



Annual Comprehensive Financial Report

June 30, 2022 and 2021

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TAMPA-HILLSBOROUGH COUNTY EXPRESSWAY AUTHORITY

MEMBERS OF THE AUTHORITY

June 30, 2022

GUBERNATORIAL APPOINTEES

Vincent Cassidy, Chairman

Bennett Barrow, Vice Chairman

Daniel Alvarez, Secretary

John Weatherford, Member

EX-OFFICIO

Mayor Jane Castor, Member, City of Tampa, Florida

Honorable Ken Hagan, Member, Board of County Commissioners,
Hillsborough County, Florida

David Gwynn, Member, District Secretary,
Florida Department of Transportation

STAFF

Greg Slater, Executive Director

Amy Lettelleir, Esquire, General Counsel

Jeff Seward, Director of Finance

Robert Frey, AICP, Director of Planning and Innovation

Brian Pickard, Director of Operations and Engineering

Susan Chrzan, Director of Public Affairs

Andy Lelewski, Director of Toll Operations

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Tampa-Hillsborough County Expressway Authority's ("Authority") annual comprehensive financial report presents our discussion and analysis of its financial performance during the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows at the close of the fiscal year by \$578,423,581.

Change in net position for fiscal year ended June 30, 2022 totaled \$68,744,014 as a result of operations.

Construction in progress increased by approximately \$21 million from the prior year due to the construction of new access ramps for the reversible express lanes in two locations along the Selmon Expressway.

Long-term debt decreased by approximately \$17 million as a result of principal payments made.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual comprehensive financial report consists of six parts; Management's Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, Other Supplementary Information, Other Regulatory Reports, and Other Information. The Financial Statements also include notes that explain in more detail some of the information contained therein.

BASIC FINANCIAL STATEMENTS

The Financial Statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statement of Net Position includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. All of the current year revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through user fees and other charges, profitability, and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where cash came from, what was cash used for, and what was the change in cash balance during the reporting period.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Authority's trend data on infrastructure condition and information on net pension liability and pension contributions.

The Statement of Net Position presents information on all of the Authority's assets and deferred outflows, and liabilities and deferred inflows, with the difference between them reported as net position. The net position is one way to measure the financial health or financial position.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

FINANCIAL ANALYSIS OF THE AUTHORITY

Over time, increases or decreases in the Authority's net position is one indicator of whether its financial health is improving or deteriorating. However, other non-financial factors should be considered, such as economic conditions, population growth, and changing government legislation.

NET POSITION

The following table summarizes the Authority's Statement of Net Position (in millions):

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Unrestricted current assets	\$ 35.32	\$ 57.99	\$ 32.54
Restricted current assets	29.48	23.66	33.65
Restricted assets			
Cash and investments	244.10	199.69	244.57
Receivables and other	19.26	17.21	14.84
Capital assets			
Property and equipment - net	1,006.41	996.42	737.59
Construction in progress	<u>129.38</u>	<u>108.33</u>	<u>294.75</u>
Total assets	<u>1,463.95</u>	<u>1,403.30</u>	<u>1,357.94</u>
Deferred outflows of resources	<u>21.03</u>	<u>23.69</u>	<u>26.24</u>
Current liabilities	4.00	2.62	2.60
Restricted current liabilities	29.48	23.66	33.65
Long-term debt			
Bonds payable	654.79	671.78	665.19
Due to other governments	213.83	213.83	213.83
Compensated absences	0.18	0.15	0.41
Pension liability	<u>1.58</u>	<u>5.13</u>	<u>4.31</u>
Total liabilities	<u>903.86</u>	<u>917.17</u>	<u>919.99</u>
Deferred inflows of resources	<u>2.70</u>	<u>0.14</u>	<u>0.26</u>
Net position			
Invested in capital assets, net of related debt	273.19	264.84	223.92
Restricted	286.20	198.55	218.02
Unrestricted	<u>19.03</u>	<u>46.29</u>	<u>21.99</u>
Total net position	<u>\$ 578.42</u>	<u>\$ 509.68</u>	<u>\$ 463.93</u>

As can be seen from the above table, restricted cash and investments increased \$44.41 million which is a result of expenditures for construction in progress totaling \$32.48 million. During the year ended June 30, 2022 the Authority had a strong operational performance of an increase in net position of \$68.74 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

NET POSITION - Continued

The following table summarizes the Authority's Statement of Revenues, Expenses, and Changes in Net Position (in millions):

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Toll revenues	\$ 114.07	\$ 87.86	\$ 87.90
Expenses			
Operating expenses	15.76	13.59	15.31
General and administrative	6.82	6.14	6.68
Total expenses	<u>22.58</u>	<u>19.73</u>	<u>21.99</u>
Operating net income	91.49	68.13	65.91
Net non-operating expenses	<u>(24.55)</u>	<u>(24.52)</u>	<u>(19.88)</u>
Income before capital grants	66.94	43.61	46.03
Capital grants	<u>1.80</u>	<u>2.14</u>	<u>1.81</u>
Increase in net position	68.74	45.75	47.84
Net position at beginning of year	<u>509.68</u>	<u>463.93</u>	<u>416.09</u>
Net position at end of year	<u>\$ 578.42</u>	<u>\$ 509.68</u>	<u>\$ 463.93</u>

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses, and Changes in Net Position, provides details as to the nature and source of these changes. As can be seen from the above table, revenues increased over prior year due to the opening of the Gandy West Extension, the increase in the Tampa Bay population and recognition of ETAN Toll revenues. Operating expenses increased \$2.14 million which was related to an increase in operational services in the current year. Capital grant revenue decreased by \$0.34 million due to the Connected Vehicle Pilot project moving to its fourth implementation phase.

BUDGETARY PROCESS

The Authority's Operating Budget is recommended by the Finance and Budget Committee of the Authority's governing board. The budget is based upon a review of current revenues and expenditures and the projected future funding needs of the Authority for administration, operations, maintenance, and the annual approved work program. The budget is then approved by the Authority's governing board.

The development of the Authority's six-year work program is a combined effort between the Executive Director and the Directors of Planning, Roadway Operations, Toll Operations and the Director of Finance. Annual updates to the work program will be presented to the Authority's governing board for approval in conjunction with the annual budget.

Toll revenues were higher than budgeted by \$26.21 million due to higher traffic counts than expected as a result of the effects of the coronavirus pandemic being lifting combined with an increase in population.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

BUDGETARY PROCESS - Continued

Expenses were higher than budget by \$2.04 million due to additional operations and maintenance expenditures due to increased traffic, projects and pension and retirement expenditures that are not normally budgeted for on an annual ongoing operational basis.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets consist of the following:

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Assets subject to depreciation	\$ 38,048,601	\$ 11,045,297	\$ (28,473)	\$ 49,065,425
Less accumulated depreciation	<u>(32,336,944)</u>	<u>(1,421,136)</u>	<u>28,473</u>	<u>(33,729,607)</u>
	5,711,657	9,624,161	-	15,335,818
Assets not subject to depreciation	<u>990,711,803</u>	<u>360,436</u>	<u>-</u>	<u>991,072,239</u>
Total property and equipment	<u>\$ 996,423,460</u>	<u>\$ 9,984,597</u>	<u>\$ -</u>	<u>\$ 1,006,408,057</u>
Construction in progress	<u>\$ 108,327,584</u>	<u>\$ 32,457,104</u>	<u>\$ (11,405,733)</u>	<u>\$ 129,378,955</u>

The Authority's investment in capital assets includes buildings, improvements, furniture and equipment and roads. Additionally, the Authority added approximately \$33 million of construction in progress improvements related to the South Selmon Safety Project, the Meridian Improvement Project and the addition of Reversible Express Lanes ramps to downtown, and various other projects. The Authority also allowed for the transfer of approximately \$11.38 million of construction in progress to infrastructure in service.

INFRASTRUCTURE PRESERVATION

It is the policy of the Authority that it will take all necessary actions to ensure that infrastructure assets are maintained, repaired, renewed and, when needed, replaced, so as to last indefinitely. Depreciation is not recorded as long as the infrastructure assets are maintained at the level established by the Authority. Routine maintenance and renewal and replacement costs are expensed annually. The Authority's policy is to maintain the roadway condition and a Maintenance Rating Program (MRP) rating 90 or better. The Authority's GEC has determined that the overall rating of the Expressway System in the Florida Department of Transportation's Maintenance Rating Program exceeds minimum standards. For fiscal year 2022, road maintenance expenses were \$4,970,930 and renewal and replacement expenses \$30,682.

Anticipated major renewal and replacement activities have been identified and included in the six-year work program. A \$10 million renewal and replacement reserve has been established by the Authority.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

SIGNIFICANT EVENTS

In 2022, THEA and the community celebrated the first anniversary of the opening of the Selmon Extension project, which provides a safer and more connected drive from Pinellas to Hillsborough. This project was made possible by a team committed to listening and addressing the needs of our community with a design that was not just a transportation solution but also aesthetically pleasing with additional landscape and beautification efforts, funded by the Series 2017 Bonds.

Also, in 2022, THEA began constructing "Slip Ramps" on the east side of the Expressway. Slip Ramps are additional access points/internal ramps within the Expressway; they are the on-ramps and off-ramps from the Selmon Expressway to the Reversible Express Lanes (REL). Construction of the Slip Ramps will allow westbound drivers to enter the Reversible Express Lanes (REL) near I-75, and then exit the REL near IKEA and continue on the local lanes of the Selmon Expressway to destinations further west. This will reduce morning congestion on the westbound Selmon Expressway near I-75, avoid congestion near the I-4 Connector, and reduce backup at the Twiggs Street and REL intersection. With the ability to exit further west, the Slip Ramps will create greater connectivity within the Selmon Expressway system, resulting in less off-system traffic. Construction is expected to finish in the fall of 2023 and the project is funded by both THEA revenue and the Series 2020A Bonds.

LONG TERM DEBT

In December 2012, the Authority issued \$192.43 million in Tampa-Hillsborough County Expressway Authority Refunding Revenue Bonds, Series 2012A, \$141.73 million in Tampa-Hillsborough County Expressway Authority Refunding Revenue Bonds, Series 2012B, \$35.04 million in Tampa-Hillsborough County Expressway Authority Taxable Revenue Bonds, Series 2012C; and \$70.1 million in Tampa-Hillsborough County Expressway Authority Taxable Refunding Revenue Bonds, Series 2012D. The refunding bond issues were used to refund the remaining 2002 (\$73.9 million) and the 2005 (\$248.3 million) bonds. The bonds were issued under a new Tampa-Hillsborough County Expressway Authority Master Bond Resolution.

During the year ended June 30, 2018 the Authority issued \$157,780,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2017; \$152,410,000 in Tampa-Hillsborough County Expressway Authority Refunding Revenue Bonds, Series 2017B; and \$36,190,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2017C. The funds were used to fund the Selmon West Extension Project which includes the construction of 2.5 miles of elevated roadway over a portion of the existing Gandy Boulevard in South Tampa; refund the Series 2012B Bonds; and to fund the South Selmon Safety Project and the Meridian Improvement Project.

During the year ended June 30, 2021, the Authority issued \$20,090,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2020A and \$202,210,000 in Tampa-Hillsborough County Expressway Authority Taxable Refunding Revenue Bonds, Series 2020B. The funds were used to fund the costs of acquiring, constructing, and equipping certain capital improvements to the Expressway System and to advance refund the Series 2012A Bonds.

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

In September 2020, the Authority deposited cash on hand of \$210,397,502 into an irrevocable escrow to advance refund, through an in-substance defeasance, \$192,435,000 of the Series 2012A Refunding Revenue Bonds. As a result, the Series 2012A Bonds are considered to be defeased and the escrowed assets and the liability for the bonds have been removed from these financial statements. The Authority achieved a cash flow difference and an economic gain of \$468,871 as a result of the refunding.

The Series 2012 Bonds were rated A- by Standards & Poor's and A3 by Moody's Investors Services. On February 4, 2014, the bonds were upgraded to a rating of A by Standards & Poor's. Moody's upgraded the bonds to a rating of A2 on December 15, 2016. The Series 2017, 2017B and 2017C bonds were rated A+ by Standards & Poor's and A2 by Moody's Investors Services. The Series 2020A and 2020B bonds were rated A+ by Standards & Pooors and A2 by Moody's Investors Services.

The Authority has amounts due to the Florida Department of Transportation (the "Department") for prior payments of operation and maintenance costs of the expressway system and renewal and replacement costs which occurred under the LPA that was terminated in December 2012; (\$200.4 million). The Authority also owes the Department \$13.8 million in State Transportation Trust loans and interest. The Authority has agreed to repay the Department in twenty annual payments beginning July 1, 2025.

Pursuant to the Tampa-Hillsborough County Expressway Authority Master Bond Resolution, the Traffic and Revenue Engineer has verified that pledged funds estimated for fiscal year 2022 will be sufficient to comply with estimated bond payments as required by the terms of the Master Resolution.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In the development of the FY2023 revenue budget, the Authority's Traffic and Revenue Engineer, Stantec Consulting Services Inc, reviewed the performance of the FY2022 budget forecast. Through the first 6 months of FY2022 (the timing of the development of the FY2023 forecast), actual revenues were over 10 percent higher than forecasted demonstrating a quicker recovery from the COVID-19 pandemic than anticipated. Based on this accelerated recovery, the FY2023 forecast used the long-term growth rates based on steady population growth as opposed to the higher recovery growth rates seen in FY2022. Through the first 6 months of FY2023 the forecast is performing well despite 19 days of suspended tolls due to the hurricane season.

CONTACTING THE AUTHORITY'S MANAGEMENT

The financial report is designated to provide our citizens, customers, investors, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives.

If you have questions about this report or need additional information, contact the Tampa-Hillsborough County Expressway Authority's Director of Finance at 1104 East Twiggs Street, Suite 300, Tampa, Florida 33602, phone number 813-272-6740.



INDEPENDENT AUDITORS' REPORT

Distinguished Members of the Authority
Tampa-Hillsborough County Expressway Authority

Opinion

We have audited the accompanying financial statements of the Tampa-Hillsborough County Expressway Authority (the "Authority") as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2022 and 2021 and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tampa-Hillsborough County Expressway Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit opinion.

Responsibilities of Management 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; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tampa-Hillsborough County Expressway Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Tampa-Hillsborough County Expressway Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tampa-Hillsborough County Expressway Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 2 - 7), Trend Data on Infrastructure Condition (page 40), and pension schedules (pages 41 - 42) 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2023, on our consideration of the 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 Authority's internal control over financial reporting and compliance.

Tampa, Florida
January 23, 2023



Tampa-Hillsborough County Expressway Authority

STATEMENTS OF NET POSITION

June 30,

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (notes B2 and C)	\$ 8,530,999	\$ 6,681,292
Restricted cash and investments to meet current liabilities	29,476,727	23,663,398
Accounts receivable - tolls (note B4)	2,063,973	1,698,285
Investments (notes B3 and C)	23,680,471	48,610,743
Other assets	1,040,147	1,001,071
	<u>64,792,317</u>	<u>81,654,789</u>
RESTRICTED ASSETS		
Investments (notes B3 and C)	244,100,137	199,687,554
Accrued interest receivable	347,127	85,232
Accounts receivable - tolls (note B4)	18,575,762	15,284,570
Grant receivable	334,708	1,838,093
	<u>263,357,734</u>	<u>216,895,449</u>
PROPERTY AND EQUIPMENT (notes B8, B9 and D)		
Capital assets not being depreciated:		
Land and infrastructure	991,072,239	990,711,803
Capital assets		
Buildings and improvements	17,547,334	10,677,826
Furniture and equipment	31,438,131	27,314,156
Vehicles	79,960	56,619
Accumulated depreciation	<u>(33,729,607)</u>	<u>(32,336,944)</u>
Total property and equipment	<u>1,006,408,057</u>	<u>996,423,460</u>
CONSTRUCTION IN PROGRESS (notes B7, D, and I)	<u>129,378,955</u>	<u>108,327,584</u>
TOTAL ASSETS	<u>1,463,937,063</u>	<u>1,403,301,282</u>
DEFERRED OUTFLOWS OF RESOURCES (note B10)	<u>21,025,276</u>	<u>23,687,773</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>21,025,276</u>	<u>23,687,773</u>

Tampa-Hillsborough County Expressway Authority
STATEMENTS OF NET POSITION - CONTINUED

June 30,

	2022	2021
LIABILITIES		
CURRENT LIABILITIES FROM UNRESTRICTED ASSETS		
Accounts payable	3,793,348	2,223,569
Accrued expenses	196,399	398,064
Total current unrestricted liabilities	3,989,747	2,621,633
CURRENT LIABILITIES FROM RESTRICTED ASSETS		
Accounts and contracts payable (note B7)	2,668,509	1,690,542
Current portion of revenue bonds payable (note E)	15,130,000	9,780,000
Interest payable	11,672,929	11,814,080
Unearned revenue	5,289	378,776
Total current liabilities payable from restricted assets	29,476,727	23,663,398
Total current liabilities	33,466,474	26,285,031
LONG-TERM LIABILITIES due after one year (note E)		
Revenue bonds payable	654,787,727	671,777,178
Due to governmental agencies	213,833,835	213,833,835
Compensated absences	180,530	149,029
Net pension liability (note G)	1,575,064	5,126,936
Total long-term liabilities	870,377,156	890,886,978
TOTAL LIABILITIES	903,843,630	917,172,009
DEFERRED INFLOWS OF RESOURCES (note B11)	2,695,128	137,479
TOTAL DEFERRED INFLOWS OF RESOURCES	2,695,128	137,479
NET POSITION		
Invested in capital assets, net of related debt	273,187,302	264,837,877
Restricted - capital projects	160,738,522	82,610,724
Restricted - operation, maintenance and administrative reserve	45,067,977	38,957,039
Restricted - debt service	80,395,635	76,979,028
Unrestricted	19,034,145	46,294,899
TOTAL NET POSITION	\$ 578,423,581	\$ 509,679,567

The accompanying notes are an integral part of these statements.

Tampa-Hillsborough County Expressway Authority

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the year ended June 30,

	<u>2022</u>	<u>2021</u>
Toll revenues	\$ 114,065,752	\$ 87,858,603
Operating expenses		
Operations	8,615,234	6,385,631
Maintenance	4,970,930	4,063,008
Renewal and replacement	30,682	1,547,977
Depreciation	1,421,136	1,127,909
Other expenses	720,379	467,024
Total operating expenses	<u>15,758,361</u>	<u>13,591,549</u>
General and administrative expenses		
Payroll expense	3,725,666	4,536,339
Outside services	1,383,720	1,104,781
Occupancy and office expense	1,711,829	495,295
Total general and administrative expenses	<u>6,821,215</u>	<u>6,136,415</u>
Total expenses	<u>22,579,576</u>	<u>19,727,964</u>
Income from operations	<u>91,486,176</u>	<u>68,130,639</u>
Non-operating revenues (expenses)		
Investment income	720,370	1,393,636
Net decrease in the fair value of investments	(2,990,309)	(869,506)
Miscellaneous revenue	1,271,321	916,218
Gain on sale of asset	4,200	-
Interest expense	(23,551,880)	(24,485,663)
Debt issuance costs	-	(1,477,852)
Total non-operating expenses	<u>(24,546,298)</u>	<u>(24,523,167)</u>
Income before capital grants	66,939,878	43,607,472
Capital grants	<u>1,804,136</u>	<u>2,144,420</u>
Increase in net position	68,744,014	45,751,892
Net position at beginning of year	<u>509,679,567</u>	<u>463,927,675</u>
Net position at end of year	<u>\$ 578,423,581</u>	<u>\$ 509,679,567</u>

The accompanying notes are an integral part of these statements.

Tampa-Hillsborough County Expressway Authority

STATEMENTS OF CASH FLOWS

For the year ended June 30,

	<u>2022</u>	<u>2021</u>
Operating activities		
Receipts from customers	\$ 110,408,872	\$ 87,102,927
Payments to suppliers	(17,411,659)	(16,067,358)
Payments to employees	(3,158,265)	(5,157,786)
Net cash from operating activities	<u>89,838,948</u>	<u>65,877,783</u>
Non-capital financing activities		
Miscellaneous non-operating revenue	<u>1,271,321</u>	<u>916,218</u>
Capital and related financing activities		
Acquisition and construction of capital assets	(31,477,836)	(78,324,923)
Proceeds from bond issuance	-	227,888,253
Interest paid on revenue bonds	(23,486,971)	(26,554,583)
Principal payments on bonds payable	(9,780,000)	(219,637,259)
Cash proceeds from grant	3,307,519	479,004
Bond issuance costs	-	(1,477,852)
Net cash from capital and related financing activities	<u>(61,437,288)</u>	<u>(97,627,360)</u>
Investing activities		
(Purchases) proceeds of investments, net	(23,993,177)	30,991,823
Interest received on investments	458,475	1,368,656
Net cash from investing activities	<u>(23,534,702)</u>	<u>32,360,479</u>
Net increase in cash	6,138,279	1,527,120
Cash and cash equivalents at beginning of year	<u>14,188,110</u>	<u>12,660,990</u>
Cash and cash equivalents at end of year	<u>\$ 20,326,389</u>	<u>\$ 14,188,110</u>
Cash and cash equivalents - unrestricted	\$ 8,530,999	\$ 6,681,292
Cash and cash equivalents - restricted for current liabilities	<u>11,795,390</u>	<u>7,506,818</u>
Cash and cash equivalents at end of year	<u>\$ 20,326,389</u>	<u>\$ 14,188,110</u>

The accompanying notes are an integral part of these statements.

Tampa-Hillsborough County Expressway Authority

STATEMENTS OF CASH FLOWS - CONTINUED

For the year ended June 30,

	<u>2022</u>	<u>2021</u>
Reconciliation of operating income to net cash provided by operating activities		
Income from operations	\$ 91,486,176	\$ 68,130,639
Adjustments to reconcile income from operations to net cash provided by operating activities		
Depreciation	1,421,136	1,127,909
Changes in assets and liabilities		
Accounts receivable - tolls	(3,656,880)	(755,654)
Other assets	(39,076)	(839,351)
Accounts payable	1,568,488	(155,983)
Unearned revenue	(373,495)	(2,251,224)
Pension items	(397,237)	697,904
Other liabilities	(170,164)	(76,457)
Total adjustments	<u>(1,647,228)</u>	<u>(2,252,856)</u>
Net cash provided by operating activities	<u>\$ 89,838,948</u>	<u>\$ 65,877,783</u>

The accompanying notes are an integral part of these statements.

NOTES TO BASIC FINANCIAL STATEMENTS

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE A - ORGANIZATION AND REPORTING ENTITY

Tampa-Hillsborough County Expressway Authority (the "Authority") was created as a body politic, corporate, and an agency of the State of Florida, under Chapter 348, Part IV, Sections 348.50, et seq., Florida Statutes, effective July 1, 1974. It was created for the purposes of and having the power to construct, reconstruct, improve, extend, repair, maintain and operate the expressway system within Hillsborough County, Florida.

The Authority's governing body consists of a board of seven members (the "Board"). Four members are appointed by the Governor of the State of Florida, subject to confirmation by the State Senate. Serving as ex-officio members are: the Mayor of the City of Tampa, Florida (the "City"), or their designee; one member of the Board of County Commissioners of Hillsborough County, Florida (the "County"), selected by such board; and, the District Secretary of the Florida Department of Transportation ("FDOT") serving the district that contains the County, currently District Seven.

The Authority has been determined to be an "Independent Special District", as described in Section 189.403, Florida Statutes, and is a "Related Organization" of the State of Florida, which is referred to as the "Primary Government." The State of Florida appoints a voting majority of the board but does not have financial accountability.

The Authority is a stand-alone entity for financial reporting purposes; there are no component units included in the accompanying financial statements, and the Authority is not considered a component unit of another entity.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Accounting

The Authority accounts for its activities through use of an enterprise fund. Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of a change in financial position is necessary or useful for sound financial administration (business-type activities). Since the Authority only has business-type activities, it is considered a special-purpose government for financial reporting under Governmental Accounting Standards Board (GASB) No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments (GASB 34)*. Accordingly, the Authority only presents fund financial statements as defined by GASB 34. The Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Cash and Cash Equivalents

Cash and investments with a maturity of three months or less when purchased are considered cash equivalents.

3. Investments

Investments consist of deposits in investment pools and specific accounts maintained by the Treasurer of the State of Florida and commercial banks.

4. Accounts Receivable

The Selmon Expressway has all electronic tolling. Tolls are collected through the use of either SunPass or Video Toll Collection (VTC). VTC utilizes cameras to record license plate images and a bill for the tolls is sent to the registered owner of the vehicle.

The Authority records accounts receivable at estimated net realizable value. Accordingly, accounts receivable at June 30, 2022 and 2021 are shown net of allowances for doubtful accounts. The Authority has determined that no allowance is deemed necessary at June 30, 2022 and 2021, respectively.

5. Debt Service Payments

Debt service payments of principal are recorded at the time funds are disbursed to the paying agent while interest is recorded in the period it relates to. Funds disbursed to the paying agent are no longer under the control of the Authority and cannot be retrieved by the Authority. Principal payments are due on July 1 of each year. Interest payments are due on each January 1 and July 1. In effect, debt service payments of principal will not be recorded until paid, but interest will be recorded and accrued for the amount due on July 1, at the end of the fiscal year.

6. Bond Premiums and Discounts

Bond premiums and discounts are amortized over the life of the related bond issued, which approximates the effective interest method. Bond premiums and discounts are presented as an addition and a reduction, respectively to the bond payable balances.

7. Construction in Progress

Costs associated with the construction of new infrastructure assets or betterments of existing infrastructure assets are recorded as construction in progress. Upon completion of construction or betterment of an asset, the construction in progress account is closed to the infrastructure asset account. Interest costs incurred prior to the end of a construction period are expensed in the period they are incurred.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8. Property and Equipment

Infrastructure assets, roadways and bridges, are recorded at historical cost, including the costs of right of way, engineering fees, and construction cost. Furniture and equipment, including toll collection equipment, are recorded at historical cost plus the cost of installation for toll collection equipment. The Authority capitalizes asset acquisitions over \$5,000.

9. Depreciation

Depreciation of toll equipment, buildings, toll facilities, and furniture and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

Buildings	36 years
Land improvements	10 - 15 years
Electronic toll collection equipment	5 - 10 years
Furniture and equipment	5 years
Computers and software	3 years

The preservation method of accounting is used for infrastructure assets; roads, bridges and other highway improvements with indefinite lives. It is the policy of the Authority that all necessary actions will be taken to ensure that its infrastructure assets will be maintained, repaired, renewed and, when needed, replaced so as to last indefinitely. Depreciation is not recorded as long as the infrastructure assets are maintained at the level established by the Authority. In the event the infrastructure assets of the expressway system fall below acceptable standards of condition established by the policy, a special "contra asset" account will be established against the capital asset that was determined to be deficient in an amount equal to the cost required to restore the asset to an acceptable standard. The Authority's consulting engineer is required to provide a cost estimate of the amount required to bring the asset up to the established standard. Routine maintenance costs and renewal and replacement costs, since they are needed to preserve the value of existing infrastructure assets, are expensed annually. This treatment is consistent with practices of other similar entities within the toll bridge, turnpike and tunnel industry.

10. Deferred Outflows of Resources

The Deferred Outflows of Resources on refunding of revenue bonds is the difference between the reacquisition price and the net carrying amount of refunded bonds. Deferred outflows of resources were \$19,610,295 and \$21,675,806 at June 30, 2022 and 2021, respectively. 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.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Deferred Outflows of Resources related to the pension liability relates to pre-payments of future pension contributions and other proportionate share changes of the pension liability since the last measurement date. This totaled \$1,414,981 and \$2,011,967 for the years ended June 30, 2022 and 2021, respectively.

11. Deferred Inflows of Resources

The Deferred Inflows of Resources on the pension liability relates to differences between expected and actual earnings on pension investments. This totaled \$2,695,128 and \$137,479 at June 30, 2022 and 2021, respectively.

12. Restricted Funds

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first and then unrestricted resources when they are needed.

13. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates that affect certain reported amounts and disclosures. These estimates are based on management's knowledge and experience. Accordingly, actual results could differ from these estimates.

14. Operating Revenues and Expenses

The Authority's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operations and maintenance of the expressway system. All other revenues and expenses are reported as non-operating revenues and expenses.

15. Budgets and Budgetary Accounting

The Authority follows the following procedures in establishing budgetary data:

The Authority's operating budget is recommended by the Finance and Budget Committee of the Authority's governing board. The budget is based upon a review of current revenues and expenditures and the projected future funding needs of the Authority for administration, operations, maintenance, and the annual approved work program. The budget is then approved by the Authority's governing board.

The Authority's renewal and replacement and capital improvement projects budget is recommended by the Finance and Budget Committee of the Authority's governing board, based on the first year of the submitted five-year capital projects program.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

16. Reclassification

Certain prior year information was reclassified to conform to current year classification. The reclassifications have no impact on previously reported net assets.

NOTE C - CASH AND INVESTMENTS

The total carrying amounts of the Authority's cash and investments (unrestricted and restricted) was \$305,788,334 and \$278,548,743 with a fair value of \$305,845,126 and \$278,642,987 at June 30, 2022 and 2021, respectively. Cash consists of deposits with the Florida State Treasurer, local government investment pools and commercial banks at June 30, 2022 and 2021. Investments are reported at fair value in the accompanying financial statements.

Certain cash and investments totaling and carried at \$276,661,879 and \$223,199,221, with a fair value of \$273,576,864 and \$223,350,952 as of June 30, 2022 and 2021, respectively, are restricted as to their use by agreements or bond covenants.

1. Deposits

Deposits are maintained with commercial banks that are organized under the laws of the United States of America or the State of Florida and are insured by the Federal Deposit Insurance Corporation to legal limits. Security for deposits in excess of insured levels is provided by the requirements of the "Florida Security for Public Deposits Act", 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.

As of June 30, 2022 and 2021, approximately \$20,920,000 and \$15,709,000, respectively, was collateralized by the State of Florida collateral pool, which 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 of the Florida Statutes, *Security for Public Deposits*.

2. Investments

Section 218.415, Florida Statutes, authorizes the Authority to invest surplus funds in the following:

- a. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in Florida Statute 163.01.
- b. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE C - CASH AND INVESTMENTS - Continued

- c. Interest bearing time deposits or savings accounts in qualified public depositories, as defined in Florida Statutes 280.02.
- d. Direct obligations of the U.S. Treasury.

The Authority has invested \$7,193,716 and \$25,662,986 at June 30, 2022 and 2021, respectively, in FLCLASS, a Florida local government investment pool. FLCLASS is measured at amortized cost that approximated fair value. As such, FLCLASS is not required to be categorized within the fair value hierarchy. The dollar weighted average days to maturity of FLCLASS was 34 days at June 30, 2022. FLCLASS is rated AAAM by S&P Global Ratings.

As of June 30, 2022 and 2021, other than the investments in the Florida Treasury Investment Pool, all of the investments are in the Authority's name.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Short term investments: Consist of cash deposits with financial institutions and money market funds. The Authority uses quoted market prices of identical assets on active exchanges, or Level 1 measurements.

US Government obligations: Primarily consist of fixed income funds. The Authority uses quoted market prices of identical assets on active exchanges, or Level 1 measurements.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while the Authority believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The following table set forth by level, within the fair value hierarchy, the Authority's investments at fair value as of June 30, 2022 and 2021:

<u>June 30, 2022</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Short term investments	\$ 195,195,561	\$ 195,195,561	\$ -	\$ -
Fixed				
US Government obligations	83,129,459	83,129,459	-	-
 Total	 <u>\$ 278,325,020</u>	 <u>\$ 278,325,020</u>	 <u>\$ -</u>	 <u>\$ -</u>

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE C - CASH AND INVESTMENTS - Continued

<u>June 30, 2021</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
Short term investments	<u>\$ 150,162,895</u>	<u>\$ 145,067,443</u>	<u>\$ 5,095,452</u>	<u>\$ -</u>
Fixed				
US Government obligations	<u>88,629,025</u>	<u>88,629,025</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 238,791,920</u>	<u>\$ 233,696,468</u>	<u>\$ 5,095,452</u>	<u>\$ -</u>

3. Concentration of Credit Risk

The following is the percent of any issuer with whom the Authority had invested more than 5% of the Authority's total portfolio as of June 2022 and 2021:

<u>Issuer</u>	<u>2022</u>	<u>2021</u>
US Bank	97.47%	85.44%
FLCLASS	2.52%	9.71%

NOTE D - PROPERTY AND EQUIPMENT AND CONSTRUCTION IN PROGRESS

Changes in property and equipment and construction in progress during the years ended June 30, 2022 and 2021 consist of the following:

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Assets subject to depreciation				
Buildings and improvements	\$ 10,677,826	\$ 6,869,508	\$ -	\$ 17,547,334
Furniture and equipment	27,314,156	4,123,975	-	31,438,131
Vehicle	56,619	51,814	(28,473)	79,960
	<u>38,048,601</u>	<u>11,045,297</u>	<u>(28,473)</u>	<u>49,065,425</u>
Less accumulated depreciation	<u>(32,336,944)</u>	<u>(1,421,136)</u>	<u>28,473</u>	<u>(33,729,607)</u>
	<u>5,711,657</u>	<u>9,624,161</u>	<u>-</u>	<u>15,335,818</u>
Assets not subject to depreciation				
Land, improvements and infrastructure	<u>990,711,803</u>	<u>360,436</u>	<u>-</u>	<u>991,072,239</u>
Total property and equipment	<u>\$ 996,423,460</u>	<u>\$ 9,984,597</u>	<u>\$ -</u>	<u>\$ 1,006,408,057</u>
Construction in progress	<u>\$ 108,327,584</u>	<u>\$ 32,457,104</u>	<u>\$ (11,405,733)</u>	<u>\$ 129,378,955</u>

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE D - PROPERTY AND EQUIPMENT AND CONSTRUCTION IN PROGRESS - Continued

	June 30, 2020	Additions	Deletions	June 30, 2021
Assets subject to depreciation				
Buildings and improvements	\$ 10,677,826	\$ -	\$ -	\$ 10,677,826
Furniture and equipment	27,359,772	-	(45,616)	27,314,156
Vehicle	56,619	-	-	56,619
	<u>38,094,217</u>	<u>-</u>	<u>(45,616)</u>	<u>38,048,601</u>
Less accumulated depreciation	(31,254,651)	(1,127,909)	45,616	(32,336,944)
	<u>6,839,566</u>	<u>(1,127,909)</u>	<u>-</u>	<u>5,711,657</u>
Assets not subject to depreciation				
Land and infrastructure	730,754,319	259,957,484	-	990,711,803
	<u>730,754,319</u>	<u>259,957,484</u>	<u>-</u>	<u>990,711,803</u>
Total property and equipment	<u>\$ 737,593,885</u>	<u>\$ 258,829,575</u>	<u>\$ -</u>	<u>\$ 996,423,460</u>
Construction in progress	<u>\$ 294,753,851</u>	<u>\$ 73,531,215</u>	<u>\$ (259,957,482)</u>	<u>\$ 108,327,584</u>

NOTE E - LONG-TERM DEBT

Long-term debt consists of revenue bonds payable and amounts due to other governmental entities, as follows:

1. Revenue Bonds Payable

The Authority issued \$334,165,000 in Tampa-Hillsborough County Expressway Authority Refunding Revenue Bonds, Series 2012A and 2012B; \$40,420,000 in Tampa-Hillsborough County Expressway Authority Taxable Revenue Bonds, Series 2012C; and \$70,105,000 in Tampa-Hillsborough County Expressway Authority Taxable Refunding Revenue Bonds, Series 2012D during the year ended June 30, 2013. The funds were used to refund the Series 2002 and Series 2005 bonds; payoff the SIB and TFRTF loans; fund the Authority's portion of the I-4/Selmon Connector project and the AET conversion; and fund reserves for debt service, operations, maintenance and administration and renewal and replacement.

During the year ended June 30, 2018, the Authority issued \$157,780,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2017; \$152,410,000 in Tampa-Hillsborough County Expressway Authority Refunding Revenue Bonds, Series 2017B; and \$36,190,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2017C. The funds were used to refund the series 2012B bonds; fund Selmon-West Extension Project which includes the construction of 2.5 miles of elevated roadway over a portion of the existing Gandy Boulevard in South Tampa; and fund South Selmon Safety Project and Meridian Improvement Project.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE E - LONG-TERM DEBT - Continued

On June 15, 2020, the Authority deposited cash on hand of \$4,549,216 into an irrevocable escrow to advance refund, through an in-substance defeasance, \$4,415,000 of the Series 2012C Tax Revenue Bonds. The remaining balance at June 30, 2020 of \$10,210,000 was transferred to the paying agent July 1, 2020. As a result, the Series 2012C Bonds are considered to be defeased and the escrowed assets and the liability for the bonds have been removed from these financial statements. The Authority achieved a cash flow difference and an economic loss of \$18,731 as a result of the refunding.

During the year ended June 30, 2021, the Authority issued \$20,090,000 in Tampa-Hillsborough County Expressway Authority Revenue Bonds, Series 2020A and \$202,210,000 in Tampa-Hillsborough County Expressway Authority Taxable Refunding Revenue Bonds, Series 2020B. The funds were used to fund the costs of acquiring, constructing, and equipping certain capital improvements to the Expressway System and to advance refund the Series 2012A Bonds.

In September 2020, the Authority deposited cash on hand of \$210,397,502 into an irrevocable escrow to advance refund, through an in-substance defeasance, \$192,435,000 of the Series 2012A Refunding Revenue Bonds. As a result, the Series 2012A Bonds are considered to be defeased and the escrowed assets and the liability for the bonds have been removed from these financial statements. The Authority achieved a cash flow difference and an economic loss of \$468,871 as a result of the refunding.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE E - LONG-TERM DEBT - Continued

Bonds payable as of June 30, are as follows:

	<u>2022</u>	<u>2021</u>
Series 2012D bonds payable		
Serial bonds (taxable) due from July 1, 2021 through July 1, 2026, bearing interest from 3.04% to 3.84%	\$ 62,865,000	\$ 70,105,000
Series 2017 bonds payable		
Term bonds due July 1, 2047, bearing interest at 5.00%	<u>157,780,000</u>	<u>157,780,000</u>
Series 2017B bonds payable		
Serial bonds (taxable) due from July 1, 2019 through July 1, 2037, bearing interest from 4.00% to 5.00%	17,915,000	18,270,000
Term bonds due July 1, 2042, bearing interest at 4.00%	<u>133,485,000</u>	<u>133,485,000</u>
	<u>151,400,000</u>	<u>151,755,000</u>
Series 2017C bonds payable		
Term bonds due July 1, 2048, bearing interest at 5.00%	<u>36,190,000</u>	<u>36,190,000</u>
Series 2020A bonds payable		
Serial bonds (taxable) due from July 1, 2020 through July 1, 2038, bearing interest from 4% to 5%	<u>19,450,000</u>	<u>20,090,000</u>
Series 2020B bonds payable		
Serial bonds (taxable) due from July 1, 2020 through July 1, 2038, bearing interest from .81% to 2.7%	<u>200,665,000</u>	<u>202,210,000</u>
Total bonds payable	628,350,000	638,130,000
Plus unamortized premium	<u>41,567,727</u>	<u>43,427,178</u>
	669,917,727	681,557,178
Less current portion	<u>(15,130,000)</u>	<u>(9,780,000)</u>
Long-term portion	<u>\$ 654,787,727</u>	<u>\$ 671,777,178</u>

The Series 2012D, Series 2017, Series 2017B, Series 2017C, Series 2020A, and Series 2020B Bonds are secured by a pledge of, and lien on the net system revenues of the expressway system less the cost of operations, maintenance, and administrative expenses. The Master Bond Resolution contains a provision that in the event of default, the bonds are not subject to acceleration, but any holder of such bonds shall be entitled as of right to the appointment of a receiver of the Expressway System in an appropriate judicial proceeding.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE E - LONG-TERM DEBT - Continued

Debt service requirements to maturity at June 30, 2022 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 15,130,000	\$ 23,124,883	\$ 38,254,883
2024	15,590,000	22,642,859	38,232,859
2025	16,095,000	22,116,822	38,211,822
2026	16,640,000	21,544,684	38,184,684
2027	17,235,000	20,946,798	38,181,798
2028 - 2032	92,930,000	98,500,428	191,430,428
2033 - 2037	104,600,000	86,415,890	191,015,890
2038 - 2042	127,330,000	69,696,925	197,026,925
2043 - 2047	158,055,000	37,271,200	195,326,200
2048 - 2052	64,745,000	3,784,500	68,529,500
	<u>\$ 628,350,000</u>	<u>\$ 406,044,989</u>	<u>\$ 1,034,394,989</u>

2. Debt Service Reserve Requirements

The Authority has established debt service reserve accounts. Amounts deposited into the accounts equal the Maximum Annual Debt Service for the related bond series and are pledged solely to secure repayment of the bond issue. The balance of these accounts is as follows at June 30,:

	<u>2022</u>	<u>2021</u>
2012 A/B Reserve	\$ -	\$ 56,750
2012D, 2020B Reserve	19,914,057	20,579,122
2017, 2017 B/C Reserve	32,487,637	33,565,037
2020 A/B Reserve	5,406,578	4,862,476.00
Common reserve account	22,587,363	17,915,643
	<u>\$ 80,395,635</u>	<u>\$ 76,979,028</u>

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE E - LONG-TERM DEBT - Continued

3. Due to Other Governmental Agencies

The Authority is indebted to other governmental entities as follows at June 30,:

	<u>2022</u>	<u>2021</u>
Due to State of Florida - FDOT	\$ 200,074,890	\$ 200,074,890
Due to State of Florida - FDOT State Transportation Trust Fund	<u>13,758,945</u>	<u>13,758,945</u>
	213,833,835	213,833,835
Less current portion	<u>-</u>	<u>-</u>
	<u>\$ 213,833,835</u>	<u>\$ 213,833,835</u>

The amounts due to State of Florida - FDOT resulted from payments of operations and maintenance costs of the expressway system for the year ended June 30, 2013 and prior which occurred under the Lease Purchase Agreement (LPA) with FDOT from November 18, 1997 - December 20, 2012. The LPA was terminated on December 20, 2012. The Authority agreed to pay FDOT in twenty annual installments beginning July 1, 2025.

The amount due State of Florida - FDOT - State Transportation Trust Fund resulted from advances made to the Authority for the purposes under Section 339.08(2)(g), Florida Statutes, as interim financing for future projects. The amount owed at June 30, 2022 and 2021 was \$12,034,945. The Authority has also negotiated a \$1,724,000 interest free loan. These loans are payable in twenty annual installments beginning July 1, 2025.

NOTE F - LONG-TERM LIABILITIES

The following is long-term debt activity for the years ended June 30, 2022 and 2021:

<u>2022</u>	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>	<u>Due within one year</u>
Revenue bonds	\$ 638,130,000	\$ -	\$ (9,780,000)	\$ 628,350,000	15,130,000
Unamortized bond premium	43,427,178	-	(1,859,451)	41,567,727	-
Government notes and loans	213,833,835	-	-	213,833,835	-
Compensated absences	483,186	93,116	(307,772)	268,530	88,000
Net pension liability	<u>5,126,936</u>	<u>-</u>	<u>(3,551,872)</u>	<u>1,575,064</u>	<u>-</u>
Total long-term debt	<u>\$ 901,001,135</u>	<u>\$ 93,116</u>	<u>\$ (15,499,095)</u>	<u>\$ 885,595,156</u>	<u>\$ 15,218,000</u>

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE F - LONG-TERM LIABILITIES - Continued

<u>2021</u>	June 30, 2020	Additions	Deletions	June 30, 2021	Due within one year
Revenue bonds	618,810,000	\$ 222,300,000	\$ (202,980,000)	\$ 638,130,000	\$ 9,780,000
Unamortized bond premium	56,928,483	5,119,382	(18,620,687)	43,427,178	-
Government notes and loans	213,833,835	-	-	213,833,835	-
Compensated absences	456,801	68,948	(42,563)	483,186	307,772
Net pension liability	4,312,517	814,419	-	5,126,936	-
	<u>\$ 894,341,636</u>	<u>\$ 228,302,749</u>	<u>\$ (221,643,250)</u>	<u>\$ 901,001,135</u>	<u>\$ 10,087,772</u>

NOTE G - COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned, but unused vacation and sick leave, which will be paid to employees as of the statement of net position date, or upon retirement from the Authority. The liability for unpaid compensated absences was \$312,432 and \$483,706 at June 30, 2022 and 2021, respectively.

NOTE H - DEFINED BENEFIT PLANS

1. State of Florida Retirement System (FRS)

All permanent employees of the Authority participate in the State of Florida Retirement System (the "FRS"), a multiple-employer cost sharing defined benefit retirement plan or defined contribution retirement plan, administered by the Florida Department of Administration, Division of Retirement. As a general rule, membership in the FRS is compulsory for all employees working in a regular 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. Employees are classified in either the regular service class or the senior management service class ("SMSC"). The senior management service class is for members who fill the senior level management positions.

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 Legislature.

Employees may participate in the Public Employee Optional Retirement Program (the "Investment Plan"), a defined contribution retirement program, in lieu of participation in the defined benefit retirement plan ("Pension Plan"). If the Investment Plan is elected, active membership in the defined benefit retirement plan is terminated. Eligible members of the Investment Plan are vested at one year of service and receive a contribution for self-direction in an investment product with a third-party administrator selected by the State Board of Administration.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

For employees in the Pension Plan, benefits are computed on the basis of age, average final compensation and service credit. Regular class and senior management class employees who were enrolled in the FRS prior to July 1, 2011 and 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, based on their final average compensation of their five highest fiscal years of pay for each year of credited service.

Employees enrolled on or after July 1, 2011 and who retire at or after age 65 with at least eight years of credited service, or 33 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, as explained above, based on their eight highest fiscal years of pay. Using their date of enrollment as a basis, vested employees with less than the minimum years of service may retire before the minimum age and receive reduced retirement benefits.

In addition to the above benefits, the FRS administers a Deferred Retirement Option Program ("DROP"). This program allows eligible employees to defer receipt of monthly retirement benefit payments while continuing employment with a Florida Retirement System 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.

Starting on July 1, 2011, Chapter 2011-68 of the Laws of Florida required members of the FRS not enrolled in DROP to contribute 3% of their salary to their retirement. Governmental employers are required to make contributions to the FRS based on statewide contribution rates. For the year ended June 30, 2022, the contribution rate applied to regular employee salaries was 10.82%, including 1.66% for a post-retirement health insurance subsidy ("HIS"). For the year ended June 30, 2021, the contribution rate was 10.00%, which included 1.66% for HIS. The fiscal year 2022 contribution rate applied to senior management salaries was 29.01%, including 1.66% HIS. For the year ended June 30, 2021 the contribution rate was 27.29%, which included 1.66% for HIS. For the year ended June 30, 2022 the contribution rate applied to the salaries of the employees in DROP was 18.34%, including 1.66% for HIS. For the year ended June 30, 2021 contribution rate was 16.98%, which included 1.66% for HIS. The Authority's actual contributions to the FRS for the years ended June 30, 2022 and 2021 were \$465,612 and \$350,685, respectively. The Authority's actual contributions to the HIS for the fiscal years ended June 30, 2022 and 2021 were \$50,065 and \$42,155, respectively.

The Authority also participates in a Deferred Compensation plan (the "Plan") for public employees of the State of Florida, under Section 457 of the Internal Revenue Code, covering substantially all of its employees. The Authority's contributions to the Plan are based upon the employee's salaries. Contributions of \$88,002 and \$78,129 were made to the Plan for the year ended June 30, 2022 and 2021, respectively.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

Health Insurance Subsidy (HIS) Program

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administrated in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retiree of the state-administrated retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2014, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Net Pension Liability

The component of the collective net pension liability of the Authority as of June 30, 2022 and 2021 is shown below:

	<u>FRS</u>	<u>HIS</u>	<u>Total</u>
June 30, 2022	<u>\$ 695,362</u>	<u>\$ 879,702</u>	<u>\$ 1,575,064</u>
June 30, 2021	<u>\$ 4,182,374</u>	<u>\$ 944,462</u>	<u>\$ 5,126,936</u>

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2021 and July 1, 2020 for the net pension liability as of June 30, 2022 and 2021, respectively.

Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed as of June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for this program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

The total pension liability for each cost-sharing defined plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40% for the years ended June 30, 2022 and 2021. Payroll growth, including inflation, for both plans is assumed at 3.25% for each of the years ended June 30, 2022 and 2021. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.80% for each of the years ended June 30, 2022 and 2021. 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. Because the HIS Program uses the pay-as-you-go funding structure, a municipal bond rate of 2.16% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index) at June 30, 2022 and 2021. Mortality assumptions for both plans were based on the PUB-2010 base table.

The following changes in actuarial assumptions occurred during the fiscal year ended June 30, 2022:

- FRS: Decreasing the maximum amortization period to 20 years for all current and future amortization bases
- HIS: The municipal bond rate used to determine total pension liability was decreased from 2.21% to 2.16%.

The following changes in actuarial assumptions occurred during the fiscal year ended June 30, 2021:

- FRS: The long-term expected rate of return was decreased from 6.90% to 6.80%.
- HIS: The municipal bond rate used to determine total pension liability was decreased from 3.50% to 2.21%, and the mortality assumption was changed from the Generational RP-2000 with Projection Scale BB tables to the PUB-2010 base table, projected generationally with Scale MP-2018.

The long-term expected rate of return, net of investment expense on pension plan investments was 6.80% for the years ended June 30, 2022 and 2021. This rate was determined using a forward-looking capital market economic model. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. 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 expected rate of return is presented in arithmetic and geometric means.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

June 30, 2022			
Asset Class	Target Allocation	Annual Arithmetic Return	Compounded Annual (Geometric) Return
Cash	1.0%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.3%
Global Equity	54.2%	8.2%	17.8%
Real estate (property)	10.3%	7.1%	13.8%
Private equity	10.8%	11.7%	26.4%
Strategic investments	3.7%	5.7%	8.4%

June 30, 2021			
Asset Class	Target Allocation	Annual Arithmetic Return	Compounded Annual (Geometric) Return
Cash	1.0%	2.2%	2.2%
Fixed income	19.0%	3.0%	2.9%
Global Equity	54.2%	8.0%	6.7%
Real estate (property)	10.3%	6.4%	5.8%
Private equity	11.1%	10.8%	8.1%
Strategic investments	4.4%	5.5%	5.3%

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the collective net pension liability recorded in the Authority's Statement of Net Position as of June 30, 2022 and 2021 if the discount rate was 1.00% higher or 1.00% lower than the current discounted rate.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

<u>FRS Net Pension Liability - June 30, 2022</u>		
<u>1% Decrease</u>	<u>Current Discount / Rate of Return</u>	<u>1% Increase</u>
<u>5.80%</u>	<u>6.80%</u>	<u>7.80%</u>
<u>\$3,109,699</u>	<u>\$695,362</u>	<u>(\$1,322,756)</u>

<u>HIS Net Pension Liability - June 30, 2022</u>		
<u>1% Decrease</u>	<u>Current Discount / Rate of Return</u>	<u>1% Increase</u>
<u>1.16%</u>	<u>2.16%</u>	<u>3.16%</u>
<u>\$1,017,019</u>	<u>\$879,702</u>	<u>\$767,199</u>

<u>FRS Net Pension Liability - June 30, 2021</u>		
<u>1% Decrease</u>	<u>Current Discount / Rate of Return</u>	<u>1% Increase</u>
<u>5.80%</u>	<u>6.80%</u>	<u>7.80%</u>
<u>\$6,678,548</u>	<u>\$4,182,374</u>	<u>\$2,097,558</u>

<u>HIS Net Pension Liability - June 30, 2021</u>		
<u>1% Decrease</u>	<u>Current Discount / Rate of Return</u>	<u>1% Increase</u>
<u>1.21%</u>	<u>2.21%</u>	<u>3.21%</u>
<u>\$1,091,870</u>	<u>\$944,562</u>	<u>\$823,988</u>

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

Pension Expense and Deferred Outflows/ Inflows of Resources

In accordance with GASB 68, paragraph 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees).
- Differences between expected and actual earnings on pension plan investments are amortized over five years.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2022 was 5.7 years for FRS and 6.4 for HIS and 5.9 for FRS and 7.2 for HIS at June 30, 2021.

The Authority's proportion of the FRS was 0.0092 percent at June 30, 2022, which was a decrease of 0.0004 from its proportion measured as of June 30, 2021. At 2022, the Authority's proportion of the HIS was 0.0072 percent, which was a decrease of 0.0005 from its proportion measured as of June 30, 2021.

The Authority recognized pension expense of approximately \$62,200, \$956,000 and \$1,135,000, for the years ended June 30, 2022, 2021 and 2020, respectively.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

At June 30, 2022 and 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2022

Deferred Inflows / Outflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 148,623	\$ (368)
Changes of assumptions	544,925	(36,246)
Net difference between projected and actual earnings on pension plan investments	917	(2,425,938)
Changes in proportion and differences between Tampa-Hillsborough County Expressway Authority's contributions and proportionate share of contributions	204,839	(232,576)
Tampa-Hillsborough County Expressway Authority's contributions subsequent to the measurement date	<u>515,677</u>	<u>-</u>
Total	<u>\$ 1,414,981</u>	<u>\$ (2,695,128)</u>

2021

Deferred Inflows / Outflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 198,706	\$ (729)
Changes of assumptions	858,710	(54,923)
Net difference between projected and actual earnings on pension plan investments	249,777	-
Changes in proportion and differences between Tampa-Hillsborough County Expressway Authority's contributions and proportionate share of contributions	311,934	(81,827)
Tampa-Hillsborough County Expressway Authority's contributions subsequent to the measurement date	<u>392,840</u>	<u>-</u>
Total	<u>\$ 2,011,967</u>	<u>\$ (137,479)</u>

The \$515,677 and \$392,840 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan years ended June 30, 2022 and 2021, respectively.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE H - DEFINED BENEFIT PLANS - Continued

Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Period Ending June 30:	
2023	\$ (262,996)
2024	(357,787)
2025	(504,991)
2026	(659,344)
2027	(9,287)
Thereafter	<u>(1,420)</u>
	<u>\$ (1,795,825)</u>

Additional Financial and Actuarial Information

Additional audited financial information supporting the Schedules of Employer Allocations and the Schedule of Pensions Amounts by Employer is located in the Florida ACFR and in the Florida Retirement System Pension Plan and Other State-Administered Systems ACFR for the fiscal year ended June 30, 2021. The system's ACFR and the actuarial valuation reports referenced herein are available online at:

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

The system's ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P.O. Box 9000
Tallahassee, Florida 32315-900
850-488-4706 or toll free at 877-377-1737

2. 457(b) Deferred Compensation Plan

The Authority has a non-qualified deferred compensation plan, a 457(b) Plan for certain eligible employees. The Authority makes a non-elective contribution equal to 3% of each participant's eligible salary. Contributions to this plan for the years ended June 30, 2022 and 2021, were \$88,002 and \$78,129, respectively.

Tampa-Hillsborough County Expressway Authority

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE I - EMPLOYEE SEVERANCE

The Authority's personnel policies and procedures manual provide unclassified managerial, administrative and unclassified executive management positions a severance benefit upon termination without cause. The number of months of severance pay ranges from three to twelve.

NOTE J- CONTRACTUAL OBLIGATIONS

Consulting Contracts

The Authority has entered into contracts with consultants for design, engineering, technology, construction and other services. The committed, but unspent balances of these contracts were \$21,012,597 and \$18,956,140 at June 30, 2022 and 2021, respectively.

NOTE K - CURRENT LEASE AGREEMENT WITH TENANT

The Authority leases certain office space and property to tenants which expire in various years through 2034. The approximate future minimum rentals, including renewal options, to be received under these non-cancelable operating leases are as follows:

<u>Year ending June 30:</u>	
2023	\$ 121,822
2024	116,482
2025	83,870
2026	20,182
2027	20,182
Thereafter	<u>149,092</u>
	<u>\$ 511,630</u>

NOTE L - RISK MANAGEMENT

The Authority is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and mutual disasters for which the Authority purchased commercial insurance.

NOTE M - SUBSEQUENT EVENTS

The Authority has evaluated events and transactions subsequent to June 30, 2022 as of January 23, 2023 which is the date the financial statements were available to be issued.

On July 7, 2022, the Authority purchased United States Treasury Bills with a principal price of \$50,940,665 and placed into an irrevocable trust to be used solely for the defeasance of \$50,855,000 of Series 2012D Refunding Revenue Bonds.

SUPPLEMENTARY INFORMATION

Tampa-Hillsborough County Expressway Authority

TREND DATA ON INFRASTRUCTURE CONDITION

June 30, 2022

The Authority has elected to use the Modified Approach to account for maintenance of its infrastructure assets. The Florida Department of Transportation (the "FDOT") annually inspects the Authority's roadways. The FDOT utilizes the Maintenance Rating Program ("MRP") to assess the condition of the Expressway System. Copies of the MRP manual may be obtained from the State Maintenance Office, 605 Suwannee Street, Mail Station 52, Tallahassee, FL 32399-0450. The MRP manual provides a uniform evaluation system for maintenance features of the State Highway System. The roadways are rated on a 100-point scale, with 100 meaning that every aspect of the roadway is in new and perfect condition. The Authority's system as a whole is given an overall rating, indicating the average condition of all roadways operated by the Authority. The assessment of condition is made by visual and mechanical tests designed to reveal any condition that would reduce highway-user benefits below the maximum level of service. The Authority's policy is to maintain the roadway condition at a MRP rating of 90 or better.

The results of the last five inspections are as follows:

Evaluation Period Fiscal Year	Rating
2022	96%
2021	95%
2020	96%
2019	94%
2018	94%

The budget-to-actual expenditures for road maintenance for the past five years are as follows:

Fiscal Year	Budget	Actual
2022	\$ 4,881,759	\$ 4,970,930
2021	\$ 4,654,995	\$ 4,063,008
2020	\$ 4,687,500	\$ 4,164,056
2019	\$ 4,458,663	\$ 3,952,973
2018	\$ 3,702,474	\$ 2,749,123

Tampa-Hillsborough County Expressway Authority

SCHEDULE OF TAMPA-HILLSBOROUGH COUNTY EXPRESSWAY AUTHORITY'S
PROPORTIONATE SHARE OF NET PENSION LIABILITY

Florida Retirement System (FRS) Defined Benefit Pension Plan

Authority Year Ending June 30,	Plan Sponsor Measurement Date June 30,	Authority's Proportion of the FRS Net Pension Liability	Authority's Proportionate Share of the FRS Net Pension Liability	Authority's Covered Employee Payroll	Authority's proportionate share of the Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2022	2021	0.009205364%	\$ 695,361	\$ 3,015,307	23.06%	96.40%
2021	2020	0.009649819%	\$ 4,182,374	\$ 2,541,971	164.53%	78.85%
2020	2019	0.010036555%	\$ 3,456,450	\$ 2,690,542	128.47%	82.61%
2019	2018	0.009617100%	\$ 2,896,720	\$ 2,558,813	113.21%	84.26%
2018	2017	0.009267292%	\$ 2,741,202	\$ 2,410,007	113.74%	83.89%
2017	2016	0.007995643%	\$ 2,018,906	\$ 2,173,184	92.90%	84.88%
2016	2015	0.007360228%	\$ 950,672	\$ 1,833,148	51.86%	92.00%
2015	2014	0.006741295%	\$ 411,316	\$ 1,622,163	25.36%	96.09%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Authority Year Ending June 30,	Plan Sponsor Measurement Date June 30,	Authority's Proportion of the FRS Net Pension Liability	Authority's Proportionate Share of the FRS Net Pension Liability	Authority's Covered Employee Payroll	Authority's proportionate share of the Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2022	2021	0.007171568%	\$ 879,701	\$ 3,015,307	29.17%	3.56%
2021	2020	0.007736061%	\$ 944,562	\$ 2,541,971	37.16%	3.00%
2020	2019	0.007650970%	\$ 856,067	\$ 2,690,542	31.82%	2.63%
2019	2018	0.007285065%	\$ 771,059	\$ 2,558,813	30.13%	2.15%
2018	2017	0.006852751%	\$ 732,728	\$ 2,410,007	30.40%	1.64%
2017	2016	0.005799349%	\$ 675,890	\$ 2,173,184	31.10%	0.97%
2016	2015	0.005296215%	\$ 540,131	\$ 1,833,148	29.46%	0.50%
2015	2014	0.005250370%	\$ 491,080	\$ 1,622,163	30.27%	0.99%

Notes:

- 1) This schedule is intended to show information for ten years; however, data is unavailable prior to 2014. Additional years' information will be presented as it becomes available.

Tampa-Hillsborough County Expressway Authority

SCHEDULE OF TAMPA-HILLSBOROUGH COUNTY EXPRESSWAY AUTHORITY'S
CONTRIBUTIONS

Florida Retirement System (FRS) Defined Benefit Pension Plan

Authority Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Authority's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2022	\$ 465,612	\$ 465,612	\$ -	\$ 3,015,307	15.44%
2021	\$ 350,685	\$ 350,685	\$ -	\$ 2,541,971	13.80%
2020	\$ 320,621	\$ 320,621	\$ -	\$ 2,690,542	11.92%
2019	\$ 311,206	\$ 311,206	\$ -	\$ 2,558,813	12.16%
2018	\$ 274,080	\$ 274,080	\$ -	\$ 2,410,007	11.37%
2017	\$ 241,250	\$ 241,250	\$ -	\$ 2,173,184	11.10%
2016	\$ 194,987	\$ 194,987	\$ -	\$ 1,833,148	10.64%
2015	\$ 179,449	\$ 179,449	\$ -	\$ 1,622,163	11.06%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Authority Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Authority's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2022	\$ 50,065	\$ 50,065	\$ -	\$ 3,015,307	1.66%
2021	\$ 42,155	\$ 42,155	\$ -	\$ 2,541,971	1.66%
2020	\$ 44,579	\$ 44,579	\$ -	\$ 2,690,542	1.66%
2019	\$ 42,485	\$ 42,485	\$ -	\$ 2,558,813	1.66%
2018	\$ 39,507	\$ 39,507	\$ -	\$ 2,410,007	1.64%
2017	\$ 36,267	\$ 36,267	\$ -	\$ 2,173,184	1.67%
2016	\$ 29,725	\$ 29,725	\$ -	\$ 1,833,148	1.62%
2015	\$ 20,245	\$ 20,245	\$ -	\$ 1,622,163	1.25%

Notes:

- 1) This schedule is intended to show information for ten years; however, data is unavailable prior to 2014. Additional years' information will be presented as it becomes available.

Tampa-Hillsborough County Expressway Authority
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2022

Grantor and Project Title	Assistance Listing Number	Contract Number	Pass-Through Entity Identifying Number	Pass-Through To Subrecipients	Expenditures
U.S. Department of Transportation					
Direct Program					
Federal Highway Administration					
Highway Research and Development Program					
	20.200	DTFH6116H00025	N/A	\$ -	\$ 1,804,136
Total expenditures of federal awards				<u>\$ -</u>	<u>\$ 1,804,136</u>

The accompanying notes are an integral part of this schedule.

Tampa-Hillsborough County Expressway Authority

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2022

NOTE 1 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal awards activity of Tampa-Hillsborough County Expressway Authority under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

Federal expenditures reported on the Schedule are reported on the accrual basis of accounting. Federal expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 2 - INDIRECT COST RATE

The Authority did not utilize the de minimus indirect cost rates for reimbursement of grant expenditures for the fiscal year ended June 30, 2022.

NOTE 3 - CONTINGENCIES

These federal 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 Authority's continued participation in specific programs. The amounts, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Authority's annual 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 in this section includes important indicators about the Authority's overall financial well-being. Reports in this section have been prepared according to GASB guidelines.

Contents:

Financial Trends

The following tables contain trend information to help the reader understand how the Authority's financial performance and condition has changed over the past 10 years.

Table 1 - Net Position by Component

Table 2 - Revenues, Expenses and Changes in Net Position

Revenue Capacity

The following tables contain information to help the reader assess the Authority's most significant revenue source, toll revenue.

Table 3 - Total Toll Revenues, Net and Percentage by Payment Type

Table 4 - Total Toll Transactions by Facility and Average Toll Rate

Table 5 - Schedule of Toll Rates

Debt Capacity

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

Table 6 - Schedule of Net Revenues and Coverage Ratio

Table 7 - Ratio of Outstanding Debt by Type

Demographic and Economic Information

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

Table 8 - Schedule of Demographic and Economic Statistics

Table 9 - Schedule of Principal Employers

Operating Information

The follow tables contain information directly elated to the operating indicators, the capital assets, and the number of personnel employed by Authority.

Table 10 - Contribution to Capital Assets

Table 11 - Number of Employees by Activity

Tampa-Hillsborough County Expressway Authority
Table 1 - Net Position by Component
FY2013 through FY2022
(in thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net Investment in capital assets	\$ 273,187	\$ 264,838	\$ 223,924	\$ 204,528	\$ 181,166	\$ 189,261	\$ 161,894	\$ 154,477	\$ 137,365	\$ 131,396
Restricted	286,202	198,547	218,016	196,430	165,129	111,213	86,606	46,671	27,807	19,348
Unrestricted	<u>19,034</u>	<u>46,295</u>	<u>21,988</u>	<u>15,132</u>	<u>19,284</u>	<u>13,545</u>	<u>13,174</u>	<u>12,850</u>	<u>11,938</u>	<u>12,547</u>
Total Net Position	<u>\$ 578,423</u>	<u>\$ 509,680</u>	<u>\$ 463,928</u>	<u>\$ 416,090</u>	<u>\$ 365,579</u>	<u>\$ 314,019</u>	<u>\$ 261,674</u>	<u>\$ 213,998</u>	<u>\$ 177,110</u>	<u>\$ 163,291</u>

Tampa-Hillsborough County Expressway Authority
Table 2 - Revenues, Expenses and Changes in Net Position
FY2013 through FY2022
(in thousands)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating Revenues:										
Toll and Fee Revenues	\$ 114,066	\$ 87,859	\$ 87,897	\$ 82,090	\$ 82,716	\$ 84,983	\$ 80,118	\$ 68,210	\$ 45,108	\$ 41,803
Operating Expenses:										
Operations	8,615	6,386	6,551	5,742	4,491	4,974	4,973	4,624	3,978	4,319
Maintenance	4,971	4,063	4,164	3,953	2,749	2,939	2,925	2,919	2,767	2,624
Renewal and replacement	31	1,548	2,906	2,097	1,176	5,499	871	1,150	225	1,552
Depreciation	1,421	1,128	1,131	1,163	1,177	1,183	1,043	900	857	964
Administration	6,821	6,136	6,676	5,577	5,597	4,498	3,768	3,394	3,186	2,815
Other expenses	720	467	555	545	571	485	694	338	553	502
Total Operating Expenses	22,579	19,728	21,983	19,077	15,761	19,578	14,274	13,325	11,566	12,776
Non-Operating										
Revenues/(Expenses):										
Non-Operating Revenues	(995)	1,440	7,912	10,438	5,647	1,883	1,488	1,315	1,121	479
Non-Operating Expenses	(23,552)	(25,964)	(27,796)	(25,232)	(28,519)	(20,132)	(20,445)	(20,556)	(20,313)	(19,959)
Total Non-Operating										
Revenues / (Expenses)	(24,547)	(24,523)	(19,884)	(14,794)	(22,872)	(18,249)	(18,957)	(19,241)	(19,192)	(19,480)
Capital Contributions	1,804	2,144	1,809	2,290	7,476	5,189	789	1,245	246	366
Changes in Net Position	\$ 68,744	\$ 45,752	\$ 47,839	\$ 50,509	\$ 51,559	\$ 52,345	\$ 47,676	\$ 36,889	\$ 14,596	\$ 9,913

Tampa-Hillsborough County Expressway Authority
Table 3 - Toll Revenues, Net and Percentage by Payment Type
FY2013 through FY2022

<u>Fiscal Year</u>	<u>Sunpass</u>	<u>TBP</u>	<u>I-4 Connector</u>	<u>Third Party Collections</u>	<u>Total Toll Revenues, net</u>	<u>Sunpass %</u>	<u>TBP %</u>	<u>I-4 Connector %</u>	<u>Third Party Collections %</u>
2022	\$ 80,495,602	\$ 14,320,165	\$ 1,471,622	\$ 17,778,363	\$ 114,065,752	70.6%	12.6%	1.3%	15.6%
2021	\$ 62,597,115	\$ 10,954,142	\$ 1,126,983	\$ 13,180,363	\$ 87,858,603	71.2%	12.5%	1.3%	15.0%
2020	\$ 65,250,553	\$ 10,588,967	\$ 1,226,358	\$ 10,830,683	\$ 87,896,561	74.2%	12.0%	1.4%	12.3%
2019	\$ 69,571,534	\$ 8,924,930	\$ 1,392,474	\$ 2,201,204	\$ 82,090,142	84.8%	10.9%	1.7%	2.7%
2018	\$ 73,053,425	\$ 1,659,528	\$ 1,184,285	\$ 6,819,254	\$ 82,716,492	88.3%	2.0%	1.4%	8.2%
2017*					\$ 84,982,937				
2016*					\$ 80,118,452				
2015*					\$ 68,210,122				
2014*					\$ 45,107,928				
2013*					\$ 41,802,847				

* 2018 was the first year that Toll Revenue was stratified by category

Tampa-Hillsborough County Expressway Authority
Table 4 - Total Toll Transactions by Facility and Average Toll Rate
FY2013 through FY2022

Toll Transactions by Facility						Total Toll Revenues	Average Toll Rate
Fiscal Year	Lee Roy Selmon Expressway Mainline	Lee Roy Selmon Expressway Reversible Express Lanes	Lee Roy Selmon Expressway West Extension	Total			
2022	\$ 59,364,706	\$ 3,679,756	\$ 6,351,655	\$ 69,396,117		\$ 114,065,752	\$ 1.64
2021	\$ 49,302,943	\$ 2,671,371	\$ 1,025,981	\$ 53,000,295		\$ 87,858,603	\$ 1.66
2020	\$ 50,261,289	\$ 3,992,175	\$ -	\$ 54,253,464		\$ 87,896,561	\$ 1.62
2019	\$ 56,965,644	\$ 4,972,052	\$ -	\$ 61,937,696		\$ 82,090,142	\$ 1.33
2018	\$ 54,201,121	\$ 4,958,924	\$ -	\$ 59,160,045		\$ 82,716,492	\$ 1.40
2017	\$ 51,020,776	\$ 5,083,569	\$ -	\$ 56,104,345		\$ 84,982,937	\$ 1.51
2016	\$ 48,986,394	\$ 5,165,970	\$ -	\$ 54,152,364		\$ 80,118,452	\$ 1.48
2015	\$ 33,517,802	\$ 4,115,562	\$ -	\$ 37,633,364		\$ 68,210,122	\$ 1.81
2014	\$ 23,628,383	\$ 4,268,245	\$ -	\$ 27,896,628		\$ 45,107,928	\$ 1.62
2013	\$ 13,429,625	\$ 2,882,941	\$ -	\$ 16,312,566		\$ 41,802,847	\$ 2.56

Tampa-Hillsborough County Expressway Authority
Table 5 - FY2022 Toll Rates

Toll Site number	Toll Site Name	SunPass / Interoperable Transponder				Toll By Plate				Additional Axle Charge	
		2 Axles	3 Axles	4 Axles	5 Axles	2 Axles	3 Axles	4 Axles	5 Axles	SunPass	Toll By Plate
101701	SR618 Ext. Main - Eastbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101702	SR618 Ext. Main - Westbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101705	SR618 Ext. SR573/US92 OFF RAMP	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101710	Willow Avenue ON - Westbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101715	Willow Avenue OFF - Eastbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101720	SELMON EXPY WEST MAINLINE Westbound	\$ 1.28	\$ 2.56	\$ 3.84	\$ 5.12	\$ 1.64	\$ 3.28	\$ 4.92	\$ 6.56	\$ 1.28	\$ 1.64
101725	SELMON EXPY WEST MAINLINE Eastbound	\$ 1.28	\$ 2.56	\$ 3.84	\$ 5.12	\$ 1.64	\$ 3.28	\$ 4.92	\$ 6.56	\$ 1.28	\$ 1.64
101730	Plant Avenue OFF - Westbound	\$ 0.65	\$ 1.30	\$ 1.95	\$ 2.60	\$ 1.01	\$ 2.02	\$ 3.03	\$ 4.04	\$ 0.65	\$ 1.01
101735	Plant Avenue ON - Eastbound	\$ 0.65	\$ 1.30	\$ 1.95	\$ 2.60	\$ 1.01	\$ 2.02	\$ 3.03	\$ 4.04	\$ 0.65	\$ 1.01
101740	22nd Street ON - Westbound	\$ 0.65	\$ 1.30	\$ 1.95	\$ 2.60	\$ 1.01	\$ 2.02	\$ 3.03	\$ 4.04	\$ 0.65	\$ 1.01
101745	22nd Street OFF - Eastbound	\$ 0.65	\$ 1.30	\$ 1.95	\$ 2.60	\$ 1.01	\$ 2.02	\$ 3.03	\$ 4.04	\$ 0.65	\$ 1.01
101750	50th Street ON - Westbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101755	50th Street OFF - Eastbound	\$ 0.95	\$ 1.99	\$ 2.85	\$ 3.80	\$ 1.31	\$ 2.62	\$ 3.93	\$ 5.24	\$ 0.95	\$ 1.31
101760	SELMON EXPY EAST MAINLINE Westbound	\$ 1.93	\$ 3.86	\$ 5.79	\$ 7.72	\$ 2.29	\$ 4.58	\$ 6.87	\$ 9.16	\$ 1.93	\$ 2.29
101765	SELMON EXPY EAST MAINLINE Eastbound	\$ 1.93	\$ 3.86	\$ 5.79	\$ 7.72	\$ 2.29	\$ 4.58	\$ 6.87	\$ 9.16	\$ 1.93	\$ 2.29
101770	Reversible Express Lanes - Westbound	\$ 1.93	\$ 3.86	\$ 5.79	\$ 7.72	\$ 2.29	\$ 4.58	\$ 6.87	\$ 9.16	\$ 1.93	\$ 2.29
101775	Reversible Express Lanes - Eastbound	\$ 1.93	\$ 3.86	\$ 5.79	\$ 7.72	\$ 2.29	\$ 4.58	\$ 6.87	\$ 9.16	\$ 1.93	\$ 2.29

Tampa-Hillsborough County Expressway Authority
Table 6 - Schedule of Net Revenues and Coverage Ratio
FY2013 through FY2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Toll and Fee Revenues	\$ 114,065,752	\$ 87,858,603	\$ 87,896,561	\$ 82,090,142	\$ 82,716,492	\$ 84,982,937	\$ 80,118,452	\$ 68,210,122	\$ 45,107,928	\$ 41,802,847
Investment Income	720,370	1,393,636	5,369,239	8,102,890	4,993,349	1,098,502	444,276	612,918	300,378	90,882
Other Revenues	1,271,321	916,218	884,257	889,329	905,635	1,014,345	819,352	822,463	817,479	495,639
Total Revenues	116,057,443	90,168,457	94,150,057	91,082,361	88,615,476	87,095,784	81,382,080	69,645,503	46,225,785	42,389,368
Operating Expenses	15,758,361	13,591,549	15,307,581	13,499,609	10,163,965	15,080,991	10,506,388	9,932,079	8,380,673	9,961,867
Less Depreciation	(1,421,136)	(1,127,909)	(1,130,959)	(1,162,625)	(1,177,173)	(1,183,354)	(1,043,488)	(900,044)	(857,189)	(964,037)
General & Administrative Expenses	6,821,215	6,136,415	6,675,948	5,576,957	5,597,013	4,497,783	3,767,733	3,393,785	3,185,996	2,814,997
Total Expenses	21,158,440	18,600,055	20,852,570	17,913,941	14,583,805	18,395,420	13,230,633	12,425,820	10,709,480	11,812,827
<u>Net Revenues</u>	<u>\$ 94,899,003</u>	<u>\$ 71,568,402</u>	<u>\$ 73,297,487</u>	<u>\$ 73,168,420</u>	<u>\$ 74,031,671</u>	<u>\$ 68,700,364</u>	<u>\$ 68,151,447</u>	<u>\$ 57,219,683</u>	<u>\$ 35,516,305</u>	<u>\$ 30,576,541</u>
<u>Senior Debt Service</u>	<u>\$ 38,254,883</u>	<u>\$ 33,275,846</u>	<u>\$ 38,526,328</u>	<u>\$ 36,977,733</u>	<u>\$ 35,468,471</u>	<u>\$ 24,768,371</u>	<u>\$ 23,216,004</u>	<u>\$ 21,592,131</u>	<u>\$ 21,616,551</u>	<u>\$ 19,766,551</u>
<u>Senior Bonds Coverage Ratio</u>	2.48	2.15	1.90	1.98	2.09	2.77	2.94	2.65	1.64	1.55

Tampa-Hillsborough County Expressway Authority
Table 7 - Ratio of Outstanding Debt by Type
FY2013 through FY2022

<u>Fiscal Year</u>	<u>Revenue Bonds</u>		<u>FDOT Loan *</u>	<u>State Transportation</u>		<u>Total Debt</u>	<u>Total Toll Transactions</u>	<u>Debt per Transaction</u>
	<u>Principal</u>			<u>Trust Fund Loan</u>				
2022	\$ 628,350	\$	200,075	\$ 13,759	\$	842,184	69,396	\$ 12.14
2021	\$ 638,130	\$	200,075	\$ 13,759	\$	851,964	53,000	\$ 16.07
2020	\$ 618,810	\$	200,075	\$ 13,759	\$	832,644	54,253	\$ 15.35
2019	\$ 631,995	\$	200,075	\$ 13,759	\$	845,829	61,938	\$ 13.66
2018	\$ 638,785	\$	200,075	\$ 13,759	\$	852,619	59,160	\$ 14.41
2017	\$ 439,310	\$	200,075	\$ 13,759	\$	653,144	56,104	\$ 11.64
2016	\$ 442,840	\$	200,075	\$ 13,759	\$	656,674	54,152	\$ 12.13
2015	\$ 444,690	\$	200,432	\$ 13,759	\$	658,881	37,633	\$ 17.51
2014	\$ 444,690	\$	199,778	\$ 13,759	\$	658,227	27,897	\$ 23.59
2013	\$ 444,690	\$	190,242	\$ 13,759	\$	648,691	16,313	\$ 39.77

*Repayment of FDOT loan begins in 2025 in 20 annual installments

Tampa-Hillsborough County Expressway Authority
Table 8 - Demographic and Economic Statistics
Last Ten Years

Calendar Year	Population (1)	Personal Income (in thousands) (1)	Personal Income Per Capita	Unemployment Rate (%) (2)	Median Age
2013	1,282,040	\$52,741,892	\$41,139	7.7	36.4
2014	1,294,140	\$52,137,332	\$40,287	6.4	36.5
2015	1,316,310	\$54,893,552	\$41,703	5.7	37.9
2016	1,325,563	\$58,596,262	\$39,594	4.9	36.2
2017	1,352,797	\$62,630,443	\$46,297	4.7	36.2
2018	1,379,302	\$62,976,126	\$45,658	3.7	36.6
2019	1,408,864	\$67,533,935	\$47,935	2.9	36.8
2020	1,444,870	\$71,319,751	\$49,361	5.9	37.8
2021	1,490,374	\$77,665,624	\$52,111	3.9	38.5
2022	1,519,792	Note (3)	Note (3)	2.7	Note (3)

Note: Information presented for Hillsborough County, Florida

Sources:

- (1) Florida Office of Economic and Demographic Research
- (2) Bureau of Labor Market Statistics, LAUS Program
- (3) Data not available at date of publication

Tampa-Hillsborough County Expressway Authority
Table 9 - Principal Employers
Current Year and Nine Years Ago

Employer	Type	2022			2013		
		Employees	%	Rank	Employees	%	Rank
Baycare Health System	Medical	28,357	3.6%	1	-	-	-
Publix Super Markets, Inc.	Supermarkets	25,989	3.3%	2	6,826	1.0%	7
Hillsborough County School Board	Education	25,173	3.2%	3	25,936	3.9%	1
HCA West Florida	Medical	18,832	2.4%	4	-	-	-
MacDill Air Force Base	Military	18,000	2.3%	5	14,500	2.2%	2
University of South Florida	Education	16,277	2.0%	6	10,837	1.6%	3
AdventHealth West Florida Division	Medical	12,000	1.5%	7	-	-	-
Tampa International Airport	Aviation	10,500	1.3%	8	7,500	1.1%	6
Hillsborough County Government	Government	10,330	1.3%	9	9,355	1.4%	5
Tampa General Hospital	Medical	8,000	1.0%	10	6,500	1.0%	8
H. Lee Moffit Cancer Center	Medical	6,100	0.8%	11	4,187	0.6%	11
James A. Haley VA Hospital	Medical	4,670	0.6%	12	4,700	0.7%	10
City of Tampa	Government	4,480	0.6%	13	4,000	0.6%	12
Verizon Communications, Inc.	Telecommunications	-	-	-	9,957	1.5%	4
Total Principal Employers		188,708	19.6%		104,298	15.5%	
Other Employers		608,721	80.4%				
Total Hillsborough County Employment		797,429	100.0%				

Note: Information presented for Hillsborough County, Florida

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

Tampa-Hillsborough County Expressway Authority
Table 10 - Contribution to Capital Assets
FY2013 through FY2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Beginning Balance	\$ 1,104,751	\$ 1,032,348	\$ 921,071	\$ 845,621	\$ 767,820	\$ 749,870	\$ 746,334	\$ 743,375	\$ 731,593	\$ 672,359
Additions	43,836	333,489	112,621	76,791	79,010	19,133	4,779	36,824	90,055	61,584
Deletions	(11,434)	(259,957)	(213)	(179)	(31)	-	(200)	(32,965)	(77,416)	(1,386)
Depreciation	<u>(1,393)</u>	<u>(1,128)</u>	<u>(1,131)</u>	<u>(1,163)</u>	<u>(1,177)</u>	<u>(1,183)</u>	<u>(1,043)</u>	<u>(900)</u>	<u>(857)</u>	<u>(964)</u>
Total Capital Assets, Net	<u>\$ 1,135,760</u>	<u>\$ 1,104,751</u>	<u>\$ 1,032,348</u>	<u>\$ 921,071</u>	<u>\$ 845,621</u>	<u>\$ 767,820</u>	<u>\$ 749,870</u>	<u>\$ 746,334</u>	<u>\$ 743,375</u>	<u>\$ 731,593</u>

Tampa-Hillsborough County Expressway Authority
Table 11 - Full-time equivalent Employees by Function
FY2013 through FY2022

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
ADMINISTRATION										
Administrative Services	3	3	3	3	5	4	5	5	5	4
Human Resources and Records Management	1	1	1	1	1	1	1	1	1	1
Communications	1	1	1	1	2	1	1	1	1	2
Executive	1	1	1	1	1	1	1	1	1	1
Finance	2	2	2	2	2	3	3	3	3	3
Legal	1	1	1	1	1	1	1	1	1	1
Procurement	1	1	1	1	1	1	1	1	1	2
OPERATIONS										
Information Technology	1	1	1	1	1	1	1	1	1	1
Engineering	1	1	1	1	2	2	1	2	2	2
Field Services	1	1	1	1	1	1	1	1	1	1
Maintenance	1	1	1	1	1	1	1	1	1	-
Planning and Innovation	1	1	1	1	1	2	3	2	2	2
Toll Operations	<u>1</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>6</u>
TOTAL EMPLOYEES	<u>16</u>	<u>17</u>	<u>17</u>	<u>18</u>	<u>23</u>	<u>23</u>	<u>25</u>	<u>25</u>	<u>25</u>	<u>26</u>

OTHER REPORTS



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

Distinguished Members of the Authority
Tampa-Hillsborough County Expressway Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Tampa-Hillsborough County Expressway Authority (the "Authority") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 23, 2023.

Report on Internal Control Over Financial Reporting

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

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

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



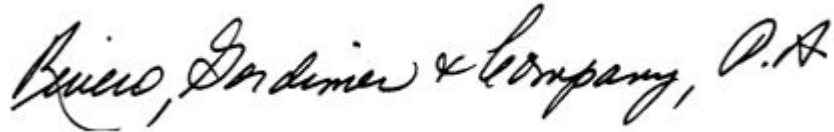
Report on Compliance and Other Matters

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

Purpose of this Report

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

Tampa, Florida
January 23, 2023

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



Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	James K. O'Connor
Kevin R. Bass	David M. Bohnsack
Jonathan E. Stein	Julie A. Davis
Stephen G. Douglas	
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Distinguished Members of the Authority
Tampa-Hillsborough County Expressway Authority

Report on Compliance for Each Federal Program

Opinion on Each Major Federal Program

We have audited Tampa-Hillsborough County Expressway Authority's (the "Authority") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on the Tampa-Hillsborough County Expressway Authority's major federal program for the year ended June 30, 2022. Tampa-Hillsborough County Expressway Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Tampa-Hillsborough County Expressway 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 program for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grants agreements applicable to the Authority's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

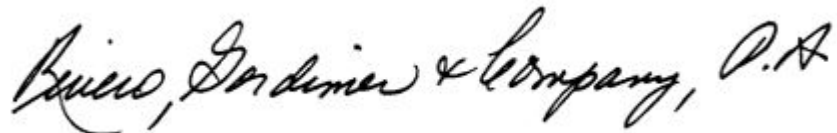
Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of 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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida
January 23, 2023

Tampa-Hillsborough County Expressway Authority
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2022

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting

Material weakness(es) identified?

___ yes X no

Significant deficiency(ies) identified?

___ yes X none reported

Noncompliance material to financial statements noted?

___ yes X no

Federal Awards

Internal control over major federal awards

Material weakness(es) identified?

___ yes X no

Significant deficiency(ies) identified?

___ yes X none reported

Type of auditors' report issued on compliance for major federal awards:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

___ yes X no

Identification of major federal programs:

Assistance Listing Number

Name of Federal Program

20.200

Highway Research and Development Program

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

Federal

\$ 750,000

Auditee qualified as low-risk auditee

X yes ___ no

Section II - Financial Statement Findings

No matters were reported for the year ended June 30, 2022

Section III - Federal Award Findings and Questioned Costs

No matters were reported for the year ended June 30, 2022



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MANAGEMENT LETTER BASED ON RULE 10.554(1)(i) OF
THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Distinguished Members of the Authority
Tampa-Hillsborough County Expressway Authority

Report on the Financial Statements

We have audited the financial statements of the Tampa-Hillsborough County Expressway Authority (the "Authority"), as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated January 23, 2023.

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, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs, and Independent Accountant's Report on Compliance with the Requirements of Section 218.415, Florida Statutes on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated January 23, 2023, 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. There were no prior year findings nor corrective actions disclosed in the preceding 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. The required information is disclosed in the Notes to General Purpose Financial Statements (see Note A - Organization and Reporting Entity), page 17.

Financial Condition and Management

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

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

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

Special District Component Units

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

Specific Information

As required by Section 218.39(3)(c) Florida Statutes, and section 10.554(1)(i)b and 10.554(1)(i)7, *Rules of the Auditor General*, the Authority included other information titled Data Elements Required by Section 218.39(3)(c), Florida Statutes (Unaudited), pages 70 - 71.

Additional Matters

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

Purpose of this Letter

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

Tampa, Florida
January 23, 2023

Buccio, Gordinier & Company, P.A.

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



Herman V. Lazzara	Michael E. Helton
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Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

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

Distinguished Members of the Authority
Tampa-Hillsborough County Expressway Authority

We have examined the compliance of Tampa-Hillsborough County Expressway Authority (the "Authority") with the requirements of Section 218.415, Florida Statutes during the year ended June 30, 2022. Management of the Authority is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Authority's compliance with specified requirements.

In our opinion, the Authority complied in all material respects, with the specified compliance requirements above during the year ended September 30, 2022.

Tampa, Florida
January 23, 2023



Tampa-Hillsborough County Expressway Authority

DATA ELEMENTS REQUIRED BY SECTION 218.39(3)(C), FLORIDA STATUTES
(UNAUDITED)

For the year ended June 30, 2022

<u>Data Element</u>	<u>Reference</u>	<u>Comment</u>
The total number of employees compensated in the last pay period of the fiscal year being reported on:	Section 218.39(3)(e)(2)(a)	28
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the fiscal year being reported on:	Section 218.39(3)(e)(2)(b)	-
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency:	Section 218.39(3)(e)(2)(c)	\$ 2,468,581
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency:	Section 218.39(3)(e)(2)(d)	-
Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after July 1 of the fiscal year being reported, together with total expenditures for such projects:	Section 218.39(3)(e)(2)(e)	See next page
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amended a final adopted budget under Section 189.016(6), Florida Statutes:	Section 218.39(3)(e)(2)(f)	-

Tampa-Hillsborough County Expressway Authority

DATA ELEMENTS REQUIRED BY SECTION 218.39(3)(C), FLORIDA STATUTES
(UNAUDITED)

For the year ended June 30, 2022

<u>Project Description</u>		<u>Amount</u>
Toll Operations Generators	\$	131,415
Concrete Pavement Striping	\$	949,910
Fiscal Year 2022 Miscellaneous Paving	\$	1,578,958
Fiber Characterization	\$	279,955
Fiber from West Hillsborough River to THEA Headquarters	\$	257,230
East Selmon Slip Ramps	\$	23,988,955
Interoperability Signs	\$	66,217