,819,151	\$ 151,419,151	0.33%	\$ 128
2009	\$ 76,345,000	\$ 68,956,534	\$ 145,301,534	0.33%	\$ 121
2010	\$ 74,590,000	\$ 64,321,016	\$ 138,911,016	0.29%	\$ 114
2011	\$ 72,765,000	\$ 59,512,282	\$ 132,277,282	0.27%	\$ 107
2012	\$ 70,494,815	\$ 54,435,122	\$ 124,929,937	0.24%	\$ 99
2013	\$ 67,057,531	\$ 49,120,000	\$ 116,177,531	0.23%	\$ 91
2014	\$ 63,935,385	\$ 42,530,000	\$ 106,465,385	0.20%	\$ 84
2015	\$ 97,891,280	\$ -	\$ 97,891,280	0.18%	\$ 77

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

Table 9

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

	( a )	( b )	Net Revenue		( c )		( d )	( e )
Fiscal Year	Gross Revenues	Operating Expenses	Available for Debt Service		Principal	Debt Service Interest	Total	Coverage Ratio
2006	\$ 46,089	\$ 19,913	\$ 26,176		\$ 5,023	\$ 7,709	\$ 12,732	2.06
2007	\$ 43,178	\$ 21,436	\$ 21,742		\$ 6,155	\$ 7,979	\$ 14,134	1.54
2008	\$ 43,626	\$ 22,543	\$ 21,083		\$ 5,468	\$ 7,674	\$ 13,142	1.60
2009	\$ 44,018	\$ 22,867	\$ 21,151		\$ 6,725	\$ 7,276	\$ 14,001	1.51
2010	\$ 43,233	\$ 22,741	\$ 20,492		\$ 6,424	\$ 6,993	\$ 13,417	1.53
2011	\$ 43,829	\$ 23,743	\$ 20,086		\$ 6,723	\$ 6,691	\$ 13,414	1.50
2012	\$ 44,895	\$ 23,632	\$ 21,263		\$ 6,422	\$ 6,141	\$ 12,563	1.69
2013	\$ 46,875	\$ 24,259	\$ 22,616		\$ 8,837	\$ 5,780	\$ 14,617	1.55
2014	\$ 52,148	\$ 28,107	\$ 24,041		\$ 9,116	\$ 5,202	\$ 14,318	1.68
2015	\$ 53,288	\$ 28,318	\$ 24,970		\$ 8,574	\$ 4,760	\$ 13,334	1.87

( 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 the 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.

Bond Covenants for both the senior and junior lien debt require gross revenues sufficient to pay the sum of 120% of both junior and senior bond service requirements as well as 100% of operating expenses.

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

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

Table 10

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Operating Revenue</b>										
Port Usage Fees	\$ 29,352	\$ 27,256	\$ 28,334	\$ 28,947	\$ 29,909	\$ 31,394	\$ 32,835	\$ 31,539	\$ 36,429	\$ 38,975
Land & Building Leases	8,419	8,125	9,442	9,662	9,504	9,595	9,934	11,725	11,226	11,551
Tenant Utilities	624	629	552	519	531	591	545	476	531	536
Other Port Operating Revenue	913	905	919	719	683	514	348	349	244	207
<b>Total Operating Revenue</b>	<b>\$ 39,308</b>	<b>\$ 36,915</b>	<b>\$ 39,247</b>	<b>\$ 39,847</b>	<b>\$ 40,627</b>	<b>\$ 42,094</b>	<b>\$ 43,662</b>	<b>\$ 44,089</b>	<b>\$ 48,430</b>	<b>\$ 51,269</b>
<b>Non-Operating Revenue</b>										
Grants, Operating	\$ 340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income, Unrestricted	4,153	5,200	3,227	1,674	1,624	684	1,152	2,123	498	659
Other Non-Operating Income	2,288	1,063	1,152	2,497	982	1,051	81	663	3,220	1,360
<b>Total Non-Operating Revenue</b>	<b>\$ 6,781</b>	<b>\$ 6,263</b>	<b>\$ 4,379</b>	<b>\$ 4,171</b>	<b>\$ 2,606</b>	<b>\$ 1,735</b>	<b>\$ 1,233</b>	<b>\$ 2,786</b>	<b>\$ 3,718</b>	<b>\$ 2,019</b>
<b>Gross Revenue Available for Debt (a)</b>	<b>\$ 46,089</b>	<b>\$ 43,178</b>	<b>\$ 43,626</b>	<b>\$ 44,018</b>	<b>\$ 43,233</b>	<b>\$ 43,829</b>	<b>\$ 44,895</b>	<b>\$ 46,875</b>	<b>\$ 52,148</b>	<b>\$ 53,288</b>
<b>Less: Annual debt service requirement (b)</b>	<b>\$ 12,732</b>	<b>\$ 14,134</b>	<b>\$ 13,142</b>	<b>\$ 14,001</b>	<b>\$ 13,417</b>	<b>\$ 13,414</b>	<b>\$ 12,563</b>	<b>\$ 14,617</b>	<b>\$ 14,318</b>	<b>\$ 13,334</b>
<b>Net Revenue Available for payment of Operating Expenses:</b>	<b>\$ 33,357</b>	<b>\$ 29,044</b>	<b>\$ 30,484</b>	<b>\$ 30,017</b>	<b>\$ 29,816</b>	<b>\$ 30,415</b>	<b>\$ 32,332</b>	<b>\$ 32,258</b>	<b>\$ 38,714</b>	<b>\$ 39,954</b>
<b>Operating Expenses (c)</b>										
Personnel	\$ 8,441	\$ 8,912	\$ 9,407	\$ 10,089	\$ 10,580	\$ 10,378	\$ 10,512	\$ 10,690	\$ 12,880	\$ 13,477
Promotional	439	329	287	218	266	302	328	701	970	1,307
Administrative	11,033	12,195	12,849	12,560	11,895	13,063	12,792	12,868	14,257	13,534
<b>Total Operating Expenses</b>	<b>\$ 19,913</b>	<b>\$ 21,436</b>	<b>\$ 22,543</b>	<b>\$ 22,867</b>	<b>\$ 22,741</b>	<b>\$ 23,743</b>	<b>\$ 23,632</b>	<b>\$ 24,259</b>	<b>\$ 28,107</b>	<b>\$ 28,318</b>
<b>Surplus Port Revenues (d)</b>	<b>\$ 13,444</b>	<b>\$ 7,608</b>	<b>\$ 7,941</b>	<b>\$ 7,150</b>	<b>\$ 7,075</b>	<b>\$ 6,672</b>	<b>\$ 8,700</b>	<b>\$ 7,999</b>	<b>\$ 10,607</b>	<b>\$ 11,636</b>

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

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

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

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

Note 1: Years 2006 - 2011 were not restated per GASB 65, see Note 17 fiscal year 2014 audited financial statement

Table 11

**TAMPA PORT AUTHORITY  
HILLSBOROUGH COUNTY, FLORIDA  
Demographic and Economic Statistics  
Last Ten Years**

<b>Year</b>	<b>Population</b>	<b>Personal Income</b> <i>(in thousands)</i>	<b>Personal Income Per Capita</b>	<b>Median Age</b>	<b>Public High School Graduation Rates</b>	<b>Total Public School Enrollment</b>	<b>Unemployment Rate</b>
2005	1,139,510	37,379,401	32,803	36	79.5	193,669	3.6
2006	1,172,970	42,675,000	36,382	36	77.3	193,480	3.3
2007	1,184,686	44,394,128	37,473	36	79.1	193,062	4.0
2008	1,196,773	45,385,156	37,923	36	80.0	191,965	6.3
2009	1,214,050	43,600,982	35,914	36	84.6	193,239	10.7
2010	1,233,373	47,339,654	38,382	35	84.4	194,353	11.4
2011	1,267,775	49,671,035	39,180	35	86.4	200,074	10.5
2012	1,247,440	51,109,828	40,972	36	86.4	202,000	8.5
2013	1,263,050	52,541,062	41,599	37	87.4	202,885	7.0
2014	1,279,560	55,155,924	43,105	36	73.5	206,474	5.8
	(a) (c)	(a)	(a)	(c)	(b)	(c)	(c)

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

Table 12

**TAMPA PORT AUTHORITY  
HILLSBOROUGH COUNTY, FLORIDA  
Principal Employers  
Current Year and Nine Years Prior**

Employer	Type of Operation	2015			2006		
		Employees	%	Rank	Employees	%	Rank
Hillsborough County School Board	Public education	25,915	4.0%	1	24,969	4.4%	1
MacDill Air Force Base	Military base	18,853	2.9%	2	5,812	1.0%	5
Hillsborough County Government	Government	9,846	1.5%	3	11,290	2.0%	2
University of South Florida	Education services	8,968	1.4%	4	8,743	1.6%	3
Tampa General Hospital	Medical facilities	7,819	1.2%	5	4,920	0.9%	6
Tampa International Airport	International airport	7,000	1.1%	6	6,500	1.2%	4
Publix Super Markets, Inc.	Supermarkets	6,969	1.1%	7	4,702	0.8%	7
St. Joseph Hospital	Medical facilities	5,869	0.9%	8	4,407	0.8%	9
James A. Haley VA Hospital	Medical facilities	4,204	0.6%	9	4,300	0.8%	10
H. Lee Moffit Cancer Center	Medical facilities	4,200	0.6%	10	3,002	0.5%	12
HCA West Florida	Medical facilities	4,171	0.6%	11	--	0.0%	--
City of Tampa	Government	4,101	0.5%	12	4,700	0.8%	8
US Postal Service	Postal services	3,154	0.5%	13	3,951	0.7%	11
Tampa Electric Company	Electric utility	<u>2,443</u>	<u>0.4%</u>	<u>14</u>	<u>2,405</u>	<u>0.4%</u>	<u>13</u>
Total Principal Employers		113,512	17.3%		89,701	15.9%	
Other employers		538,907	82.7%		472,877	84.1%	
Total Hillsborough County employment		<u>652,419</u>	<u>100.0%</u>		<u>562,578</u>	<u>100.0%</u>	

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

Table 13

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Countywide (BOCC):</b>										
BOCC General Revenue	6.520	5.745	5.744	5.742	5.741	5.739	5.737	5.736	5.734	5.732
BOCC Library Service	0.692	0.608	0.558	0.558	0.558	0.558	0.558	0.588	0.558	0.558
Environmentally sensitive lands (voted)	<u>0.067</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>7.279</u>	<u>6.413</u>	<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>
Maximum millage per statute (a)	<u>10.067</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>
<b>Unincorporated Area (BOCC):</b>										
BOCC Municipal Service Taxing Unit	4.995	4.376	4.375	4.375	4.375	4.375	4.375	4.375	4.375	4.375
Parks and Recreation (voted)	<u>0.029</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>5.024</u>	<u>4.402</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>10.029</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>
<b>Countywide (Other):</b>										
Tampa Port Authority	0.220	0.198	0.195	0.193	0.190	0.190	0.185	0.175	0.165	0.155
Southwest Florida Water Management District	0.422	0.387	0.387	0.387	0.377	0.393	0.393	0.382	0.366	0.349
School Board	7.823	7.523	7.777	7.692	7.592	7.913	7.877	7.690	7.353	7.247
Children's Board	0.500	0.463	0.500	0.500	0.500	0.500	0.500	0.483	0.459	0.459
<b>Unincorporated Area (Other)</b>										
Southwest Florida Water Management District (b):										
Alafia River Basin	0.240	0.216	0.216	0.216	0.216	0.216	0.000	0.000	0.000	0.000
Hillsborough River Basin	0.285	0.255	0.255	0.242	0.242	0.230	0.000	0.000	0.000	0.000
NW Hillsborough Basin	0.268	0.242	0.242	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transit Authority	0.500	0.450	0.468	0.468	0.468	0.500	0.500	0.500	0.500	0.500
<b>Municipalities:</b>										
Tampa	6.408	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733	5.733
Temple Terrace	4.700	4.569	4.569	5.283	5.283	6.150	6.430	6.430	6.305	6.995
Plant City	4.910	4.165	4.165	4.716	4.716	4.716	4.716	4.716	4.716	4.716
Total millage for unincorporated area within the Alafia River Basin excluding any special district assessments (for analysis only)	22.008	20.052	20.306	20.217	20.103	20.471	20.211	20.015	19.596	19.461

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

(b) Dependent on its location, property within Tampa may either be in the Alafia, the Hillsborough River, or the NW Hillsborough Watershed Basin.

Plant City property may be in either the Alafia or the Hillsborough River Basin.

During fiscal year 2009, the NW Hillsborough Basin was merged into the Hillsborough River Basin.

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

Table 14

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

Taxpayer	Type of Business	2015			2006		
		Taxes Levied in thousands	Rank	Percentage of Total Taxes Levied	Taxes Levied in thousands	Rank	Percentage of Total Taxes Levied
Tampa Electric Company	Electric utility	\$ 41,735	1	2.7%	\$ 39,268	1	2.7%
Verizon Communications Inc.	Telecommunications	15,383	2	1.0%	16,861	2	1.2%
Hillsborough County Aviation Authority	Airport	10,967	3	0.7%	10,862	3	0.8%
Camden Operating LP	Real estate	5,379	4	0.4%	5,637	4	0.4%
Post Apartment Homes LP	Real estate management	5,227	5	0.3%	5,028	6	0.4%
Westfield	Shopping malls	4,917	6	0.3%	4,802	7	0.3%
Liberty Property	Property management	4,308	7	0.3%	3,887	10	0.3%
Metropolitan	Insurance	4,300	8	0.3%	-	-	-
Highwoods/Florida Holding LP	Real estate management	4,281	9	0.3%	5,183	5	0.4%
Wal-Mart	Retail stores	-	-	-	4,350	9	0.3%
Mosaic Company	Mining, fertilizer minerals	3,949	10	0.3%	4,795	8	0.3%
		<u>\$ 100,446</u>		<u>6.6%</u>	<u>\$ 100,673</u>		<u>7.1%</u>

Source: Hillsborough County Tax Collector

Table 15

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>PORT USAGE FEES, MAJOR CARGO CATEGORIES</b>										
<b>Bulk Cargo:</b>										
Dockage	\$ 4,077	\$ 3,699	\$ 3,686	\$ 3,470	\$ 3,754	\$ 3,800	\$ 3,705	\$ 4,282	\$ 4,048	\$ 4,740
Wharfage	6,277	6,165	6,079	5,632	6,423	6,157	5,968	6,341	6,261	7,271
<b>Subtotal, Bulk Cargo</b>	<b>\$ 10,354</b>	<b>\$ 9,864</b>	<b>\$ 9,765</b>	<b>\$ 9,102</b>	<b>\$ 10,177</b>	<b>\$ 9,957</b>	<b>\$ 9,673</b>	<b>\$ 10,623</b>	<b>\$ 10,309</b>	<b>\$ 12,011</b>
<b>Bulk Cargo Tonnage</b>	<b>15,533</b>	<b>14,266</b>	<b>13,144</b>	<b>12,116</b>	<b>13,706</b>	<b>12,722</b>	<b>12,194</b>	<b>12,318</b>	<b>12,142</b>	<b>13,517</b>
<b>Average Dockage &amp; Wharfage per Ton</b>	<b>\$ 0.67</b>	<b>\$ 0.69</b>	<b>\$ 0.74</b>	<b>\$ 0.75</b>	<b>\$ 0.74</b>	<b>\$ 0.78</b>	<b>\$ 0.79</b>	<b>\$ 0.86</b>	<b>\$ 0.85</b>	<b>\$ 0.89</b>
<b>General Cargo:</b>										
Dockage	\$ 1,122	\$ 1,072	\$ 763	\$ 642	\$ 559	\$ 613	\$ 746	\$ 769	\$ 839	\$ 859
Wharfage	2,381	2,530	2,581	2,637	1,949	2,232	2,442	2,327	2,378	2,538
<b>Subtotal, General Cargo</b>	<b>\$ 3,503</b>	<b>\$ 3,602</b>	<b>\$ 3,344</b>	<b>\$ 3,279</b>	<b>\$ 2,508</b>	<b>\$ 2,845</b>	<b>\$ 3,188</b>	<b>\$ 3,096</b>	<b>\$ 3,217</b>	<b>\$ 3,397</b>
<b>General Cargo Tonnage</b>	<b>1,205</b>	<b>1,312</b>	<b>1,235</b>	<b>1,095</b>	<b>863</b>	<b>968</b>	<b>1,162</b>	<b>1,068</b>	<b>1,030</b>	<b>1,030</b>
<b>Average Dockage &amp; Wharfage per Ton</b>	<b>\$ 2.91</b>	<b>\$ 2.75</b>	<b>\$ 2.71</b>	<b>\$ 2.99</b>	<b>\$ 2.91</b>	<b>\$ 2.94</b>	<b>\$ 2.74</b>	<b>\$ 2.90</b>	<b>\$ 3.12</b>	<b>\$ 3.30</b>
<b>Cruise:</b>										
Dockage	\$ 985	\$ 792	\$ 780	\$ 808	\$ 784	\$ 900	\$ 1,057	\$ 954	\$ 997	\$ 1,092
Wharfage	5,119	4,449	4,463	4,669	4,690	5,105	5,698	5,271	6,650	6,614
<b>Subtotal, Cruise / Passengers</b>	<b>\$ 6,104</b>	<b>\$ 5,241</b>	<b>\$ 5,243</b>	<b>\$ 5,477</b>	<b>\$ 5,474</b>	<b>\$ 6,005</b>	<b>\$ 6,755</b>	<b>\$ 6,225</b>	<b>\$ 7,647</b>	<b>\$ 7,706</b>
<b>Passenger Count (a)</b>	<b>911</b>	<b>781</b>	<b>768</b>	<b>803</b>	<b>807</b>	<b>876</b>	<b>974</b>	<b>854</b>	<b>888</b>	<b>867</b>
<b>Average Dockage &amp; Wharfage per Passenger</b>	<b>\$ 6.70</b>	<b>\$ 6.71</b>	<b>\$ 6.83</b>	<b>\$ 6.82</b>	<b>\$ 6.78</b>	<b>\$ 6.86</b>	<b>\$ 6.94</b>	<b>\$ 7.29</b>	<b>\$ 8.61</b>	<b>\$ 8.89</b>
<b>Combined Dockage &amp; Wharfage Major Cargo Category:</b>										
Bulk Cargo	\$ 10,354	\$ 9,864	\$ 9,765	\$ 9,102	\$ 10,177	\$ 9,957	\$ 9,673	\$ 10,623	\$ 10,309	\$ 12,011
General Cargo	3,503	3,602	3,344	3,279	2,508	2,845	3,188	3,096	3,217	3,397
Cruise	6,104	5,241	5,243	5,477	5,474	6,005	6,755	6,225	7,647	7,706
<b>Total Combined Dockage &amp; Wharfage Major Cargo</b>	<b>\$ 19,961</b>	<b>\$ 18,707</b>	<b>\$ 18,352</b>	<b>\$ 17,858</b>	<b>\$ 18,159</b>	<b>\$ 18,807</b>	<b>\$ 19,616</b>	<b>\$ 19,944</b>	<b>\$ 21,173</b>	<b>\$ 23,114</b>

continued

Table 15

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>OTHER PORT USAGE FEES:</b>										
Dockage/wharfage, non-cargo related	\$ 717	\$ 673	\$ 658	\$ 660	\$ 967	\$ 579	\$ 645	\$ 488	\$ 629	\$ 945
In lieu of Wharfage, (shortfalls, product via rail, truck)	1,157	859	2,587	2,891	3,723	4,647	4,147	5,535	9,088	9,729
Parking and related	5,569	5,431	4,976	5,892	5,208	5,659	5,896	4,935	4,901	4,297
Terminal Operations	1,670	1,288	1,409	1,361	1,357	1,490	2,268	411	405	607
Other Usage Fees	273	283	352	285	495	212	263	226	233	283
<b>Total Other Port Usage Fees:</b>	<u>\$ 9,386</u>	<u>\$ 8,534</u>	<u>\$ 9,982</u>	<u>\$ 11,089</u>	<u>\$ 11,750</u>	<u>\$ 12,587</u>	<u>\$ 13,219</u>	<u>\$ 11,595</u>	<u>\$ 15,256</u>	<u>\$ 15,861</u>
<b>PORT USAGE FEES, TOTAL</b>	<u>\$ 29,347</u>	<u>\$ 27,241</u>	<u>\$ 28,334</u>	<u>\$ 28,947</u>	<u>\$ 29,909</u>	<u>\$ 31,394</u>	<u>\$ 32,835</u>	<u>\$ 31,539</u>	<u>\$ 36,429</u>	<u>\$ 38,975</u>
<b>LAND &amp; BUILDING LEASES</b>	<u>\$ 8,419</u>	<u>\$ 8,125</u>	<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>
<b>OTHER OPERATING:</b>										
Tenant Utilities	\$ 624	\$ 582	\$ 553	\$ 520	\$ 532	\$ 591	\$ 545	\$ 476	\$ 531	\$ 536
Fingerprinting/Badging	798	841	810	624	606	430	275	277	182	160
Other Port Operating	115	112	108	94	76	84	73	72	62	47
<b>Total Other Operating Revenue</b>	<u>\$ 1,537</u>	<u>\$ 1,535</u>	<u>\$ 1,471</u>	<u>\$ 1,238</u>	<u>\$ 1,214</u>	<u>\$ 1,105</u>	<u>\$ 893</u>	<u>\$ 825</u>	<u>\$ 775</u>	<u>\$ 743</u>
<b>TOTAL OPERATING REVENUE</b>	<u>\$ 39,303</u>	<u>\$ 36,901</u>	<u>\$ 39,247</u>	<u>\$ 39,847</u>	<u>\$ 40,627</u>	<u>\$ 42,094</u>	<u>\$ 43,662</u>	<u>\$ 44,089</u>	<u>\$ 48,430</u>	<u>\$ 51,269</u>

(a) Source: Tampa Port Authority statistics

Table 16

TAMPA PORT AUTHORITY										
Annual Cargo Tonnages and Passenger Count										
Last Ten Fiscal Years										
(in thousands)										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DRY BULK CARGO										
Cement, Bulk	998	666	345	115	99	87	85	182	99	181
Citrus Pellets	125	138	138	103	94	96	71	86	43	35
Coal	168	216	-	-	-	-	-	-	-	-
Granite Rock, Bulk	588	604	977	1,204	968	1,014	854	734	653	584
Limestone	1,708	1,676	1,136	542	816	575	887	1,415	1,838	2,201
Phosphatic Chemical, Bulk	1,253	1,103	1,108	1,349	1,230	1,280	1,375	1,227	1,318	1,318
Other Dry Bulk	341	157	147	198	243	221	160	119	194	245
TOTAL DRY BULK CARGO:	5,181	4,560	3,851	3,511	3,450	3,273	3,432	3,763	4,145	4,564
LIQUID BULK CARGO										
Ammonia, Anhydrous	477	402	434	410	502	589	444	551	441	445
Concentrate & Citrus, Bulk	57	65	77	52	67	47	85	179	88	103
Petroleum Products	7,609	7,720	7,145	6,959	8,093	7,649	7,150	6,794	6,496	7,031
Sulphur, Liquid	2,025	1,329	1,321	922	1,244	1,008	929	888	885	1,145
Sulphuric Acid	111	108	219	179	271	96	88	53	12	65
Other Liquid Bulk	73	82	97	83	79	60	66	90	75	164
TOTAL LIQUID BULK CARGO:	10,352	9,706	9,293	8,605	10,256	9,449	8,762	8,555	7,997	8,953
TOTAL BULK CARGO:	15,533	14,266	13,144	12,116	13,706	12,722	12,194	12,318	12,142	13,517
GENERAL CARGO										
Containerized	149	297	364	397	304	311	342	363	415	487
Forest Products	62	3	8	1	-	-	-	-	-	-
General Cargo	7	19	34	24	10	3	18	16	12	6
Reefer Cargo	39	17	35	32	-	-	-	-	-	-
Scrap Metal	419	577	594	535	495	562	642	476	353	177
Steel Products	463	338	154	85	37	80	151	204	245	356
Vehicles (in tons)	66	61	46	21	17	12	9	9	5	4
TOTAL GENERAL CARGO:	1,205	1,312	1,235	1,095	863	968	1,162	1,068	1,030	1,030
TOTAL BULK AND GENERAL:	16,738	15,578	14,379	13,211	14,569	13,690	13,356	13,386	13,172	14,547
TOTAL TEUs (actual, includes empties)	23,167	39,435	43,892	48,788	44,000	39,632	39,882	42,198	47,265	56,742
TOTAL CRUISE PASSENGERS	911	781	768	803	807	876	974	854	888	867
TOTAL # OF SAILINGS (Actual)	219	193	178	185	187	199	213	187	198	206

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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>CHANNEL WIDTH (feet)</b>										
East Bay Channel	400	400	400	400	400	400	400	400	400	400
Ybor Channel	400	400	400	400	400	400	400	400	400	400
Port 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
<b>CHANNEL DEPTH (feet)</b>										
Sparkman Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Eastbay Channel (a)	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41	34/41
Ybor Channel	34	34	34	34	34	34	34	34	34	34
Port 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
<b>BERTHING SPACE</b>										
Wharf (linear feet)	11,855	11,855	11,855	12,855	16,655	17,235	17,235	18,435	18,435	18,435
Number of Berths	59	59	59	60	64	67	67	72	72	72
<b>TOTAL LAND (acres)</b>										
Port Owned/Usable - Estimated	2,551	2,454	2,454	2,454	2,485	2,485	2,595	2,595	2,620	2,620
Port Owned/Spoil Islands - Estimated	1,574	1,477	1,477	1,477	1,508	1,508	1,618	1,618	1,618	1,618
Leased - Estimated	977	977	977	977	977	977	977	977	1,002	1,002
	1,300	1,290	1,290	1,285	1,285	1,285	1,310	1,287	1,305	1,305
<b>HARD SURFACED OPEN STORAGE (acres)</b>										
	83	83	83	83	83	83	83	83	83	83
<b>COVERED STORAGE (sq. ft.)</b>										
	506,000*	506,000	506,000	506,000	506,000	506,000	506,000	506,000	506,000	506,000
<b>REFRIGERATED STORAGE (sq. ft.)</b>										
	114,000	118,267	118,267	-	-	-	-	-	-	-
<b>CRUISE TERMINAL SPACE (sq ft.)</b>										
	201,000*	201,000	201,000	201,000	201,000	232,500	232,500	232,500	232,500	232,500
<b>RAILROAD TRACK (miles)(Port Owned)</b>										
	7	7	7	7	7	2.5	2.5	4.5	4.5	4.5

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

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

Source: Tampa Port Authority Engineering Department

Table 18

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b><u>EXECUTIVE</u></b>										
Chief Executive Officer	3	3	3	3	3	3	3	4	4	5
Public Affairs	<u>3</u>	<u>2</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>5</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>6</u>
<b><u>CHIEF COMMERCIAL OFFICER</u></b>										
Chief Commercial Officer	-	-	-	-	-	-	-	2	2	2
Real Estate	4	5	5	5	5	5	5	6	6	5
Parking Operations	-	-	-	-	-	-	-	2	2	-
Planning & Economic Development	1	1	1	1	1	1	1	1	2	2
Marketing & Business Development	2	2	2	3	3	3	3	4	4	4
Cargo & Cruise Marketing	3	3	3	1	1	1	1	1	1	1
Trade Development	1	1	1	1	1	1	1	1	1	1
Branding & Regional Alliance	-	-	-	-	-	-	-	2	2	2
Operations	15	14	18	17	16	17	16	16	15	17
Cruise Operations	2	2	2	2	2	3	3	3	3	3
Engineering	14	15	16	16	16	17	17	16	17	18
Facilities Management	15	17	17	18	17	18	19	18	17	18
Security	<u>28</u>	<u>28</u>	<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>85</u>	<u>88</u>	<u>95</u>	<u>92</u>	<u>91</u>	<u>94</u>	<u>92</u>	<u>98</u>	<u>98</u>	<u>102</u>
<b><u>CHIEF LEGAL OFFICER</u></b>										
Port Counsel	4	4	4	5	4	4	4	4	4	5
Environmental Affairs	4	2	4	3	3	3	3	3	3	3
Human Resources	5	5	4	4	4	3	3	4	4	3
Procurement	-	-	-	-	2	2	3	3	2	2
Communications & Board Coordination	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
	<u>16</u>	<u>13</u>	<u>14</u>	<u>14</u>	<u>15</u>	<u>14</u>	<u>15</u>	<u>16</u>	<u>15</u>	<u>15</u>
<b><u>CHIEF FINANCIAL OFFICER</u></b>										
Chief Financial Officer	5	3	2	2	2	2	2	2	3	3
Finance	8	8	7	7	7	8	10	9	9	10
Chief Information Officer	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>5</u>	<u>5</u>	<u>5</u>
	<u>16</u>	<u>14</u>	<u>12</u>	<u>11</u>	<u>11</u>	<u>13</u>	<u>15</u>	<u>16</u>	<u>17</u>	<u>18</u>
<b>Total Positions</b>	<u>123</u>	<u>120</u>	<u>125</u>	<u>121</u>	<u>121</u>	<u>125</u>	<u>126</u>	<u>135</u>	<u>135</u>	<u>141</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)**

<b>Fiscal Year</b>	<b>Passenger Count ( a )</b>	<b>Cruise Operating Revenue ( b )</b>	<b>Average Revenue per Passenger</b>	<b>Total Operating Revenue</b>	<b>Percent of Cruise Operating to Total Operating</b>
2006	910,633	\$ 9,980,840	\$ 10.96	\$ 39,307,522	25.4%
2007	781,861	\$ 8,898,562	\$ 11.38	\$ 36,914,859	24.1%
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%

( a ) Passenger count includes passengers disembarking, embarking, and in transit from cruise ships.

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

Source: Tampa Port Authority statistics

Table 20

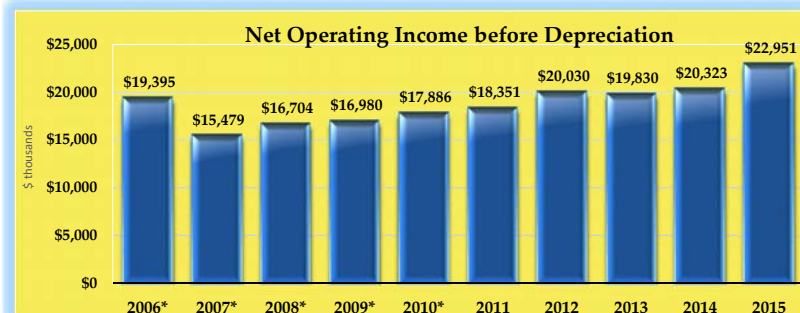
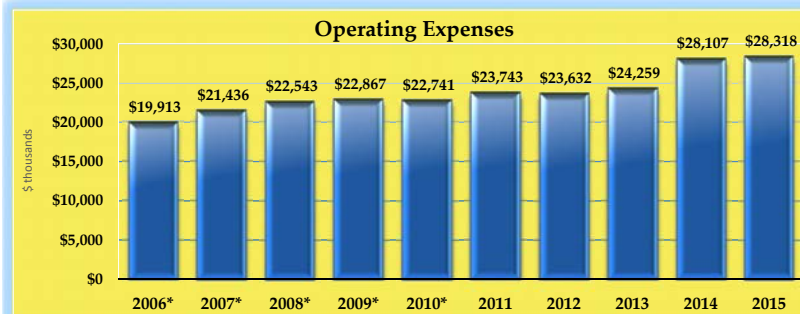
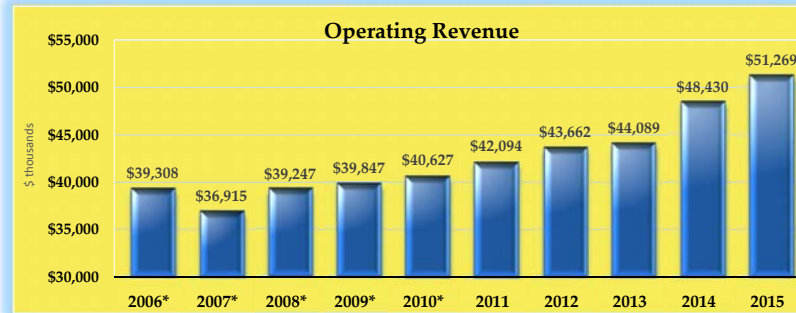
**TAMPA PORT AUTHORITY**  
**Insurance Coverage**  
**as of September 30, 2015**  
**(Unaudited)**

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 &amp; 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 &amp; Primary Auto)</i>	\$	45,000,000
Primary Automobile		
<i>Liability</i>	\$	1,000,000
<i>Personal Injury (PIP)</i>		Statutory
Employee Crime		
<i>Public Employees Dishonesty/Faithful Performance</i>	\$	1,000,000
<i>Forgery or Alteration</i>	\$	1,000,000
<i>Computer Fraud</i>	\$	1,000,000
<i>Funds Transfer Fraud</i>	\$	1,000,000
<i>Theft of Money &amp; Securities</i>	\$	500,000
Fire & Allied Property		
<i>Total Buildings and Allied</i>	\$	245,925,920
	<u>Sublimits:</u>	<u>Amount</u>
<i>Buildings</i>	\$	141,867,599
<i>Berths</i>	\$	90,489,700
<i>Inland Marine (Scheduled Equipment)</i>	\$	777,131
<i>Business Income</i>	\$	10,000,000
<i>Computer Related &amp; Video/Radio Equipment</i>	\$	2,791,490
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	\$	1,000,000
Hull/Machinery (Small boats)	\$	1,000,000
Vessel Owners Water Pollution	\$	1,000,000

Source: Tampa Port Authority Finance Department

Table 21

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



\* 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)  
(in thousands)**

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

Reported in short tons.

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

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

Table 23

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

<b>Fiscal Year</b>	<b>Dockage</b>	<b>Wharfage (a)</b>	<b>Passenger Terminal Income</b>	<b>Other Port Usage Fees</b>	<b>Total</b>
2006	\$ 6,901	\$ 14,939	\$ 5,569	\$ 1,943	\$ 29,352
2007	\$ 6,236	\$ 14,018	\$ 5,431	\$ 1,571	\$ 27,256
2008	\$ 5,887	\$ 15,710	\$ 4,976	\$ 1,761	\$ 28,334
2009	\$ 5,580	\$ 15,829	\$ 5,892	\$ 1,646	\$ 28,947
2010	\$ 6,064	\$ 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	\$ 889	\$ 38,975

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

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

Table 24

**TAMPA PORT AUTHORITY**  
**Summary of Leases of Principal Tenants**  
**as of September 30, 2015**  
**(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	110,936	361,477
AMEC Foster Wheeler Environment & Infrastructure, Inc	05/01/2015	5	2	3	67,924	67,924
American Victory Ship Memorial Museum	04/18/2000	4	4	4	12,000	12,000
Anova Food LLC	03/18/2008	3	2	1	15,793	15,793
Batson-Cook Co	08/01/2012	5.5	1	5	117,868	117,868
Bronco Transport, Inc.	12/01/2011	3	2	1	25,666	25,666
Cargill Grain (c )	05/01/1973	20	3	20	112,800	172,090
Cargill, Inc. (salt facility) (c )	07/01/1999	20	2	10	432,893	521,504
Carnival Cruise Lines (c )	06/18/2013	2.5	2	1	3,590,133	6,490,076
Carolco Industries Services	01/01/2015	2	3	1	65,906	65,906
Cemex Construction Materials (Cement) (b), (c )	11/01/2007	40	2	20	2,811,512	3,126,158
Cemex Construction Materials (Aggregate) (b ), (c )	07/01/2005	5	2	5	306,571	308,424
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	1,934,931	6,047,917
CBP Development LLC (fka Channelside Bay Mall LLC)	04/23/1997	39.7	8	5	771,520	771,520
Diversified Marine	07/01/2009	11	1	5	130,305	130,305
Ecoventure New Port Marina #1	05/19/2005	5	4	5	53,835	53,835
Ecoventure New Port Marina #2	11/01/2005	5	4	5	38,875	38,875
Gaetano Cacciatore, Inc. (c )	12/01/2005	25	8	5	1,092,617	1,092,617
Gladiator LLP (Titan) (c )	10/01/2006	20	4	5	135,106	135,106
Gulf Coast Bulk Equipment, Inc (b), (c )	03/01/2015	6	0	0	43,528	137,010
Gulf Marine Repair (berth 250/253) (b)	09/01/2006	10	3	10	1,051,300	1,051,300
Gulf Marine Repair (berth 251/252) (b)	11/01/2008	4	3	5	394,603	394,603
Gulf Sulphur Services (c )	01/01/2000	5	3	3	314,902	437,216
Halcrow, Inc.	02/01/2011	7	2	3	366,440	366,440
HCP Associates, Inc.	11/01/2008	5.3	1	3	28,291	28,291
International Ship Repair (berth 200/206)	02/01/2006	10	0	0	73,294	73,294
International Ship Repair (Metroport)	10/01/2009	5	5	5	291,461	291,461
Kinder Morgan Bulk Terminals	12/23/2002	20	4	10	91,733	91,733
Kloeckner Metal Corp	08/01/2011	8	6	1	241,614	241,614
Lands End Marina	04/01/2012	10	0	0	14,233	14,233
Lehigh Portland Cement (c )	09/01/2000	10	2	5	145,626	145,626
Marine Towing of Tampa	01/01/2006	10	3	5	25,521	25,521
Maritrans Operating Company, LP	01/01/1980	25	3	10	73,008	73,008
Martin Marietta Materials, Inc. (c )	06/01/2010	20	4	5	980,771	1,205,861
Martin Operating (c )	12/16/2006	10	2	5	428,726	725,152
Mosaic Crop Nutrition LLC (fka CF Ind) (fertilizer fac) (b ), (c )	06/01/1972	10	4	10	89,886	886,213
Multi-Family Construction, LLC	09/01/2014	11 mos	0	0	14,095	14,095
Murphy Oil USA, Inc. (c )	09/01/2007	20	2	10	567,106	818,197
Nexlube Tampa, LLC	06/06/2012	20	2	5	362,824	362,824
Online Transport Intel, LLC	02/01/2012	2	3	1	56,000	58,667
Orion Marine Construction, Inc	04/15/2015	7 mos	0	0	16,500	16,500
Pasco Terminals (c )	11/01/2000	10	2	5	172,496	172,496
Peninsula Property Holdings VIII, LLC	12/16/2010	5	4	5	12,707	12,707
Ports America (c )	05/30/2016	40	0	0	557,259	1,826,755

Table 24

**TAMPA PORT AUTHORITY**  
**Summary of Leases of Principal Tenants**  
**as of September 30, 2015**  
**(Unaudited)**

Tenant	Initial Date of Lease	Initial term	No. of Renewal Options	Option Term	Minimum Annual Revenue	Total Revenue Received (a)
Riverside Golf Community LLC	03/01/2015	5	5	5	10,251	10,251
Sea-3 of Florida, Inc. (c )	01/01/1999	22	3	10	482,933	482,933
Seabulk Towing, Inc.	05/01/2013	10	2	5	45,000	45,000
Starship Cruise Lines (c )	01/01/2006	10	2	10	62,363	75,135
Sulphuric Acid Trading (SATCO) (c )	11/01/1979	25	3	3/12/5	286,016	513,746
Superior Seafoods, Inc.	10/01/2012	1	0	0	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	57,016	100,138
Tampa Port Services (fka CF Ind) (ammonia term) (b ), (c )	04/01/1993	3.3	3	10	83,240	457,023
Tampa Ship LLC	03/01/2007	5	2	15	978,980	978,980
TC Port Ybor LLC	04/09/2004	40	4	10	91,369	91,369
Tarmac America (c )	01/01/2002	20	3	10	1,621,835	1,621,835
Trademark Metals (c )	12/01/1999	10	2	5	509,655	988,955
Transflo Terminal Services, Inc.	11/01/2012	5	3	5	332,602	2,264,515
Transmontaigne (c )	09/01/2007	20	2	10	925,774	2,045,772
TTI Holdings, Inc (b),(c )	04/01/2015	20	3	20	115,848	115,848
University of South Florida	06/01/2010	5	5	1	108,149	108,149
Vastec, Inc.	10/01/2011	7	2	2	219,528	219,528
Verizon Wireless Personal Communications	01/10/2014	5	3	5	36,064	36,064
Versaggi Shrimp Company	10/01/2012	1	0	0	17,776	17,776
Vulcan Materials (c )	10/01/2011	20	4	5	1,421,500	1,421,500
WCI Communities, Inc.	05/03/2005	5	7	5	85,966	85,966
Yara North America (L100)	10/01/2007	20	2	10	25,340	25,340
Yara North America (L258) (c )	05/01/2005	10	0	0	111,366	111,366
					<u>\$ 25,992,293</u>	<u>\$ 40,965,674</u>



PORT  
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PORT TAMPA BAY.

COMPLIANCE SECTION







## **Compliance Section**

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

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

Board of Commissioners  
Tampa Port Authority  
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of the Tampa Port Authority (the "Port Authority"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Port Authority's basic financial statements, and have issued our report thereon dated May 27, 2016. That report recognizes that the Port Authority implemented new accounting standards effective October 1, 2014.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

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

Tampa, Florida  
May 27, 2016

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

Board of Commissioners of  
Tampa Port Authority  
Tampa, Florida

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

We have audited the Tampa Port Authority's (the "Port Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the requirements described in the Florida Department of Financial Services, *State Projects Compliance Supplement* that could have a direct and material effect on each of the Port Authority's major federal programs and state financial assistance projects for the year ended September 30, 2015. The Port Authority's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

### ***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, the Port Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal award programs and state financial assistance projects for the year ended September 30, 2015.

### **Report on Internal Control over Compliance**

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

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program 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 federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2015-001 to be a material weakness.

### **The Port Authority's Response to Finding**

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

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

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

Tampa, Florida  
May 27, 2016

# TAMPA PORT AUTHORITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 2015

Grantor and Program Title	CFDA/CFSA Number	Grant Number	Award Amount	Due From Other Governments October 1, 2014	Receipts	Expenditures	Unearned Revenue September 30, 2015	Due From Other Governments September 30, 2015
Federal Agency:								
Department of Homeland Security								
Port Security Grant Program	97.056	EMW-2013-PU-00061-S01	\$ 792,645	\$ 25,125	\$ 668,912	\$ 648,300	\$ -	\$ 4,513
		ENW-2014-PU-0362-S01	1,688,475	-	577,084	725,942	-	148,858
Total Federal expenditures			2,481,120	25,125	1,245,996	1,374,242	-	153,371
State Agency:								
Florida Department of Transportation								
Intermodal Development Program	55.014							
Infrastructure Improvements		41274619401	22,561,713	996,436	1,638,692	790,067	-	147,811
Infrastructure Improvements		43332019401	2,516,669	128,463	374,032	1,366,371	-	1,120,802
Infrastructure Improvements		42250019401	12,030,326	899,399	1,907,819	1,260,031	-	251,611
Infrastructure Improvements		42282629401	10,400,000	-	-	1,071,017	-	1,071,017
Infrastructure Improvements		43488419401	750,000	31,100	246,289	339,668	-	124,479
Infrastructure Improvements		43488429401	679,925	-	-	65,869	-	65,869
Infrastructure Improvements		43513019401	2,200,000	-	-	567,568	-	567,568
Infrastructure Improvements		43600519401	12,000,000	-	5,577,675	5,577,675	-	-
Total Intermodal Development Program			63,138,633	2,055,398	9,744,507	11,038,266	-	3,349,157
State Infrastructure Bank	55.020	ARK67	12,000,000	-	1,225,000	1,225,000	-	-
Seaport Investment Program Bond Fund	55.034							
Transportation Systems Development		43332119401	7,500,000	94,419	1,910,843	1,340,903	882,253	406,732
Transportation Systems Development		43338719401	9,185,937	395,966	2,435,130	1,260,122	1,729,972	950,930
Transportation Systems Development		43338819401	6,000,000	671,514	2,265,917	1,928,787	2,600,301	2,934,685
Total Seaport Investment Program Bond Fund			22,685,937	1,161,899	6,611,890	4,529,812	5,212,526	4,292,347
Total state financial assistance			97,824,570	3,217,297	17,581,397	16,793,078	5,212,526	7,641,504
Total Federal expenditures and state financial assistance			\$ 100,305,690	\$ 3,242,422	\$ 18,827,393	\$ 18,167,320	\$ 5,212,526	\$ 7,794,875

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

## **TAMPA PORT AUTHORITY**

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

*FOR THE YEAR ENDED SEPTEMBER 30, 2015*

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#### **Note 1—Basis of presentation**

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

#### **Note 2—Contingencies**

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

#### **Note 3—Loans outstanding**

The Port Authority had a State Infrastructure Bank loan (CSFA #55.020) in the amount of \$1,225,000 outstanding at September 30, 2015. This loan balance outstanding is included in the state expenditures presented in the schedule.

# TAMPA PORT AUTHORITY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2015

### Part I—Summary of Auditor's Results

#### Financial Statement Section

Type of auditor's report issued:

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(ies) identified not

considered to be material weakness(es)?

Noncompliance material to financial statements noted?

#### Federal Awards and State Financial Assistance Section

Internal control over major programs:

Material weakness(es) identified?

Significant deficiency(ies) identified not

considered to be material weakness(es)?

Noncompliance material to federal awards noted?

Type of auditor's report issued on compliance for major programs:

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

Identification of the Major Federal Programs:

CFDA Number

97.056

Identification of the Major State Projects:

CSFA Number

55.014

55.020

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

Federal

State

Auditee qualified as low-risk auditee

Unmodified

\_\_\_\_\_ yes        x   no

\_\_\_\_\_ yes        x   none reported

\_\_\_\_\_ yes        x   no

  x   yes      \_\_\_\_\_ no

\_\_\_\_\_ yes        x   none reported

\_\_\_\_\_ yes        x   no

Unmodified

\_\_\_\_\_ yes        x   no

Name of Federal Program

Port Security Grant Program

Name of State Project

Intermodal Development Program

State Infrastructure Bank

\$ 300,000

\$ 503,792

\_\_\_\_\_ yes        x   no

## **TAMPA PORT AUTHORITY**

### **SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

*FOR THE YEAR ENDED SEPTEMBER 30, 2015*

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#### **Part II—Schedule of Financial Statement Findings**

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

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

#### **Part III—Federal Award Findings and Questioned Costs**

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

There were no findings required to be reported by Section 510(a) of OMB Circular A-133.

#### **Part IV—State Project Findings and Questioned Costs**

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

##### **2015-01 Material Weakness in Internal Control over Compliance**

###### **Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance (“SEFA”)**

**Criteria:** Management of the Port Authority is responsible for preparing appropriate financial statements, including the schedule of expenditures of federal awards and state financial assistance for the period covered by the Port Authority’s financial statements providing the total Federal awards and state financial assistance (i.e. the SEFA) expended for each individual Federal program and state project in accordance with Chapter 10.550, *Rules of the Auditor General*.

**Condition/Context:** During our audit it was noted that the Port Authority did not maintain adequate controls over preparation of the SEFA. In relation to the SEFA we noted that a State Infrastructure Bank loan project was incorrectly omitted from the SEFA.

**Cause:** The Port Authority did not properly identify a grant for inclusion on the SEFA. Errors are not identified through the current system of internal control over the SEFA preparation process, as a result.

## TAMPA PORT AUTHORITY

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2015

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

**Recommendations:** We recommend that the Port Authority enhance its formal general ledger closing process to ensure that all grant related expenditures are properly recorded on and reconciled to the SEFA. All new grant agreements should be reviewed by experienced individuals to determine whether or not the amounts should be included on the SEFA.

**Management's Response (Planned Corrective Action):**

The Port Authority recognizes the importance of accurately presenting the Schedule of Expenditures of Federal Awards and State Financial Assistance ("SEFA").

During fiscal year 2015 the Port began drawing down funds on a State Infrastructure Bank (SIB) loan. This was our first experience with a SIB loan. These funds were not initially included on the SEFA since, as a loan, staff did not realize they were to be treated the same as a grant for SEFA reporting purposes. Upon learning the correct reporting requirements as part of the year-end process, corrections were made and the SEFA was updated.

The Port Authority has enhanced its training for staff responsible for grant reporting and compliance in order to avoid future omissions. All SEFA reports will be reviewed by management.

## **TAMPA PORT AUTHORITY**

### **SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

*FOR THE YEAR ENDED SEPTEMBER 30, 2015*

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#### **Finding 2014-01 Material Weakness in Internal Control over Financial Reporting Process**

Finding: During fiscal year 2014, the Port Authority did not maintain adequate controls over financial reporting.

Status/Corrective Action: The Port Authority enhanced its internal controls over financial reporting by implementing additional processes, including reconciliations of trial balance accounts prior to the start of the audit.

## Independent Auditor's Management Letter

Board of Commissioners of  
Tampa Port Authority  
Tampa, Florida

### Report on the Financial Statements

We have audited the financial statements of the Tampa Port Authority (the "Port Authority"), as of and for the year ended September 30, 2015, and have issued our report thereon, dated May 27, 2016.

### 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*.

### Other Reports and Schedule

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Report of Independent Auditor on Compliance for Each Major Federal Program and State Finance Assistance Project and on Internal Control Over Compliance Required by OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on Compliance with Local Government Investment Policies. Disclosures in those reports and schedule, which are dated May 27, 2016, 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 the preceding annual 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 disclosure is included in the notes to the financial statements.

**Financial Condition**

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires that we report the results of our determination as to whether or not the Port 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 nothing came to our attention that would cause us to believe that the Port Authority met any of the conditions described in Section 218.503(1), Florida Statutes.

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

**Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, requires that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the Port Authority for the fiscal year ended September 30, 2015, 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, 2015. In connection with our audit, we determined that these two reports were in agreement.

**Other Matters**

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.

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

**Purpose of this Letter**

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

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

Tampa, Florida  
May 27, 2016

**Report of Independent Accountant on Compliance with Local  
Government Investment Policies**

Board of Commissioners of  
Tampa Port Authority  
Tampa, Florida

**Report on Compliance**

We have examined the Tampa Port Authority's (the "Port Authority's") compliance with the local government investment policy requirements of Section 218.415, *Florida Statutes*, during the year ended September 30, 2015. Management is responsible for the Port Authority's compliance with those requirements. Our responsibility is to express an opinion on the 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 the 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 the Port Authority's compliance with specified requirements.

**Opinion**

In our opinion, the Port Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.



Tampa, Florida  
May 27, 2016



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