

# FLORIDA'S TURNPIKE SYSTEM

## Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2012

An Enterprise Fund of the Florida Department of Transportation

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## *Florida Department of Transportation*

**RICK SCOTT**  
GOVERNOR

605 Suwannee Street  
Tallahassee, FL 32399-0450

**ANANTH PRASAD, P.E.**  
SECRETARY

January 30, 2013

Mr. Ananth Prasad, P.E., Secretary  
Florida Department of Transportation  
605 Suwannee Street  
Tallahassee, Florida 32399

Dear Secretary Prasad:

On behalf of the Turnpike System, we are pleased to submit this Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2012. The responsibility for the accuracy of the data and the completeness and fairness of the presentation in this report, including all disclosures, rests with the management of the Turnpike Enterprise and the Florida Department of Transportation (Department). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Turnpike System which is reported as an enterprise fund. Florida's Turnpike System is an agency of the State of Florida and is presented as a blended enterprise fund in the financial reports of the State of Florida. The enclosed CAFR reflects the results of operations and the financial condition for the Turnpike System only. The report has been prepared in accordance with standards prescribed by the Governmental Accounting Standards Board (GASB) and other rule-making bodies. We believe the report contains all disclosures necessary for the reader to understand the Turnpike System's financial affairs.

The Turnpike System's existing roadway serves as an integral part of the State's transportation network in moving people and goods. In addition, the Turnpike accomplished a number of production objectives this year, including widening of the Polk Parkway from Pace Road to Interstate 4, the construction of a new interchange at Pace Road on the Polk Parkway, the modification of the Lake Worth Road interchange on the Mainline, and completion of several resurfacing projects. Additionally, as part of a service plaza restoration project along the Mainline, a new restaurant, convenience store and fuel facility opened at the Pompano Beach Service Plaza.

FY 2012 toll revenues of \$608.8 million exceeded the prior year by 1.5 percent. The increase is primarily due to modest improvement in economic conditions such as employment and tourism. The increase in net assets, after accounting for all revenues and expenses for the year, was \$268.9 million. During FY 2012, management continued to contain operating costs and balance program levels to current and future revenues. Additional operational efficiencies and cost savings were achieved in toll collection operations due to the conversion of the Homestead Extension of Florida's Turnpike to All-Electronic Tolling in the latter half of the prior year.

The CAFR is divided into an Introductory Section, Financial Section, and Statistical Section to facilitate the understanding of the financial performance of the Turnpike System. Management's Discussion and Analysis (MD&A), contained in the Financial Section, provides a brief analysis of the financial activities of the Turnpike System and introduces the basic financial statements.

The preparation of the CAFR could not have been accomplished without the efforts and dedication of the staff of the Turnpike Enterprise and the Department's Office of the Comptroller. In addition, we would like to express appreciation to you and your staff for your interest and support in the accomplishments of Florida's Turnpike Enterprise.

Respectfully submitted,

Diane Gutierrez-Scaccetti, Executive Director /  
Chief Executive Officer  
Florida's Turnpike Enterprise

Nicola A. Liquori, CPA, Deputy Executive  
Director / Chief Financial Officer  
Florida's Turnpike Enterprise

Robin M. Naitove, CPA, Comptroller  
Florida Department of Transportation



# FLORIDA'S TURNPIKE SYSTEM

## Governance and Principal Officials

The Turnpike Enterprise (Enterprise) mission is to help meet the State's growing transportation needs, ensuring value to customers, protecting investors and managing the Turnpike System in a business-like manner. The Enterprise is responsible for the management of Florida's Turnpike System and the collection of tolls on seven other facilities owned or operated by the Florida Department of Transportation (FDOT or Department). Florida's Turnpike was created in 1953 as the Florida State Turnpike Authority and became part of the Department in 1969. The Turnpike was reorganized as an Office within the Department in 1988 and as a District in 1994. In 2002, the Turnpike became an Enterprise within the Department pursuant to House Bill 261.

The Turnpike System conducts its operations as an enterprise fund within the Department. The Department is headed by the Secretary of Transportation (Secretary) who is appointed by the Governor from among three persons nominated by the Florida Transportation Commission (Commission). The Secretary is subject to confirmation by the Senate and serves at the pleasure of the Governor.

Ananth Prasad was appointed Secretary by Governor Rick Scott on April 18, 2011 after serving as the Assistant Secretary for Engineering and Operations since July 2010. He has 21 years experience in the transportation industry, including 19 years with the Department where he previously held the positions of Chief Engineer and Director of Construction.

The Commission consists of nine members, appointed by the Governor, with private-sector business experience. The Commissioners serve uncompensated, staggered terms of four years and may be reappointed. The purpose of the Commission is to review major transportation policy initiatives or revisions submitted by the Department, recommend major transportation policy to the Governor and Legislature, serve as an oversight body for the Department and transportation authorities created under select Florida statutes, and serve as the nominating commission in the selection of the Secretary of the Department.

The Department is decentralized into seven Districts and the Turnpike Enterprise. The District Secretaries and the Executive Director of the Turnpike Enterprise report to the Department's Secretary. Diane Gutierrez-Scaccetti, the Turnpike's Executive Director, has led the Turnpike management team since her appointment by the Secretary in August 2011.

## FLORIDA TRANSPORTATION COMMISSION



**Chairman**  
Ronald Howse  
*Cocoa*



**Vice-Chairman**  
Jay Trumbull  
*Panama City*



**Secretary**  
Manuel Maroño  
*Sweetwater*



Donnie Ellington  
*Gainesville*



Maurice Ferrè  
*Miami*



Katherine Frazier  
*Tampa*



Beth Kigel  
*West Palm Beach*



Andy Tuck  
*Sebring*



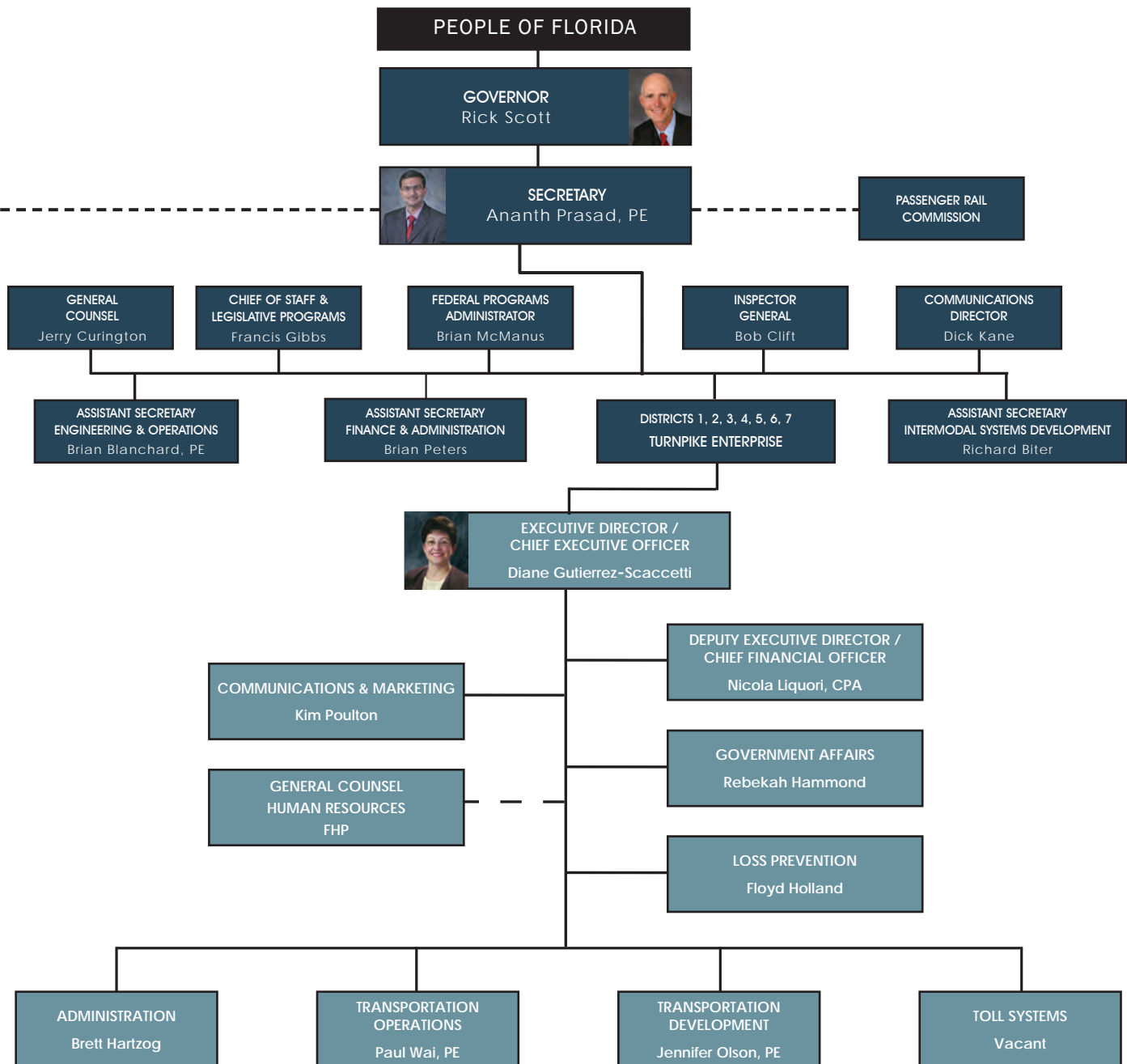
Vacant

## MISSION STATEMENT

To provide leadership in meeting Florida's transportation needs through policy guidance on issues of statewide importance and maintaining public accountability for the Department of Transportation and other statutorily specified transportation authorities.



There are seven major functional areas which report to the Executive Director: the Chief Financial Officer (CFO), the Director of Communications and Marketing, the Government Affairs Liaison, the Director of Loss Prevention, the Director of Administration, the Director of Transportation Operations, the Director of Transportation Development, and the Director of Toll Systems.



# DESCRIPTION OF FLORIDA'S TURNPIKE SYSTEM



**Florida's Turnpike Mainline:** A 320-mile, multi-lane facility extending from Florida City in Miami-Dade County northward to Wildwood in Sumter County. This contiguous roadway consists of the 47-mile Homestead Extension of Florida's Turnpike (HEFT), the 43-mile Southern Coin System, the 155-mile Ticket System, the 67-mile Northern Coin System, and the 8-mile Beachline West Expressway. The first four facilities are contiguous in a north-south direction. The Beachline West Expressway (formerly Bee Line West Expressway) intersects with the Northern Coin System and has an east-west orientation. The Mainline opened from Miami to Fort Pierce in 1957, Fort Pierce to Orlando South in 1963 and Orlando South to Wildwood in 1964. The Beachline West Expressway opened in 1973, and the HEFT opened the following year.



**Sawgrass Expressway:** A 23-mile, four-lane limited-access toll facility beginning with a connection to I-595 and I-75, extending north, then east, to Powerline Road (between the Mainline and I-95). It provides a bypass of the urban Fort Lauderdale and Miami areas for motorists traveling south from the Mainline in northern Broward County. As directed by the legislature, this facility was acquired from the Broward County Expressway Authority in 1990. With the defeasance of all outstanding bonds in December 2000, title to this facility now vests with the Turnpike.



**Polk Parkway:** A 25-mile, limited-access toll facility that forms a partial loop around the south side of the city of Lakeland, connecting with I-4 at Clark Road on the west and Mt. Olive Road on the east. This facility opened in three stages and fully opened to traffic in December 1999.



**Veterans Expressway:** A 15-mile, four-lane limited-access toll facility extending north from the Courtney Campbell Causeway (SR 60) near the Tampa International Airport to Dale Mabry Highway (SR 597) just north of Van Dyke Road. This facility opened to traffic in October 1994.

**Suncoast Parkway:** A 42-mile, four-lane limited-access toll facility that extends from the Veterans Expressway near Van Dyke Road in Hillsborough County, northward through Pasco County, terminating at US 98 in Hernando County. This facility opened in stages and fully opened to traffic in August 2001.



**Seminole Expressway:** An 18-mile, four-lane limited-access toll facility. The original 12-mile section, SR 426 to US 17/92, opened to traffic in June 1994; the final 6-mile section, US 17/92 to I-4, opened to traffic in September 2002. The expressway connects with the Central Florida GreeneWay, a toll facility operated by the Orlando-Orange County Expressway Authority (OOCEA), at SR 426 in east Orlando.

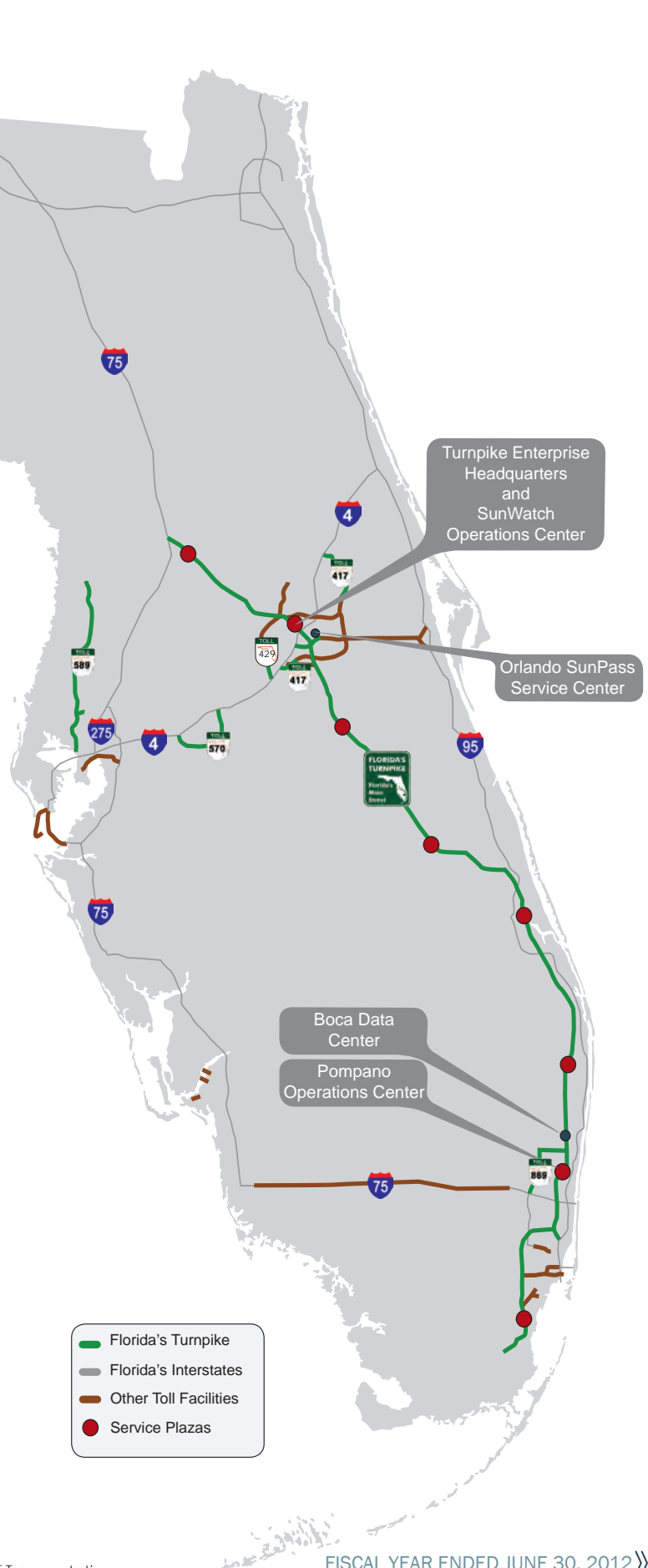
**Southern Connector Extension:** A 6-mile, four-lane limited-access toll facility that connects the Central Florida GreeneWay southwestward to I-4 in Osceola County. The facility opened to traffic in June 1996.



**Western Beltway, Part C:** An 11-mile, limited-access toll facility extending from I-4 in Osceola County across US 192 to Seidel Road in Orange County. The facility provides an alternate north-south route between Florida's Turnpike and I-4. Opened in two stages, the facility fully opened to traffic in December 2006.



The Turnpike System consists of 460 miles of limited-access toll facilities. Financed primarily by toll and concession revenues, the Turnpike System has provided the State's residents and visitors with a safe and efficient means of travel since 1957. Today, its primary customers are the commuters in the Miami-Dade, Broward and Palm Beach counties and the Orlando and northern Tampa urban areas. There are eight service plazas located along the Mainline: Snapper Creek, Pompano Beach, West Palm Beach, Port St. Lucie/ Fort Pierce, Fort Drum, Canoe Creek, Turkey Lake, and Okahumpka. These facilities provide services such as food and beverage, fuel and other conveniences. In addition, numerous other Turnpike facilities that support daily operations are located primarily on the Turnpike Mainline. These facilities include the Turnpike Enterprise Headquarters, the SunWatch Operations Center, and the Pompano Operations Center. The primary toll operations facilities include the Boca Data Center (which houses Toll Systems staff and the Boca SunPass® Service Center staff) and the Orlando SunPass Service Center. Traffic Management Centers (TMCs) are housed in the SunWatch Operations Center and the Pompano Operations Center.





# LOOKING AHEAD

In August 2011, FDOT Secretary Ananth Prasad announced his Florida Transportation Vision for the 21st Century, emphasizing how Florida's Turnpike serves as a catalyst for new development throughout the state. In this role, the 460-mile Turnpike System helps to keep Florida on the move through customer-oriented and environmentally sound user-financed facilities.

Secretary Prasad envisions Florida's highway corridors as the economic backbone that will facilitate the movement of people and freight over the next several decades to support economic growth and quality of life in Florida. The Turnpike System serves as a major component of the State's transportation backbone and is vital to the efficient movement of people and goods within the State and beyond, facilitating regional, national, and international trade. Three of Florida's four major interstate highways connect with the Turnpike. First, Interstate 75 feeds traffic into the Turnpike's northern end via a high-speed direct interchange (milepost 309)

north of Wildwood. Second, Interstate 95 connects with the Turnpike in Miami-Dade County at Golden Glades Plaza, in Broward County connecting to the Turnpike Mainline through Interstate 595, in Palm Beach County at Indiantown Road, and also in St. Lucie County at SR 70. Third, Interstate 4 traverses Florida between Interstate 75/275 in Tampa and Interstate 95 in Daytona Beach, connecting with the Polk Parkway, the Western Beltway, Part C, the Southern Connector Extension, the Beachline West Expressway between Orlando and Walt Disney World, the Turnpike at milepost 259, and the Seminole Expressway to the west of Sanford.

The Turnpike largely serves three distinct types of customers: commuters, commercial businesses, and recreational travelers. In most cases, the Turnpike is the fastest way to travel north or south through Florida. In fact, travel-time studies show that using the Turnpike versus alternate routes saves over one and one-half hours for travel between Miami and Wildwood (US 301).

## VISION



Serving the people of Florida by delivering a transportation system that is fatality and congestion free.



Helping to keep Florida on the move through customer-oriented, environmentally-sound, user-financed facilities.

## MISSION



The Department will provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity and preserves the quality of our environment and communities.



To help meet the State's transportation needs, ensuring value to customers, protecting investors and managing the Turnpike System in a business-like manner.

The Turnpike is one of the largest toll facilities in the country and currently processes over 2.1 million customer transactions per day. The 460-mile long Turnpike System provides an essential link between South Florida and Central Florida as well as regional mobility in the Tampa, Orlando, and Miami areas. Turnpike customers travel to and from work, cruise and shipping ports, airports, homes and tourist sites, over various parts of Florida, and reach their destinations with predictable travel times. Additionally, customers today have access to enhanced technology that makes their travel on the Turnpike faster and more convenient. For example, customers can use their SunPass transponder to pay for tolls as well as airport parking. Furthermore, they have the ability to quickly and easily access their accounts to view transaction activity or update personal information via the web or a mobile device, and the ability to obtain real-time travel information to make in-route decisions.

Florida's Governor Rick Scott stated, "The transportation industry will be leading the charge in making sure we have state-of-the-art infrastructure that is interconnected and efficient. This will make Florida tough to beat for the place where we all want to live, work, and play." An integral part of this effort is the scheduled addition of the I-4 Connector in Tampa to the Turnpike System in FY 2014 which will accommodate commercial customers that haul cargo by providing direct access to and from the Port of Tampa. This will be a completely elevated 12-lane All-Electronic Tolling (AET) toll facility, serving Hillsborough County as an alternative route to and from downtown Tampa. The I-4 Connector will create a system-to-system link between Interstate 4 and the Selmon Crosstown Expressway. In addition, the Turnpike is partnering with District Four of the FDOT in south Florida on a project currently under construction that includes significant improvements to the existing Turnpike / Interstate 595 interchange to allow future interstate express toll lanes to connect directly into the Mainline (see "FUTURE PROJECTS" section for more information).



*Construction of the I-4 Connector.*

The First Coast Outer Beltway project in Jacksonville starting in 2013 will be the first Turnpike expansion project since the Western Beltway, Part C. This project, being built in partnership with FDOT District Two, will allow the Turnpike to expand into a new region of the State. The 15-mile section of the Turnpike is the beginning of the larger 47-mile First Coast Outer Beltway project. This section will link Blanding Boulevard in Clay County and Interstate 10 in Duval County, and is expected to generate significant employment opportunities as well as stimulate economic development in the area.

Furthermore, the Turnpike has a number of road widening projects and AET conversion projects scheduled in the next few years which will increase capacity and traffic throughput, enhance safety, increase travel-time savings, and reduce operating costs. The cost of many of these improvements will be funded from a statutorily required toll rate increase that went into effect in June 2012 (see "FUTURE PROJECTS" section for more information).

# YEAR IN REVIEW

## Operating Performance

In FY 2012, Turnpike System operating revenues increased over 1 percent while operating and maintenance costs declined by more than 3 percent. Traffic growth, while modest, marked the third consecutive year of positive growth since the Great Recession. Toll operating costs declined primarily due to the reduction of labor costs associated with manual toll collection. On the other hand, renewals and replacements costs increased due to the cyclical nature of these expenses. Overall, operating income decreased from the prior year. Nevertheless, the Turnpike continued to invest in transportation infrastructure in the form of access and additional capacity, and preserve and maintain the system at a high level.

## System Improvements

In September 2011, the Mainline interchange modification project at Lake Worth Road (milepost 93) in Palm Beach County opened to traffic. This project significantly improves the movement and distribution of traffic between Lake Worth Road and the Mainline resulting in increased capacity and enhanced safety. Additionally, the new Pace Road interchange on the Polk Parkway in Polk County opened to traffic in November 2011. This SunPass-only interchange provides access to the new Florida Polytechnic University. In addition to the new interchange, the Turnpike widened the Polk

Parkway between Interstate 4 and Pace Road from two to four lanes to provide the additional needed capacity.

Also, in March 2012, the widening of the Mainline in Orange County between milepost 269 and milepost 273 was completed. This project added four lanes of capacity to accommodate future growth in the Orlando area and a new larger toll plaza at the Winter Garden / Clermont exit (milepost 272) with express toll lanes to serve the significant traffic volumes during peak hours.

In addition to the capacity and access projects that were completed during the year, new service plaza facilities opened to customers as follows: two new customer convenience stores along with upgraded fuel facilities at the West Palm Beach and Turkey Lake service plazas; a new restaurant, convenience store, and fuel facility at the Pompano Beach plaza; an upgraded fuel facility at the Canoe Creek plaza; and new restroom facilities at the Snapper Creek plaza. Some of the improvements include new food concepts, larger circulation space, enlarged restrooms, outdoor dining, and upgraded fuel facilities. A recent survey conducted after the completion of these improvement projects indicates an increase in traffic entering the service plazas and a substantial improvement in the quality of service, general appearance, and restroom cleanliness.



*Pace Road Interchange on the Polk Parkway*



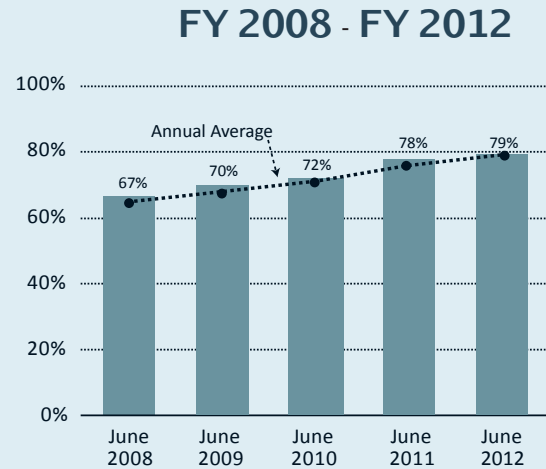
# Performance Measures

Key operational and financial measures evaluate the level of effectiveness and efficiency of Turnpike toll operations. Management is required to report these performance measures to the Florida Transportation Commission annually. The three primary performance measures are: (1) SunPass participation, (2) Cost Per Transaction, and (3) Revenue Collection Efficiency. Overall, the Turnpike met or exceeded all three performance measures.

## SunPass Participation

*The number of toll transactions collected utilizing transponders in relation to total transactions*

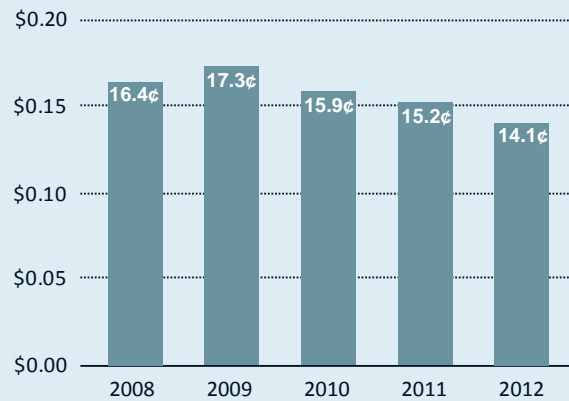
**GOAL:** 75 percent by June 30, 2012



## Cost Per Transaction

*Toll operational costs divided by the number of transactions processed*

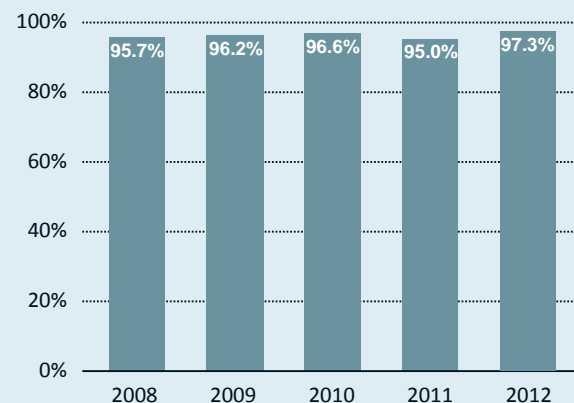
**GOAL:** Less than 16 cents per transaction



## Revenue Collection Efficiency

*Ratio of actual revenues collected compared to revenues that should have been collected*

**GOAL:** 95 percent collection efficiency



The increase in the SunPass participation rate lowers toll operational costs and enhances revenue collection. Correspondingly, this allows for the investing of more revenue dollars in transportation projects.

## Transportation Awards

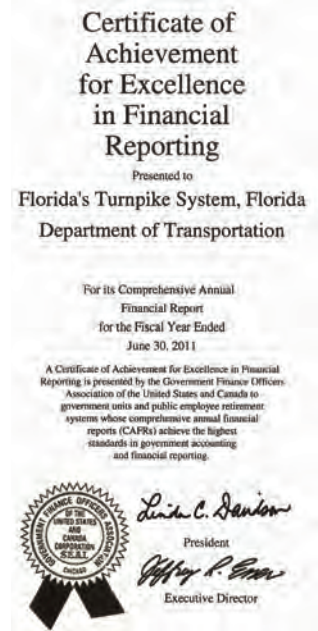
The Turnpike was the recipient of two 2012 Best in Construction awards from the Florida Transportation Builders' Association (FTBA). The first award, in the category of Design Build, is related to the Pace Road interchange and Polk Parkway widening project. The second award, in the category of Interstate, is for the Turnpike Mainline widening from four to eight lanes between mileposts 269 to 273 in Orange County. The primary reasons for both awards are on-time completion of the projects and the use of innovative construction methods.

## Financial Ratings and Awards

During FY 2012, the Turnpike maintained its ratings (AA-, AA-, Aa3) for its outstanding bonded debt from all three nationally recognized bond rating agencies. In their rating statements, they credited the Turnpike with having a hands-on management team and a good track record for managing capital expansion programs and operating expenses. In addition, the Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence

in Financial Reporting to the Turnpike for its CAFR for the fiscal year ended June 30, 2011. This was the 20th consecutive year that the Turnpike received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.



VALUES




<p><b>INTEGRITY</b> We always do what is right</p> <p><b>RESPECT</b> We value diversity, talent and ideas</p> <p><b>COMMITMENT</b> We do what we say we are going to do</p>	<p><b>ONE FDOT</b> We are one agency, one team</p> <p><b>TRUST</b> We are open and fair</p> <p><b>CUSTOMER DRIVEN</b> We listen to our customers</p>
<p><b>CUSTOMER-FOCUSED</b> We provide customers premium value in return for their toll in order to encourage continued and increased usage of our facilities.</p> <p><b>RESULTS-ORIENTED</b> Our success requires productivity and leadership from motivated managers and staff, focused on our Mission. The cornerstone of our organization is performance management.</p>	<p><b>INNOVATIVE</b> We value innovation and look for ways to become better, faster and more cost effective.</p> <p><b>ENTREPRENEURIAL</b> Our business is to help meet the transportation needs of Florida. We will take prudent risks to achieve our Mission.</p>

# CUSTOMER PRODUCTS AND SERVICES

The Turnpike is a customer-driven organization and provides a number of transportation products and services. Services are continuously expanded and enhanced to ensure that customers are receiving excellent value for the toll paid.

## Service Plazas

Eight service plazas are conveniently located along the Mainline at Snapper Creek (milepost 19), Pompano Beach (milepost 65), West Palm Beach (milepost 94), Port St. Lucie/ Fort Pierce (milepost 144), Fort Drum (milepost 184), Canoe Creek (milepost 229), Turkey Lake (milepost 263), and Okahumpka (milepost 299). These plazas are currently being reconstructed, renovated and improved. The improvement project began in FY 2011 on six of the eight service plazas, (Snapper Creek, Pompano Beach, West Palm Beach, Ft. Drum, Canoe Creek and Turkey Lake). Some service plaza improvements were completed in FY 2012 such as larger lobby areas, more food and merchandise offerings and expanded restroom facilities. Construction will commence during FY 2013 at the Okahumpka and Port St. Lucie/ Fort Pierce service plazas. Upon completion in FY 2013 and FY 2014, all of the facilities will have been upgraded. Also, many plazas will meet Leadership in Energy and Environmental Design (LEED) silver certification indicating that they are environmentally friendly and energy efficient. This environmentally friendly technology is consistent with the prior installation of the Truck Stop Electrification (TSE) devices that were placed into service at both the Okahumpka and Canoe Creek Service Plazas in the first half of FY 2011. Using a TSE device in place of diesel-powered idling reduces high density nitrogen and carbon dioxide emissions, allows a truck to save diesel fuel during rest periods, extends truck engine life, and reduces truck engine repairs and maintenance.



*Pompano Service Plaza: Exterior*



*Pompano Service Plaza: Interior*



*Pompano Service Plaza Grand Opening (Left to Right) Xavier Rabell (CEO, Areas USA), Helio Castroneves (Indy 500 Champion), Diane Gutierrez-Scaccetti (Enterprise Executive Director), Ananth Prasad (FDOT Secretary)*



The new modern facilities are part of a service plaza redevelopment program tied to a 30 year concession agreement executed in April 2009 with Areas USA FLTP, LLC (Areas) for the operation of the eight plazas. This is a unique long-term public-private partnership between the Turnpike and Areas who are both leaders in their respective industries. Under the agreement, the Turnpike receives a percentage of concession revenues but is guaranteed minimum rents for the contract term. Additionally, Areas partners with Florida Turnpike Services (FTS) under an agreement for FTS to provide fuel services under the Shell brand.



*Service Plaza Construction: Canoe Creek Service Plaza*

To gauge customer satisfaction and to continue enhancing service levels, each year the Turnpike surveys patrons at the service plazas on the quality of service, general appearance, and cleanliness of the restaurant buildings and fuel stations. Overall, 82 percent of customers rated the Turnpike service plazas as “good” during FY 2012 despite ongoing construction activities related to the plaza renovation program.

## SunPass Transponder Program

The Turnpike established itself as a leader in toll collection technology with the launch of the SunPass transponder program in 1999. This program allows customers to establish a prepaid toll account and utilize a transponder in their vehicle to record their usage at toll facilities. Both the Turnpike and its customers greatly benefit from this method of Electronic Toll Collection (ETC). Customers no longer have to stop and pay tolls with cash and the Turnpike is assured of revenue collection through the use of



prepaid accounts. The Florida Department of Motor Vehicles also highlights the benefits of SunPass - “As customers travel the Turnpike and other Florida highways the payment of tolls has been made very easy with SunPass..... customers may find themselves spending 3 to 5 minutes sitting to pay each toll without SunPass”. Additionally, ETC operating costs are significantly lower than traditional in-lane cash toll collection due to the use of technology.

The Turnpike’s effective transponder sales and distribution program meets the growing customer demand. SunPass transponders are available at nearly 2,000 locations throughout Florida. Some of the locations include Publix supermarkets, CVS stores, and Blackstone retail outlets. The SunPass Mini, referred to as the ‘sticker tag’, is one of the transponder options available to customers. The Mini is a lower-cost alternative to the original portable transponder and sells for \$4.99. The credit card sized tag permanently adheres to the vehicle windshield, unlike the portable transponder. Approximately one million transponders were sold during FY 2012 with over 7.2 million transponders sold since the SunPass program began.

## TOLL-BY-PLATE

FY 2012 marked the first full year of TOLL-BY-PLATE (TBP) that expanded toll payment options for customers utilizing a video billing program. The TBP program allows customers without transponders to pay tolls through an image-based vehicle license plate identification process. As such, customers now enjoy the convenience of uninterrupted travel as they no longer have to stop to pay tolls. This method of payment is currently only offered on the HEFT in Miami-Dade County. Approximately 10 percent of the HEFT customers use this option while the remaining 90 percent pay with SunPass.

### TOLL-BY-PLATE

First introduced in February 2005 in Orlando, the SunPass airport parking program has been well received by customers and, as such, has created interest from some regional airports in exploring the use of SunPass. FY 2012 experienced a 32 percent increase from the prior year in the number of transponder airport transactions.

## Rental Vehicle Tolling

The Turnpike also has agreements with three private companies, American Traffic Solutions, Inc., Rent-A-Toll, Ltd., and Highway Traffic Administration, to oversee a prepaid toll program that uses vehicle license plate information to collect tolls electronically from rental cars and trucks. Familiar brands that fall under the umbrella of these agreements are: Advantage, Alamo, Avis, Budget, Dollar, Enterprise, Global, Hertz, National, Penske, Ryder, Sunshine, and Thrifty. This program extends the benefits of electronic tolling to rental car customers and ensures the Turnpike receives

## Airport Parking

Transponders are also in use at select non-toll locations. SunPass is the preferred, convenient and efficient option to pay for airport parking at Orlando, Tampa, Palm Beach, Miami, and Ft. Lauderdale-Hollywood International airports.



the tolls due. It also shifts the risk of revenue collection to the service provider. During FY 2012 rental vehicle toll transactions grew by 65 percent over the prior year.

### Alternative Payment Options

Starting in May 2010, SunPass customers can conveniently obtain account balances and replenish their accounts with cash at over 4,000 retail locations throughout the state. In addition, customers have the option to pay TBP invoices, Unpaid Toll Violations (UTV), and Uniform Traffic Citations (UTC) with cash at over 1,200 statewide locations.

### Online Account Access

During March 2012, Turnpike customers started receiving Twitter feeds from the SunPass.com and tollbyplate.com websites reflecting safety reminders and service updates, such as the use of seatbelts and the convenience of SunPass to pay for airport parking. The SunPass website offers many customer self-serve features with a modern interface, simplified functionality, enhanced graphics, an intuitive layout, a mobile site option for smart devices, as well as English and Spanish language options. Other features include the ability to pay toll notices online, as well as renew annual passes for certain toll facilities. The tollbyplate.com website also allows TBP customers to establish an account, set up prepaid options, and to make payments on invoices, UTVs, and UTCs.

### Toll Facility Maintenance

The Turnpike's SunWatch Operations Center (SunWatch), a state-of-the-art command and control maintenance center, provides the means by which SunPass lanes are continuously monitored to ensure that they remain open to traffic in order to maintain a high level of toll collection services for customers. Located in Orlando, SunWatch assesses

incoming technical issues and responds to requests for service and repairs timely and efficiently. SunWatch is responsible for maintaining over 1,100 lanes of equipment statewide.

During FY 2012, the Turnpike fiber network was available 99.9 percent of the time allowing the SunWatch staff to monitor the performance of the toll systems and lane equipment virtually 24 hours a day, 7 days a week. Also in FY 2012, Violation Enforcement System (VES) enhancements were made including a 15 percent improvement in image quality and a significant reduction in lane to back office image-transfer times from several days to just a few hours. When toll facilities experience equipment problems, SunWatch staff perform diagnostics and repair the issues remotely or through the dispatch of field technicians. Through a variety of tools and advanced technology, SunWatch continues to maintain and support the collection of tolls statewide.



*SunWatch operators monitor 1,100 toll lanes statewide*



# CUSTOMER SAFETY AND ROADSIDE ASSISTANCE

The Turnpike is committed to creating and maintaining a safe environment for all motorists and exceeding customer expectations with a number of service offerings.

## Florida Highway Patrol

The Florida Highway Patrol (FHP) continues to patrol the Turnpike Mainline as it has for decades as part of the Turnpike's customer safety program. Troop K of the FHP, in partnership with Florida's Turnpike, provides for the safety and security of Turnpike's roadways and service plazas for the benefit of the traveling public. During FY 2012, Troop K rendered assistance to over 56 thousand disabled vehicles and issued over 54 thousand speeding tickets. Furthermore, the Turnpike provides funding to the Florida Department of Highway Safety and Motor Vehicles (DHSMV) for the services provided by Troop K.



## Rapid Incident Scene Clearance

The Statewide Open Roads Policy is a joint agreement between the FDOT and FHP to open the roadways following a traffic crash within 90 minutes. As part of the State Open Roads Policy

agreement, the Turnpike's Rapid Incident Scene Clearance (RISC) program helps keep roads clear from large vehicles involved in accidents to prevent additional accidents. This program significantly reduces vehicle clearance times by providing an incentive to towing contractors for using approved, specialized equipment and procedures. Selected contractors assigned sections of the Turnpike are required to respond and clear travel lanes within the 90-minute standard and are awarded bonuses if they are successful. The goal of meeting the 90-minute standard was fully attained at a greater than 90 percent success rate during FY 2012 with an average clearance time of just over 60 minutes for RISC responses.



## RAPID INCIDENT SCENE CLEARANCE

**GOAL: 90:00**

**90-Minute Clearance Time = > 90%  
Average Clearance Time = 60 minutes**

## Road Ranger

Another important customer safety initiative is the Turnpike's Road Ranger program, known as the State Farm Safety Patrol. Specially equipped Road Ranger vehicles travel Florida's Turnpike looking for stranded motorists, debris on the road, traffic accidents or other incidents. During FY 2012, 18 active Road Ranger patrol zones operated on the Turnpike Mainline, the Sawgrass Expressway and the Veterans Expressway. In addition, the Turnpike partners with the Orlando-Orange County Expressway Authority (OOCEA) to provide customers with Road Ranger services on the Seminole Expressway and the Southern Connector Extension. A portion of the program is funded through a sponsorship by State Farm Insurance. Road Rangers are dispatched by the Traffic Management Center (TMC) and are tracked by an automatic vehicle locator system. During FY 2012, Road Rangers responded to over 126 thousand roadside events, including 75 thousand service calls for roadside assistance, up 15 percent from the preceding year.

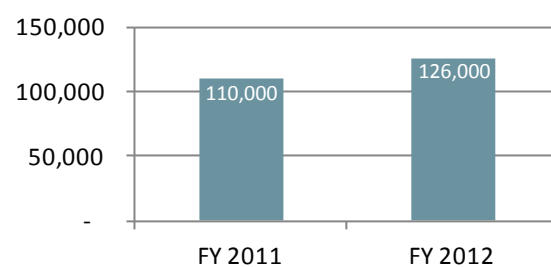
## Citizens Band Radio Alert System

The Turnpike's Citizens Band Radio Alert System (CBRAS) is an innovative and unique program in the nation. This program allows the Turnpike's TMC to disseminate information to customers' vehicles, mostly commercial carriers, regarding severe conditions or traffic incidents to allow them to reduce their speed and alert others of such incidents through channel 19 on their CB radios. The brief messages are sent at short periodic intervals to reduce opportunities for distraction. Preventing secondary traffic incidents involving large commercial vehicles improves safety for the traveling public and supports mobility of regional freight and goods on the Turnpike System. The CBRAS uses Voice-over-Internet Protocol (VoIP) technology to transmit audio messages over the Turnpike's Intelligent Transportation System (ITS) fiber optic network and may be used for future installations on the Interstate System where similar fiber optics and ITS monitoring capabilities exist. The CBRAS has a total of 15 strategic transmitter locations

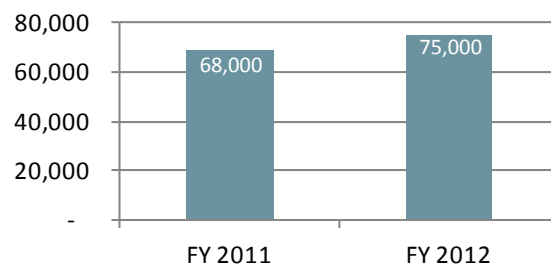
## State Farm Safety Patrol



Roadside Event Responses



Service Calls





throughout the Turnpike System where reduced visibility can result from fog and other weather conditions, including the Mainline, the HEFT, the Sawgrass Expressway, the Western Beltway, and the Polk Parkway. In FY 2012, the TMC activated messages of reduced visibility or incident lane closure conditions 560 times on these CBRAS transmitters, in part due to the prior year's expansion project and protocols to increase their usage.

### Water Hazard Protection

Another key customer safety area that the Turnpike continues to invest in is the use of cable barriers along bodies of water in order to prevent vehicles from becoming submerged along Turnpike roadways. Since March 2009, the Turnpike has placed in service 175 miles of canal cable barriers to protect customers from the various water hazards along the roadways. During 2012, the Turnpike began construction of the \$8 million canal cable barrier project from milepost 190 to 249 in Osceola County. Additionally, vendor proposals were received by the end of FY 2012 for the \$4 million cable barrier project in Lake County from milepost 274 to 298. Both projects are scheduled to be completed by the end of FY 2013.



### Towing Services

The Turnpike operates a customer safety program called STARR (Specialty Towing and Roadside Repair). The STARR program facilitates safe, expedient, and efficient towing service for wrecked or disabled vehicles on the Turnpike Mainline. Qualified vendors are granted a non-exclusive privilege to provide towing and roadside services

in designated sectors along the Turnpike. These vendors are active partners in the provision of incident management and motorist assistance. They are required to provide their employees with specialized training and industry related certification. During FY 2012, the vendors responded to over 7,500 FHP-dispatched calls across ten sectors of the Mainline and met their stated arrival time 89 percent of the time with an average arrival time of just over 19 minutes. The Turnpike is considering expanding this customer service program to other facilities such as the Veterans Expressway, Suncoast Parkway, Polk Parkway, Seminole Expressway, Southern Connector Extension and Western Beltway, Part C.

### Emergency Evacuation Services

Based on past experience with hurricanes and tropical storms, the Turnpike has developed emergency traffic management plans and strategies for regional evacuations with the overall purpose of keeping traffic moving by precluding lane-blocking events. In addition, the Turnpike Enterprise has also established emergency "strike teams" made up of employees who volunteer to assist at service plazas to ensure proper maintenance of traffic during emergency situations. To further assist customers during emergencies, each service plaza, the Data Center/SunPass Service Center in Boca Raton, the Operations/FHP and Turnpike Headquarters buildings at Turkey Lake, and the Operations Center in Pompano are equipped with industrial-size generators that can provide up to 72 hours of power. By having uninterrupted power at the Turnpike service plazas, the public and emergency personnel are able to refuel their vehicles, have access to food during evacuations, and utilize restroom facilities. In addition, each TMC is equipped to serve as an emergency operation center during hurricane evacuations and other weather-related incidents. For the 2012 hurricane season, the Turnpike was minimally impacted by hurricanes Debby and Isaac.

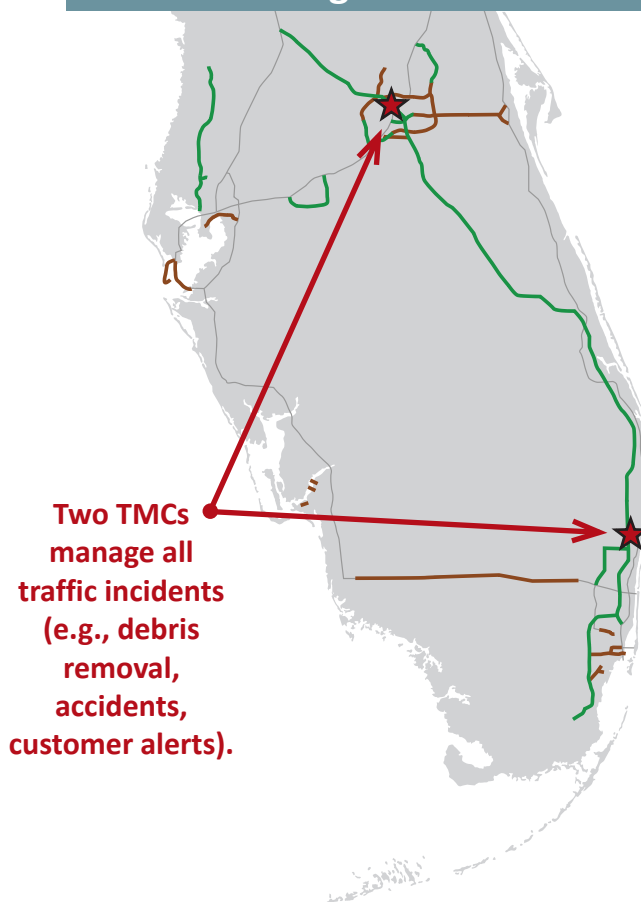
## News and Information Services

Customers rely on ITS, which includes a blend of electronic devices administered by the TMC staff, designed to advance the Turnpike's safety and customer service initiatives. The TMC coordinates incident emergency response efforts in order to prevent secondary crashes and advise motorists of traffic conditions. Utilizing two facilities (Pompano Beach at milepost 65 and Turkey Lake at milepost 263) with centralized operations, the TMC team monitors and manages traffic along Florida's Turnpike roadways. The TMC team works closely with the FHP, the State Farm Safety Patrol (Road Rangers), STARR towing vendors, FDOT Districts, "511" travel information providers, traffic media, construction and maintenance personnel, the Public Information Office and other agencies to ensure customer safety and to provide accurate and timely information. During FY 2012, the TMC managed over 111 thousand incidents along the Turnpike System.

The TMC staff utilize ITS equipment such as fiber-optic cable, Closed Circuit Television (CCTV) cameras, Dynamic Message Signs (DMS), Highway Advisory Radio (HAR) transmitters and beacons, and CBRAS transmitters. This equipment gives the TMC team the ability to provide customers with up-to-date traffic information such as travel times and the capability to fully manage incidents on the Turnpike thereby reducing congestion and enhancing safety. In FY 2012, the Turnpike was able to clear traffic incidents from travel lanes across the entire Turnpike System within 48 minutes on average, which is well below the FDOT's Open Road Policy goal of 90 minutes.

Currently, Florida's Turnpike has 116 DMS throughout the Turnpike System that provide real-time information about traffic delays, incidents, emergency operations, and construction. During FY 2012, the Turnpike replaced ten legacy DMS signs on the Mainline. The new signs utilize more

## Traffic Management Centers



modern technology to provide real-time information to customers and are easier to maintain than the previous generation. The remaining ten DMS signs on the Mainline are expected to be replaced in FY 2013.

The Turnpike is also part of the statewide "511" system. Florida motorists call one number, 511, to find out about construction updates, lane closures, traffic incidents, travel times, severe weather reports, and Amber Alerts. The Florida 511 website at [www.FL511.com](http://www.FL511.com), provides other information and services such as a real-time route planner with up-to-date travel times, online congestion maps, and evacuation information.

# SYSTEM MAINTENANCE

The Turnpike has a comprehensive routine and periodic maintenance program and an extensive asset management system. The various maintenance teams (i.e. facilities, roadway, service plazas, toll equipment) keep facilities and roads open to the traveling public, remove debris, and conduct pre-storm and post-storm operations in the event of a disaster like a hurricane.

The Turnpike maintains a high standard in preserving existing facilities. Most Turnpike roads are resurfaced every 10 to 12 years. See the “FY 2012 Project Highlights” for resurfacing activity during the year. Florida’s Turnpike System continues to be one of the best maintained roadways in the state highway system.

The Office of the State Maintenance Engineer performs a sampling of five specific areas to develop the maintenance rating for roadways on the state highway system. The ratings cover roadway, roadside, vegetation/aesthetics, traffic services and drainage. With an overall rating of 91 for FY 2012, the Turnpike consistently exceeds the benchmark rating of 80. In keeping with its high standards, the Turnpike establishes routine maintenance funding levels to provide its customers with a safe and comfortable journey.



*Aesthetics and roadway conditions are key to high maintenance ratings*

## Maintenance Rating

The maintenance rating is based on five specific areas:

- Roadway
- Roadside
- Vegetation/Aesthetics
- Traffic Services
- Drainage



# FY 2012 PROJECT HIGHLIGHTS

## WIDENINGS

November 2011 - Completed construction of the \$18 million widening of the Polk Parkway from Interstate 4 to Pace Road, Milepost 22 to 24, in Polk County

March 2012 - Completed construction of the \$104 million widening of the Mainline from Beulah Road to State Road 50, Milepost 269 to 273, in Orange County

## INTERCHANGES

September 2011 - Completed construction of the \$45 million interchange modification on the Mainline at Lake Worth Road at Milepost 93 in Palm Beach County

November 2011 - Completed construction of the new \$13 million Pace Road interchange on the Polk Parkway at Milepost 23 in Polk County

## RAMP BRIDGE REPLACEMENTS

January 2012 - Began construction of the \$8 million Jupiter ramp bridge replacement project on the Mainline at Milepost 116 in Palm Beach County

May 2012 - Contract execution for the \$9 million PGA Boulevard ramp bridge replacement project on the Mainline at milepost 109 in Palm Beach County

## SERVICE PLAZAS

February 2012 - Completed construction of a new \$3 million convenience store at the West Palm Beach service plaza at Milepost 94 in Palm Beach County

February 2012 - Completed construction of a new \$3 million convenience store at the Turkey Lake service plaza at Milepost 263 in Orange County

June 2012 - Completed construction and opened to customers the \$7 million new restaurant, convenience store and fuel facility at the Pompano Beach service plaza at Milepost 65 in Broward County

## CANAL CABLE BARRIERS

November 2011 - Began construction of the \$8 million canal cable barrier project from Milepost 190 to Milepost 249 in Osceola County

June 2012 - Received bids for the construction of the \$4 million canal cable barrier project from Milepost 274 to 298 in Lake County

## LANE CONVERSIONS

October 2011 - Received bids for the construction of the \$1 million dedicated lane conversion at the SR 80 toll plaza on the Mainline at Milepost 97 in Palm Beach County



*Jupiter Road Ramp Bridge Replacement Project*



## RESURFACINGS

July 2011 - Completed the \$4 million 30 lane-mile resurfacing on the Mainline from Miramar Parkway to Griffin Road, Milepost 48 to 54, in Broward County

October 2011 - Began the \$13 million 13 lane-mile resurfacing on the HEFT from Milepost 17 to 21, including ramps, in Miami-Dade County

December 2011 - Completed the \$3 million 16 lane-mile resurfacing of the Mainline spur from Milepost 1 to 3 in Miami-Dade County

January 2012 - Began the \$10 million 43 lane-mile resurfacing of the Mainline from Atlantic Boulevard to Sawgrass Expressway, Milepost 66 to 71, in Broward County

February 2012 - Completed the \$5 million 12 lane-mile resurfacing on the Southern Connector Extension from Milepost 0 to 3 in Osceola County

February 2012 - Completed the \$2 million 7 lane-mile resurfacing of the Southern Connector Extension from Milepost 3 to 5 in Orange County

March 2012 - Completed the \$2 million 5 lane-mile resurfacing on the Mainline from Milepost 274 to 275 in Lake County

June 2012 - Began the \$18 million 44 lane-mile resurfacing of the Polk Parkway from milepost 8 to 22 in Polk County

July 2012 - Began the \$7 million 35 lane-mile resurfacing of the Suncoast Parkway from milepost 27 to 37 in Pasco County



*Lake Worth Road Interchange Modification Project*



# ECONOMIC AND REVENUE OUTLOOK

## Economy, Employment and Tourism

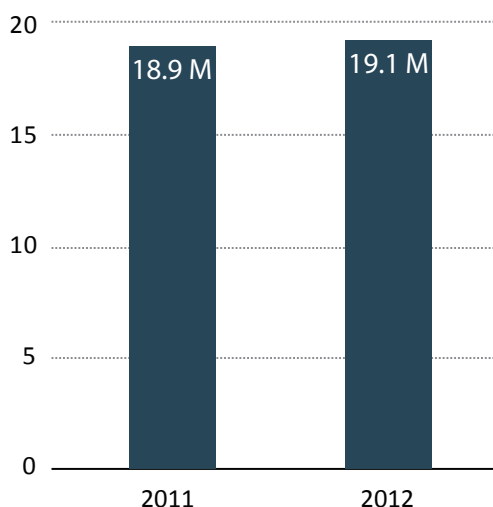
Florida is the fourth largest economy in the nation. As of June 2012, Florida experienced 23 months of annual job growth. Over 127,000 net new private sector jobs have been created since the beginning of 2011. Year-over-year gains have been strongest for professional and business services, trade, transportation, utilities, private education, and health services. However, employment in construction and government has continued to fall. Nevertheless, Florida is trending in the right direction. Florida's Gross Domestic Product (GDP) grew at an annual rate of 0.5 percent in 2011, albeit more slowly than in the prior year at 0.9 percent. Florida outperformed thirteen other states with respect to GDP, none of which was as severely impacted by the collapse of the housing market. In summary, the economic outlook for Florida continues to improve, although a full recovery will take some time.

Florida's population and employment level directly impact traffic on Turnpike facilities. Florida's population is currently estimated at 19.1 million, approximately 6 percent of the entire United States. Florida's population level increased by approximately 1 percent compared to the

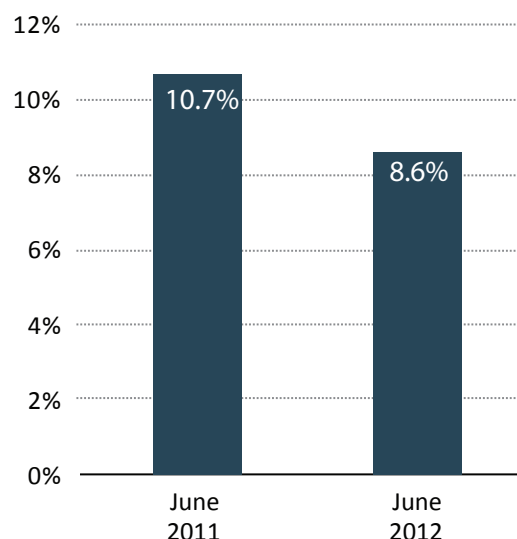
prior year. The Florida Demographic Estimating Conference projects minimal growth in 2012, slightly over 1 percent in 2013, and modest growth rates thereafter. Furthermore, based on U.S. Department of Labor statistics, the Florida unemployment rate is at its lowest level since December 2008 standing at 8.6 percent as of June 2012, compared to 10.7 percent as of June 2011. The national unemployment rate also declined to 8.2 percent as of June 2012 from 9.2 percent for the same month last year. The gap between the national average and Florida's unemployment rate is the narrowest it has been in four years.

Although the path to recovery will be long, the data reflects that conditions are generally stabilizing. Florida's continued recovery has been aided by a combination of factors: a continued rebound in tourism; an ongoing rebound in exports (17 percent increase in 2011); and a slight improvement in national economic conditions. People from around the world are attracted to Florida as one of the most popular tourist destinations. Tourists have a wide variety of attractions to choose from such as Walt Disney World, Universal Studios, SeaWorld, and the Kennedy Space Center,

**Population - Florida  
2011 and 2012  
(Millions)**



**Unemployment Rate - Florida  
2011 and 2012  
(Percent)**



as well as hundreds of miles of beaches. Over 45 million people visited Florida during the first half of calendar year 2012, an increase of almost 2 percent from the comparable period in 2011, according to VISIT FLORIDA Research, a unit of the Florida Commission on Tourism. Travel to and from tourist destinations in Florida is facilitated by the Turnpike Mainline which serves the Miami to Orlando corridor, the Southern Connector Extension, Beachline West Expressway, and the Seminole Expressway which serve the Orlando area, and the Veterans Expressway which serves the Tampa area. Furthermore, with connections to Interstates 4, 75, 95, 275, and 595, Turnpike facilities play a major role in domestic and international trade, as well as provide convenient access to three deep water ports, five international airports, and 10 general aviation airports.

## Current and Projected Toll Revenues

The Turnpike System generates revenue from a broad customer base that is geographically dispersed across a large part of the State. Turnpike System FY 2012 toll revenues of approximately \$608.8 million reflect an increase of nearly \$9 million, or 1.5 percent, compared to the preceding year. This modest increase is primarily due to continuing signs of a slow economic recovery. FY 2013 toll revenues are expected to grow significantly to \$731 million as a result of a statutorily required system-wide toll rate increase. On June 24, 2012, cash tolls were indexed using the percentage change between the Consumer Price Index (CPI) for the five years ended December 31, 2010 and 2005, which is 11.7 percent. The cash rate was then adjusted up

**The toll rate  
increase of  
FY 2012  
significantly  
increased toll  
revenues**

to the next higher quarter for collection efficiency. The TBP rate is equivalent to the cash rate while the SunPass rate is a quarter less. Commercial vehicles pay proportionately higher toll rates than cars based on the number of axles. For subsequent years, the SunPass and TBP toll rates will be adjusted annually based on the year-over-year actual change in the CPI and rounded to the nearest penny. The cash toll rate will be adjusted every five years by the percentage change in the CPI over the previous five years and adjusted to the next higher quarter.

Toll revenues in FY 2014 and beyond are expected to continue to increase due to traffic growth and annual indexing of toll rates as required by Florida Statutes. Management believes the methodologies used to estimate toll and concession revenues are appropriate given existing economic conditions.

## Concession Revenues

During FY 2012, service plaza food service and concession sales totaled \$53.5 million with \$6.0 million paid to the Turnpike as the guaranteed minimum payment. Additional concession revenues were generated in FY 2012 from the Turnpike's advertising program. The Turnpike contracts with Travelers Marketing for them to provide advertising on toll booth windows, automatic coin machines, and coupons attached to toll receipts. In addition, the Turnpike has agreements with Florida Logos, Inc. to collect revenue from leasing space on sign structures at Turnpike exits in the categories of gas, food, lodging, pharmacies, camping, and attractions. Also, as part of the Sponsor-A-Highway program, 40 percent of the fees collected is remitted to the Turnpike. Combined with a State Farm Insurance sponsorship of Road Ranger vehicles, advertising income totaled approximately \$1.2 million for FY 2012. As such, total concession revenues during FY 2012 were \$7.2 million.

# FUTURE PROJECTS

The Turnpike continues to make investments in transportation infrastructure and has a formal planning process for the prioritization and selection of capital projects. While some system improvements are driven by necessity, many others are designed to enhance the customer experience, provide consistent and reliable travel times, relieve congestion, provide new points of access to the transportation network, and make the tolling process more transparent to the customer. For major capital projects, the Turnpike carefully considers the benefits of the proposed improvements, assesses their importance, and performs rate-of-return and cost-benefit analyses before investing resources and funds. The resulting comprehensive capital plan is funded from a mix of existing cash, toll revenues, and through the issuance of tax-exempt debt. The Turnpike maintains a number of financial policies and safeguards to ensure that its long-range financial plan is appropriately balanced, compliant with reserve requirements, structured to provide sufficient debt coverage levels, and built to provide flexibility in the event of a change in economic conditions.

Typically, the Turnpike issues tax-exempt bonds annually based on the projected expenditures for the upcoming year. The Turnpike sold \$150 million of Turnpike Revenue Bonds, Series 2011A

(2011A Bonds) in July 2011 with an effective interest rate of 4.5 percent on the “new money” portion of the bonds. A portion of the proceeds will be utilized at the end of FY 2013 to advance refund approximately \$48 million of the Turnpike Revenue Bonds, Series 2003C, maturing in years 2014 through 2021, in order to reduce future debt service payments. The remaining proceeds of the 2011A Bonds provide funding for ongoing construction projects. Turnpike bonds currently outstanding of \$2.9 billion are AA-rated by the three nationally recognized bond rating agencies. During FY 2013 through FY 2017, additional bond sales of \$1.1 billion are planned.

The additional planned debt will be supported by higher net revenues due to two significant events. First, the Turnpike experienced a reduction in toll operating costs in FY 2012 due to conversion of the HEFT to AET a few months prior to the beginning of the fiscal year. All HEFT toll transactions are captured through SunPass or TBP, removing the need for conventional toll plazas with attendants. The recurring annual savings translate into a lower Cost Per Transaction. Additional segments of the Turnpike are scheduled for conversion to AET over the next five years which will further contribute to operational cost savings.

## Turnpike Bond Ratings

Fitch Ratings	Standard & Poor's Ratings Services	Moody's Investors Service
AA	AA	Aa3

*“...management’s prudent fiscal policies and rational capital planning practices will continue to sustain the Turnpike’s long track record of healthy financial operations.”*

*- Moody's Investors Service*



All-Electronic Tolling results in lower operating costs



Second, based on the statutorily required toll rate increase which took effect in June of 2012, the Turnpike's financial plan reflects a significant increase in future toll revenues. Consequently, a number of additional improvement projects are scheduled. By the end of FY 2012, the Turnpike developed a new five-year capital plan designed to sustain existing business, accommodate expected growth, and to provide new access and capacity on the system. In addition to a number of safety and preservation projects, the approved plan includes several widening projects in the Miami and Tampa regions, the conversion of additional segments of the Turnpike System to AET as previously mentioned, new access points along the Mainline, various operational efficiency projects, completion of a new system-to-system elevated toll facility in Tampa, and construction of a new 15-mile toll road in Jacksonville.

Customer safety is the first priority at the Turnpike and a comprehensive safety improvement program reflects this priority. The capital plan includes three cable barrier projects to protect motorists from water hazards along the Mainline. Canal protection systems will be constructed along the roadway in Okeechobee, Orange, and Sumter counties over the next four years. Approximately 19 miles of canal protection devices will be installed at a total cost of nearly \$4.4 million during this period. The cable barriers will be installed on the outside shoulders in locations where canals and other bodies of water run alongside Turnpike facilities.

Second only to safety projects, system preservation comes next in the development of the Turnpike's five-year work program. The Turnpike's General Engineering Consultant performs an annual inspection of the entire System to assess pavement condition which provides the foundation for the prioritization and selection of resurfacing projects.

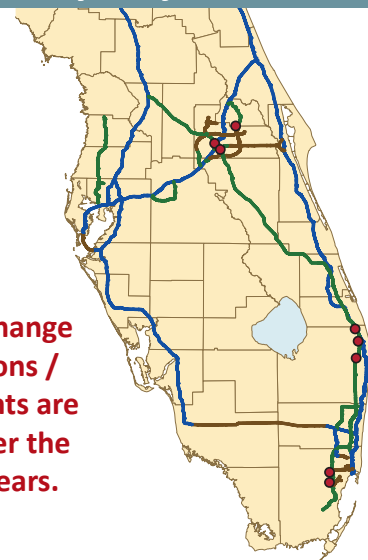
For FY 2013 and beyond, the Turnpike has programmed \$94 million of future commitments to preserve 287 lane miles of existing System roads as follows:

- 35 lane-miles of the HEFT in Miami-Dade County
- 135 lane-miles of the Mainline in Palm Beach and Osceola counties
- 22 lane-miles of the Seminole Expressway in Seminole County
- 84 lane-miles of the Suncoast Parkway in Hillsborough and Hernando counties
- 11 lane-miles of the Mainline in Orange County

The five-year plan also includes several operational efficiency projects designed to improve access to the System. Modifications will be made to the following Mainline interchanges over the next two years: Okeechobee Boulevard (milepost 99); PGA Boulevard (milepost 109); Indiantown Road (milepost 116); US 17/92/441 (milepost 254); and I-4 (milepost 259). Additional interchange improvements are planned on the HEFT at Kendall Drive (milepost 20), and Bird Road (milepost 23), as well as on the Seminole Expressway at Aloma Avenue (milepost 38). These projects will provide significant improvements from an operational and safety perspective at a low cost.

## Efficiency Projects

**Eight Interchange Modifications / Improvements are planned over the next two years.**



As previously indicated, the Turnpike has a number of AET conversion projects scheduled in the next five years. The following facilities will be converted during the FY 2013 – FY 2017 period: Sawgrass Expressway, Veterans Expressway, Suncoast Parkway, and the Mainline from I-95 to Lantana (Southern Coin System). These improvements will increase throughput, enhance safety, reduce pollution, and lower operational costs as cash toll booths are removed.

The upcoming capital plan also includes three major interchange improvement projects on the Mainline Southern Coin System. The Turnpike is partnering with District Four of the Department of Transportation for the construction of new ramps at the I-595 interchange in Broward County. Currently under construction, this project includes significant changes to the existing interchange to allow future I-595 express toll lanes to connect directly into the Turnpike Mainline. After the Southern Coin System is converted to AET, two additional interchanges will be modified to provide additional access and capacity to this heavily traveled segment of the Turnpike. In FY 2015, the Sunrise Boulevard interchange at milepost 58 in Broward County will be modified to include two new SunPass ramps to and from the South. Additionally, the existing Sunrise Boulevard bridge over the Turnpike will be replaced. In FY 2017, the Golden Glades interchange at milepost 0X in Miami-Dade County is scheduled for reconstruction. This interchange currently serves over 76 thousand vehicles per day and is projected to serve 93 thousand vehicles per day in a decade. The proposed improvements will significantly enhance traffic flow between the Turnpike and I-95 as well as State Road 826.

The largest component of the capital plan is made up of widening projects designed to accommodate anticipated growth in traffic that will occur on key segments of the System over the next decade and beyond. Approximately \$1.0 billion of widening projects are scheduled to add 57 lane-miles of capacity on the HEFT in Miami-Dade County and 49

lane-miles of capacity on the Veterans Expressway in Hillsborough County. Additionally, both of these facilities serve as primary evacuation routes prior to major storms and hurricanes making landfall in southern Florida and along the west coast. The additional capacity from these improvements will greatly enhance the capability of these roadways to facilitate large-scale evacuations.

Rounding out the capital plan are two new limited-access toll facilities, the First Coast Outer Beltway project and the I-4 Connector, which will expand the Turnpike System and generate additional toll revenues. These projects were mentioned previously in the “LOOKING AHEAD” section.

Existing cash balances, toll revenues, concessions, and bond proceeds will fund the Turnpike’s capital improvement program. Outstanding bonds totaled \$2.9 billion at the end of FY 2012. As indicated previously, the Turnpike anticipates issuing additional “new money” bonds of \$1.1 billion during the FY 2013 – FY 2017 period, with the next sale scheduled for January 2013. Based on the anticipated repayment schedules, total outstanding bonded debt is projected to be less than \$3.3 billion at the end of FY 2017, despite the planned issuances.



*Future Expansion Project: First Coast Outer Beltway*

# FINANCIAL INFORMATION

## Funding Structure

The Turnpike System is primarily self-sustaining with funds generated by tolls, concessions (service plazas), advertising revenues, issuance of toll revenue bonds, and interest earned on required reserves and temporary cash balances. Turnpike bonds are backed by the revenues of the entire Turnpike System. The revenues and expenses of other facilities owned or operated by the Department (toll collection provided by the Enterprise) that are not part of the Turnpike System, are accounted for separately within the Department’s accounting records.

## Safeguards

A number of program safeguards are implemented to overcome the risks that are inherent in a program of the geographic size and financial magnitude of Florida’s Turnpike System. The major safeguards are financial, statutory, and operational.

Financial safeguards protect the bondholders and the customers of the Turnpike System. They ensure that the System: 1) maintains sufficient revenues to honor program commitments, 2) expends funds on

authorized projects only, and 3) retains sufficient reserves to protect against a significant increase in either program costs or a downturn in estimated revenues. These safeguards include targets for the debt service coverage ratio, a 36-month cash forecast, a five-year capital improvement plan, a 10-year financial plan, and an annual independent audit.

Statutory safeguards include a requirement that, prior to construction, a proposed expansion project must meet tests of environmental and economic feasibility. Also, the statutes protect the System from the diversion of its revenues for non-System purposes.

Operational safeguards of the Turnpike System include the following: (1) effective program management with priorities that complement those of the Department; (2) a nationally recognized Traffic and Revenue Consultant, responsible for estimating traffic and revenues on planned projects, and (3) nationally recognized General Consultants, responsible for certifying the costs and schedules for major improvement and expansion projects.

TURNPIKE SAFEGUARDS		
Financial	Statutory	Operational
<ul style="list-style-type: none"><li>• Debt Service Coverage Ratio</li><li>• 36-Month Cash Forecast</li><li>• Five-Year Capital Improvement Plan</li><li>• 10-Year Financial Plan</li><li>• Annual Independent Audit</li></ul>	<ul style="list-style-type: none"><li>• Test of environmental feasibility</li><li>• Test of economic feasibility</li><li>• No diversion of Turnpike revenues for non-System purposes</li></ul>	<ul style="list-style-type: none"><li>• Effective program management</li><li>• Nationally recognized Traffic and Revenue Consultant</li><li>• Nationally recognized General Consultants</li></ul>



## System of Internal Controls

Management is responsible for establishing practices and maintaining a system of internal controls. In fulfilling this responsibility, estimates and judgments by management are required to evaluate the expected benefits and related costs of internal control policies and procedures.

Turnpike management believes that the existing internal control system will detect errors or irregularities of a material nature, if they occur, within a timely period by Department employees in the normal course of performing their responsibilities.

## Debt Issuance, Capacity and Coverage

The Turnpike System pledges revenues from its existing system in addition to revenues projected for new facilities when issuing bonds to construct new projects. Since opening to traffic in 1957, the Turnpike System has generated sufficient revenue to construct improvements and expansions, to properly operate and maintain the System, and to provide for debt service. At June 30, 2012, approximately \$2.9 billion in Turnpike System bonds were outstanding.

The Turnpike System is authorized to issue up to \$10.0 billion of outstanding revenue bonds to fund approved projects per Section 338.2275 of the Florida Statutes. As indicated previously, the Turnpike's capital plan calls for nearly \$1.1 billion of additional bonds in the FY 2013 to FY 2017 period to provide partial funding for a number of improvement projects. These bonds will be issued in accordance with the Turnpike Bond Authorizing Resolution and Turnpike Debt Management Guidelines. The remaining statutory limit will provide the legislative authority for the Turnpike to continue to expand beyond the current five-year capital plan.

The Turnpike continues to maintain healthy debt service coverage ratios due to lower operating expenses in recent years and modest growth in revenues. For FY 2012, the Turnpike's net debt service coverage of 1.8 was well in excess of the 1.2 required minimum under the bond covenant. Additionally, the Turnpike's 10-year financial plan reflects projected coverage ratios substantially above the required minimum for all 10 years, despite significant additional planned bonds.

## INDEPENDENT AUDITORS' REPORT

Secretary of Transportation and the Executive Board  
Florida Department of Transportation  
Tallahassee, Florida

We have audited the accompanying basic financial statements of Florida's Turnpike System (the "System") as of and for the years ended June 30, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1 to the financial statements, the financial statements referred to above present only the Florida's Turnpike System's Enterprise Fund of the Florida Department of Transportation and do not purport to, and do not, present fairly the financial position of the Florida Department of Transportation and the results of its operations and the cash flows of its proprietary funds in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Florida's Turnpike System as of June 30, 2012 and 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis and the required supplementary information other than management's discussion and analysis listed in the foregoing table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures on management's discussion and analysis and the required supplementary information other than management's discussion and analysis, which consisted principally of inquiries of management regarding 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 audits 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.

Our audit was conducted for the purpose of forming an opinion on the Florida's Turnpike System's basic financial statements. The introductory and statistical sections listed on the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such additional information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we express no opinion on it.

*Deloitte & Touche LLP*

November 12, 2012

(Except for the second paragraph of Note 16 to which the date is November 16, 2012)

# FLORIDA'S TURNPIKE SYSTEM

## DEPARTMENT OF TRANSPORTATION

### STATE OF FLORIDA

#### MANAGEMENT'S DISCUSSION AND ANALYSIS

##### YEARS ENDED JUNE 30, 2012 AND 2011

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As management of Florida's Turnpike System ("Florida's Turnpike," "Turnpike," or the "System"), we offer readers of our annual financial report this narrative overview of the financial activities of the System for the fiscal years ended June 30, 2012 and 2011. Please read it in conjunction with the financial statements as a whole.

The System operates as an enterprise fund of the Florida Department of Transportation (the "Department"), an agency of the State of Florida. The statements contained herein include only the accounts of the System and do not include any other accounts of the Department or the State of Florida. The System is presented as a blended enterprise fund in the financial statements of the State of Florida.

#### FINANCIAL HIGHLIGHTS

- The System's total revenues were \$650.2 million and \$631.6 million for fiscal year 2012 and 2011, respectively, representing an increase of \$18.6 million (2.9%) and a decrease of \$13.1 million (2.0%) from each of the prior years.
- The System's total expenses were \$378.0 million and \$348.3 million for fiscal years 2012 and 2011, respectively. Fiscal year 2012 total expenses increased \$29.7 million (8.5%) from the prior year, and fiscal year 2011 total expenses increased \$10.6 million (3.1%) from fiscal year 2010.
- The System's net assets totaled \$5,692.0 million and \$5,423.1 million as of June 30, 2012 and 2011, respectively. Increases of \$268.9 million (5.0%) and \$301.0 million (5.9%) from each of the prior fiscal years indicate growth in the System's financial position.
- The System's total capital assets, net of accumulated depreciation and amortization, amounted to \$7,804.7 million and \$7,665.1 million as of June 30, 2012 and 2011, respectively. Increases of \$139.6 million (1.8%) and \$319.5 million (4.3%) from each of the prior fiscal years signify continued investments in capital assets.

#### USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the System's basic financial statements, notes to the financial statements, and required supplementary information. While the System is considered part of the Department, which is an agency of the State of Florida, it is also considered an enterprise fund. Therefore, the System's financial statements are presented in a manner similar to a private sector business.

**Statement of Net Assets** — This statement presents information on all of the System's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are relative indicators of whether the System's financial position is improving or deteriorating.

**Statement of Revenues, Expenses, and Changes in Net Assets** — This statement shows the results of the System's total operations during the fiscal year and reflects both operating and nonoperating activities. Changes in net assets reflect the current fiscal period's operating impact upon the overall financial position of the System.



**Statement of Cash Flows** — This statement presents information about the System’s cash receipts and cash payments, or, in other words, the sources and uses of the System’s cash and the change in cash balance during the fiscal year. The direct method of cash flows is presented, ending with a reconciliation of operating income to net cash provided by operating activities.

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

**Other** — Certain required supplementary information is presented to disclose trend data on the System’s infrastructure condition.

## FINANCIAL ANALYSIS

Net assets serve as an indicator of the strength of the System’s financial position. The System’s net assets as of June 30, 2012 were \$5.7 billion, an increase of \$268.9 million, or 5.0%, as compared to the prior fiscal year. As of June 30, 2011 net assets were \$5.4 billion, an increase of \$301.0 million, or 5.9%, from fiscal year 2010. The increases in net assets were primarily attributable to the results from operations for the two years and were primarily invested in the System’s capital assets (land, infrastructure, buildings, etc.), less any related outstanding debt used to acquire those assets (see Table 1). The System uses these capital assets to provide services to customers. Although the System’s investment in capital assets is reported net of related debt, it should be noted that the revenues collected by the System are utilized to repay this debt in accordance with the bond resolution.

**Table 1**  
**Net Assets of Florida’s Turnpike System**  
**(In Millions)**

	<b>As of June 30,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
Current and other assets	\$ 728.1	\$ 652.1	\$ 461.3
Noncurrent restricted assets	369.0	256.9	480.0
Capital assets—net of accumulated depreciation and amortization	<u>7,804.7</u>	<u>7,665.1</u>	<u>7,345.6</u>
Total assets	<u>8,901.8</u>	<u>8,574.1</u>	<u>8,286.9</u>
Current liabilities	273.8	258.7	161.7
Long-term debt outstanding and other liabilities	<u>2,936.0</u>	<u>2,892.3</u>	<u>3,003.1</u>
Total liabilities	<u>3,209.8</u>	<u>3,151.0</u>	<u>3,164.8</u>
Net assets:			
Invested in capital assets—net of related debt	5,051.5	4,792.0	4,592.2
Restricted	166.2	164.9	158.0
Unrestricted	<u>474.3</u>	<u>466.2</u>	<u>371.9</u>
Total net assets	<u>\$ 5,692.0</u>	<u>\$ 5,423.1</u>	<u>\$ 5,122.1</u>

A portion of the System’s net assets represent resources subject to bond covenants or other restrictions. Funds maintained in these accounts include bond sinking fund requirements and debt service reserve requirements. As of June 30, 2012 and 2011, net assets subject to this restriction totaled \$166.2 million and \$164.9 million, respectively. For fiscal year 2012, this represents an increase of \$1.3 million from the prior year. This is primarily due to a \$7.4 million increase in net assets restricted for renewals and replacement resulting from a

decrease in funding needs for resurfacing, preliminary engineering and construction during the year, offset by a \$6.1 million decrease in net assets restricted for debt service from a slight restructuring of investments as of the end of fiscal year 2012. For fiscal year 2011, this represents an increase of \$6.9 million from the prior year. This increase is primarily due to an increase in net assets restricted for renewals and replacements from deposits, offset by disbursements for resurfacing, preliminary engineering, and construction. Additional information on the System's debt service funding can be found in Note 8 to the financial statements.

Unrestricted net assets of \$474.3 million and \$466.2 million as of June 30, 2012 and 2011, respectively, represent residual amounts after all mandatory transfers have been made as required by bond covenants and other restrictions. For fiscal year 2012, this represents an increase of \$8.1 million from the prior year. This is primarily due to the restructuring of unrestricted investments by the State Board of Administration and pooled investments with the State Treasury during the year. In addition, \$22.8 million of 2010B bond proceeds was spent to complete capital projects, hence, reducing need for the use of the unrestricted portion of toll revenues. For fiscal year 2011, this represents an increase of \$94.3 million from the prior year. This increase is primarily due to the increase in unrestricted pooled investments with the State Treasury during the year. The System's capital projects are funded through revenue bonds and toll revenues. The 2010B bond proceeds were received in June 2010, which in turn were utilized throughout fiscal year 2011 for bond related projects. This resulted in a reduced need for the use of the unrestricted portion of toll revenues for capital projects, hence the increase in unrestricted pooled investments with the State Treasury. Typically, unrestricted net assets are used to fund improvements scheduled in the System's work program and to support the ongoing operations of the System.

**Table 2**  
**Changes in Net Assets of Florida's Turnpike System**  
**(In Millions)**

	<b>For the Year Ended June 30,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
Operating revenues from toll facilities	\$ 608.8	\$ 600.1	\$ 596.2
Operating revenues from concessions and other sources	11.4	11.9	15.4
Nonoperating investment earnings	24.1	13.7	27.3
Nonoperating interest subsidy	5.9	5.9	5.8
Total revenues	<u>650.2</u>	<u>631.6</u>	<u>644.7</u>
Operations and maintenance expense	(171.0)	(176.7)	(170.3)
Business development and marketing expense	(2.7)	(3.3)	(2.2)
Pollution remediation expense	-	1.0	-
Renewals and replacements expense	(44.1)	(34.5)	(50.0)
Depreciation and amortization expense	(31.0)	(19.1)	(15.3)
Nonoperating interest expense	(125.8)	(110.4)	(98.3)
Other nonoperating expense—net	(3.4)	(5.3)	(1.6)
Total expenses	<u>(378.0)</u>	<u>(348.3)</u>	<u>(337.7)</u>
Income before contributions for capital projects and contributions to other governments	272.2	283.3	307.0
Contributions for capital projects	2.3	23.6	14.2
Contributions to other governments	(5.6)	(5.9)	(5.3)
Increase in net assets	268.9	301.0	315.9
Net assets:			
Beginning of year	<u>5,423.1</u>	<u>5,122.1</u>	<u>4,806.2</u>
End of year	<u>\$ 5,692.0</u>	<u>\$ 5,423.1</u>	<u>\$ 5,122.1</u>

Total revenues for fiscal year 2012 were \$650.2 million, representing an increase of \$18.6 million, or 2.9%, compared to fiscal year 2011. This resulted primarily from an increase in toll revenues and an increase in nonoperating investment earnings due to the fair market adjustment. Corresponding to the increase in toll revenues, toll transactions increased to 664.3 million transactions for the year ended June 30, 2012, from 652.9 million transactions for the year ended June 30, 2011, due to slight growth in ridership and a continuing economic recovery. No toll suspensions occurred during fiscal years 2012 and 2011. Historically, tolls have been suspended to aid evacuation efforts when a state of emergency has been declared by the Governor during natural disasters, such as hurricanes.

Total revenues for fiscal year 2011 were \$631.6 million, representing a decrease of \$13.1 million or 2.0% compared to fiscal year 2010. This resulted primarily from an increase in toll revenues offset by decreases in nonoperating investment earnings due to the decline in interest rates and a decrease in concessions and other sources of revenue from service plaza renovations along the Mainline. Corresponding to the increase in toll revenue, toll transactions increased to 652.9 million transactions for the year ended June 30, 2011, from 639.4 million transactions for the year ended June 30, 2010.

The System has a broad customer base and the ability to serve more than half of the State of Florida's population. Expanded use of the interstate highway system and continuing heavy flows of commuter traffic make Florida's Turnpike an attractive option to the motoring public in both rural and urban areas. Customers of the System perceive the value of its well-maintained, limited-access roadways and its high level of service, and respond by choosing the Turnpike over alternative routes.

For the year ended June 30, 2012, the System reported \$2.3 million of contributions for capital projects, a decrease of \$21.3 million from the prior year. The contributions consist primarily of \$0.6 million for Service Plaza renovations, \$0.6 million for the Pace Road Polk Parkway interchange project, and \$0.5 million for construction of the I-595 fly over ramps project on the Mainline.

Total expenses (including depreciation and amortization expense) for fiscal year 2012 were \$378.0 million, an increase of \$29.7 million or 8.5%, as compared to fiscal year 2011. The increase is primarily due to a \$15.4 million increase in nonoperating interest expense, \$11.9 million increase in depreciation and amortization expense, and \$9.6 million increase in renewal and replacements expense, offset by a \$5.7 million decrease in operations and maintenance expense, and a \$1.9 million decrease in other nonoperating expenses. The increase in nonoperating interest expense was due to the issuance of \$150.2 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2011A. The increase in renewals and replacements was primarily due to an increase in resurfacing projects in fiscal year 2012 compared to fiscal year 2011. The increase in depreciation and amortization was primarily from the increase in the amortization of intangible assets related to assets placed in service totaling \$23.2 million. The decrease in operations and maintenance expense is primarily due to the decrease in toll collection costs associated with the Homestead Extension of Florida's Turnpike (HEFT). This roadway was converted to all electronic tolling in February 2011, hence, fiscal year 2011 only reflected a partial year's savings as compared to a full year of savings in fiscal year 2012. The decrease in other nonoperating expense was primarily due to property losses of \$0.6 million in fiscal year 2012 as compared to \$2.6 million in fiscal year 2011. Since the System utilizes the modified approach for reporting infrastructure, it is required to maintain its infrastructure assets at certain levels. Fluctuations in expense levels from year to year will result based on management's assessment of needed System preservation. The overall infrastructure condition rating was not affected by the increase in renewal and replacements expenditures in fiscal year 2012. (See the required supplementary information included after the Notes to Financial Statements.)

Total expenses (including depreciation and amortization expense) for fiscal year 2011 were \$348.3 million, an increase of \$10.6 million or 3.1%, as compared to fiscal year 2010. The increase is primarily due to a \$6.4 million increase in operations and maintenance expense, a \$12.1 million increase in nonoperating interest

expense as well as minor increases in the other expenses, offset by a \$15.5 million decrease in renewal and replacements expense. The increase in operations and maintenance was due to the increase in cost of sales related to transponders and an increase in overhead costs. The increase in nonoperating interest expense was primarily due to issuance of new revenue bonds in the latter part of fiscal year 2010. The decrease in renewals and replacements expense was primarily due to less resurfacing projects in fiscal year 2011 compared to fiscal year 2010. Since the System utilizes the modified approach for reporting infrastructure, it is required to maintain its infrastructure assets at certain levels. Fluctuations in expense levels from year to year will result based on management's assessment of needed System preservation. The infrastructure condition ratings were not affected by the reduction in renewal and replacements expenditures in fiscal year 2011. (See the required supplementary information included after the Notes to Financial Statements.)

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets** — As of June 30, 2012, the System reported approximately \$7.8 billion in constructed, purchased, and donated capital assets (net of accumulated depreciation and amortization), which was \$139.6 million or 1.8% higher than the prior year. As of June 30, 2011, the System reported approximately \$7.7 billion in constructed, purchased, and donated capital assets (net of accumulated depreciation and amortization), which was \$319.5 million or 4.3% higher than the prior year. The increases were mainly in the category of infrastructure assets and reflect the System's ongoing investment in its capital work program (see Table 3). The System's financial statements present capital assets in two groups: those assets subject to depreciation and amortization such as buildings and improvements, furniture and equipment, intangible assets, and construction in progress for related assets; and those not subject to depreciation and amortization, such as land, infrastructure, and construction in progress for related assets (see the discussion following on the modified approach for reporting infrastructure).

**Table 3**  
**Capital Assets of Florida's Turnpike System**  
**(Net of Depreciation and Amortization, in Millions)**

	As of June 30,		
	2012	2011	2010
Land	\$ 863.4	\$ 863.9	\$ 866.6
Infrastructure	6,311.6	5,958.8	5,641.7
Construction in progress—nondepreciable assets	382.0	582.4	606.5
Buildings and improvements—net	142.8	149.2	145.2
Furniture and equipment—net	59.4	53.7	44.0
Intangible assets—net	28.3	14.6	0.2
Construction in progress—depreciable assets	17.2	42.5	41.4
Total capital assets—net	<u>\$ 7,804.7</u>	<u>\$ 7,665.1</u>	<u>\$ 7,345.6</u>



For fiscal years ended 2012 and 2011, major additions of capital assets included (in millions):

	2012	2011
Widening and capacity improvements	\$ 46.4	\$ 159.4
Interchange and access projects	32.1	40.6
High-speed express lanes	19.3	52.3
Toll system technology upgrades	18.0	9.3
Safety improvements	8.1	1.0
Intelligent transportation system enhancements	4.0	1.1
Service Plaza Improvements	5.8	-
	<u>\$ 133.7</u>	<u>\$ 263.7</u>

The System's capital program is made up of a number of ongoing projects, which include a system-wide toll equipment enhancement project, improvements to ramps at I-595, a widening project in Broward County, ramp and bridge improvements at Jupiter (milepost 116) and PGA (milepost 109), as well as improvements to all eight service plazas along the Mainline. Planned commitments for the fiscal year ending June 30, 2013 include an additional \$18.5 million for the system-wide toll equipment enhancement project, an additional \$109.5 million for conversion of sections of the Mainline to All Electronic Tolling, \$246.3 million and \$198.0 million for widening the HEFT and the Veterans Expressway, respectively, \$11.7 million for Interstate 4 Interchange improvements, \$31.4 million for I-595 Interchange improvements, \$85.0 million for the Interstate 4 /Selmon Expressway Connector, and \$210.2 million for new road construction in Clay and Duval counties. These projects will be funded over the next few years with existing cash, toll revenues, and bond proceeds, as well as available state and local funds.

**Modified Approach for Reporting Infrastructure** — Governmental accounting and reporting standards permit an alternative to reporting depreciation for infrastructure known as the modified approach. For its highway system and improvements, the System has made the commitment to maintain and preserve these assets at condition level ratings equal to or greater than those established by the Department. As a result, the System does not report depreciation expense for its highway system and improvements; rather, costs for both maintenance and preservation of infrastructure capital assets are expensed in the period incurred.

As detailed in the required supplementary information included after the Notes to Financial Statements, the System has exceeded its targeted infrastructure condition level ratings for the last several years. For fiscal years 2012 and 2011, the System estimated it would need to spend \$95.7 million and \$84.6 million, respectively, for infrastructure maintenance and preservation, but actually expended \$84.3 million and \$75.3 million, respectively. Fluctuations occur from year to year between the amount spent to preserve and maintain the System, and the estimated amount resulting from the timing of work activities. Over a period of time, the amount expended is comparable to the estimate. As such, the System's overall maintenance condition rating is fairly consistent from year to year.

Additional information on the System's current capital assets can be found in Note 5 to the financial statements.

**Noncurrent Liabilities** — At the end of fiscal year 2012, the System had outstanding revenue bonds (net of unamortized premiums and deferred loss on early retirement of debt) and other noncurrent liabilities payable totaling \$2.9 billion. This amount represents an increase of the System's long-term debt obligations by \$43.7 million or 1.5% from June 30, 2011. This increase was primarily due to the issuance of \$150.2 million of State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2011A offset by the principal payments totaling \$105.1 million for the System's outstanding revenue bonds.

At the end of fiscal year 2011, the System had outstanding revenue bonds (net of unamortized premiums and deferred loss on early retirement of debt) and other noncurrent liabilities payable totaling \$2.9 billion. This amount represents a decrease of the System's long-term debt obligations by \$110.8 million, or 3.7% from June 30, 2010. This decrease was primarily due to principal payments for the System's outstanding revenue bonds.

Additional information on the System's outstanding noncurrent liabilities can be found in Notes 7, 8, and 9 to the financial statements.

The System is authorized by Section 338.2275 of the Florida Statutes to have up to \$10.0 billion of outstanding revenue bonds to fund approved projects. The System has issued \$2.9 billion of outstanding revenue bonds to finance the construction of expansion projects and system improvements. At June 30, 2012, \$7.1 billion remains of the statutory limitation on outstanding bonds.

The System issues revenue bonds to fund expansion and improvement projects in accordance with Turnpike Debt Management Guidelines. Pursuant to these guidelines, the System typically issues 30-year fixed-rate bonds. Bonds are issued to fund projects with an expected useful life not less than the term of the bonds. The System does not issue bonds for operations and maintenance costs. Bonds are issued through the State Board of Administration (SBA), Division of Bond Finance, in accordance with s.11(d), Article VII of the State Constitution.

Turnpike revenue bonds are only issued for projects included in the System's legislatively (Section 339.135 (4), F.S.) approved Work Program. Expansion projects are also subject to the statutorily required tests of economic feasibility prior to the sale of bonds (Section 338.223, F.S.). The tests require that the net revenues of an expansion project must be sufficient to pay 50% of the debt service of the bonds by the 12th year after the project opens to traffic and must pay 100% of the debt service of the bonds by the 30th year after the project opens to traffic (Section 338.221, F.S.).

The planned bond sales are included in the Department's financially balanced five-year finance plan and 36-month cash forecast as required by the legislature (Section 339.135 (4) F.S.).

The resolution authorizing the issuance of Turnpike revenue bonds requires a debt service reserve be established in an amount as defined in the resolution. The debt service reserve requirement for each bond issue is to be funded from revenues or through a reserve account credit facility as provided for in the resolution. Due to the initial downgrading and further downgrading of the ratings of the counterparties backing the sureties for certain bond issues in fiscal years 2008 and 2009, respectively, the System began scheduled funding of the debt service requirements for the related bond issues. During fiscal year 2010, the Turnpike completed all debt service funding requirements and remains fully funded for fiscal year 2012. Additional information on the System's debt service reserve requirements can be found in Note 8 to the financial statements.

The System currently holds an "AA-" rating from Standard & Poor's, an "Aa3" rating from Moody's Investors Service, and an "AA-" rating from Fitch Ratings for its bond issues. The System's debt service coverage ratio remained at 1.82 for fiscal year 2012 and fiscal year 2011, although our debt increased by \$43.7 million. This exceeds the 1.2 minimum debt service coverage as required by the covenants with the bondholders.

**Table 4**  
**Outstanding Noncurrent Liabilities of Florida's Turnpike System**  
**(Net of Premiums and Deferred Losses, in Millions)**

	<b>As of June 30,</b>		
	<b>2012</b>	<b>2011</b>	<b>2010</b>
Revenue bonds (backed by toll facilities' revenues)	\$ 2,784.9	\$ 2,731.8	\$ 2,844.7
Amounts due to various funds of the Florida			
Department of Transportation	148.9	155.8	152.9
Other noncurrent liabilities	<u>2.2</u>	<u>4.7</u>	<u>5.5</u>
Total noncurrent liabilities	<u>\$ 2,936.0</u>	<u>\$ 2,892.3</u>	<u>\$ 3,003.1</u>

***Economic Conditions and Outlook*** — Florida's economy continues to improve at a slow and steady pace. The gradual rebound in traffic on the Turnpike is expected to continue with a stronger recovery beyond 2015. Management believes that toll revenues will be more than sufficient to meet its obligations for debt service, operating and maintenance costs, and the preservation of the System.

Additionally, pursuant to Section 338.165, Florida Statutes, toll rates were indexed on all Department toll roads and bridges on June 24, 2012. The law requires that the Department index toll rates on existing toll facilities to the annual Consumer Price Index or similar inflation indicator no more frequently than once a year, and no less frequently than once every five years. The current adjusted toll rates reflect an average increase of \$0.25 at most toll locations. SunPass and TOLL-BY-PLATE rates will be adjusted annually on or before July 1<sup>st</sup> each year based on the actual change in year-over-year price index, while cash rates will be indexed every five years.

***Requests for Information*** — This financial report is designed to provide a general overview of the System's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Florida's Turnpike System, P.O. Box 613069, Ocoee, Florida 34761.

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**FLORIDA'S TURNPIKE SYSTEM  
DEPARTMENT OF TRANSPORTATION  
STATE OF FLORIDA**

**STATEMENTS OF NET ASSETS  
JUNE 30, 2012 AND 2011  
(In thousands)**

	<b>2012</b>	<b>2011</b>
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents (Note 3)	\$ 680,845	\$ 573,609
Unrestricted investments	127	37,444
Receivables:		
Accounts	2,938	3,116
Interest	4,916	1,321
Due from other governments (Note 4)	19,790	16,747
Prepaid expenses	61	547
Inventory	4,551	3,583
Other assets	-	473
Total current assets	<u>713,228</u>	<u>636,840</u>
NONCURRENT ASSETS:		
Restricted assets:		
Restricted cash and cash equivalents (Note 3)	119,068	50,686
Restricted investments (Note 3)	<u>249,927</u>	<u>206,263</u>
Total restricted assets	<u>368,995</u>	<u>256,949</u>
Nondepreciable capital assets (Note 5):		
Land	863,355	863,893
Infrastructure — highway system and improvements	6,311,641	5,958,776
Construction in progress	<u>381,963</u>	<u>582,363</u>
Total nondepreciable capital assets	<u>7,556,959</u>	<u>7,405,032</u>
Depreciable capital assets (Note 5):		
Buildings and improvements	263,058	262,745
Furniture and equipment	152,345	136,623
Intangible assets	39,952	16,787
Construction in progress	17,225	42,507
Less accumulated depreciation and amortization	<u>(224,878)</u>	<u>(198,582)</u>
Total depreciable capital assets — net	<u>247,702</u>	<u>260,080</u>
Deferred charges — net	<u>13,322</u>	<u>13,654</u>
Other assets	<u>1,577</u>	<u>1,582</u>
Total noncurrent assets	<u>8,188,555</u>	<u>7,937,297</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 8,901,783</u></u>	<u><u>\$ 8,574,137</u></u>

(Continued)

**FLORIDA'S TURNPIKE SYSTEM  
DEPARTMENT OF TRANSPORTATION  
STATE OF FLORIDA**

**STATEMENTS OF NET ASSETS  
JUNE 30, 2012 AND 2011  
(In thousands)**

	<b>2012</b>	<b>2011</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES:</b>		
Current liabilities:		
Construction contracts and retainage payable (Note 15)	\$ 120,077	\$ 113,757
Current portion of bonds payable (Notes 8, 9)	110,185	103,460
Due to Florida Department of Transportation (Notes 6, 7, 9, 12)	42,663	38,866
Due to other governments	72	172
Deposits payable	200	200
Deferred revenue	<u>605</u>	<u>2,261</u>
Total current liabilities	<u>273,802</u>	<u>258,716</u>
Noncurrent liabilities:		
Long-term portion of bonds payable — net of premiums of \$66,093 and \$56,946, respectively, and deferred losses on early retirement of debt of \$27,951 and \$33,548, respectively (Notes 8, 9)	2,784,892	2,731,768
Advances payable to Florida Department of Transportation (Notes 7, 9, 12)	148,898	155,828
Deferred revenue from other governments (Note 9)	649	699
Other long-term liabilities (Notes 9, 15)	<u>1,566</u>	<u>4,018</u>
Total noncurrent liabilities	<u>2,936,005</u>	<u>2,892,313</u>
Total liabilities	<u>3,209,807</u>	<u>3,151,029</u>
<b>COMMITMENTS AND CONTINGENCIES (Notes 8, 13, 14)</b>		
<b>NET ASSETS:</b>		
Invested in capital assets — net of related debt	5,051,519	4,791,948
Restricted for debt service	133,109	139,183
Restricted for renewal and replacement	33,119	25,756
Unrestricted	<u>474,229</u>	<u>466,221</u>
Total net assets	<u>\$ 5,691,976</u>	<u>\$ 5,423,108</u>

The accompanying notes to the financial statements are an integral part of these statements.

(Concluded)

**FLORIDA'S TURNPIKE SYSTEM  
DEPARTMENT OF TRANSPORTATION  
STATE OF FLORIDA**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
YEARS ENDED JUNE 30, 2012 AND 2011  
(In thousands)**

	<b>2012</b>	<b>2011</b>
OPERATING REVENUES:		
Toll facilities	\$ 608,812	\$ 600,079
Concessions	7,169	8,382
Other	<u>4,220</u>	<u>3,485</u>
Total operating revenues	<u>620,201</u>	<u>611,946</u>
OPERATING EXPENSES:		
Operations and maintenance	171,028	176,758
Business development and marketing	2,676	3,302
Pollution remediation (Note 15)	-	(1,030)
Renewals and replacements	44,064	34,502
Depreciation and amortization (Note 5)	<u>31,038</u>	<u>19,110</u>
Total operating expenses	<u>248,806</u>	<u>232,642</u>
OPERATING INCOME	<u>371,395</u>	<u>379,304</u>
NONOPERATING REVENUES (EXPENSES):		
Investment earnings	24,121	13,750
Interest subsidy (Note 5, 8)	5,943	5,943
Interest expense	(125,821)	(110,437)
Other — net	<u>(3,416)</u>	<u>(5,314)</u>
Total nonoperating expenses — net	<u>(99,173)</u>	<u>(96,058)</u>
INCOME BEFORE CONTRIBUTIONS FOR CAPITAL PROJECTS AND CONTRIBUTIONS TO OTHER GOVERNMENTS	272,222	283,246
CONTRIBUTIONS FOR CAPITAL PROJECTS (Note 11)	2,274	23,681
CONTRIBUTIONS TO OTHER GOVERNMENTS	<u>(5,628)</u>	<u>(5,925)</u>
INCREASE IN NET ASSETS	268,868	301,002
NET ASSETS:		
Beginning of year	<u>5,423,108</u>	<u>5,122,106</u>
End of year	<u>\$ 5,691,976</u>	<u>\$ 5,423,108</u>

The accompanying notes to the financial statements are an integral part of these statements.

**FLORIDA'S TURNPIKE SYSTEM**  
**DEPARTMENT OF TRANSPORTATION**  
**STATE OF FLORIDA**

**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2012 AND 2011**  
**(In thousands)**

	<b>2012</b>	<b>2011</b>
<b>OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 604,864	\$ 597,133
Cash payments to suppliers for goods and services	(200,480)	(181,229)
Cash payments to employees	(19,158)	(19,267)
Other operating revenues	<u>8,821</u>	<u>8,334</u>
Net cash provided by operating activities	<u>394,047</u>	<u>404,971</u>
<b>CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from the issuance of revenue bonds	160,701	-
Proceeds from 2009B Build America Bonds interest subsidy	5,943	5,943
Principal paid on revenue bond maturities	(105,060)	(99,000)
Interest paid on revenue bonds	(146,446)	(144,059)
Payment of bond issuance costs	(1,367)	-
Receipts from contributions made by other governments	633	4,551
Payments to acquire or construct capital assets	(147,543)	(217,293)
Proceeds from the sale of capital assets	13	10
Insurance recoveries	-	69
Fiscal charges	<u>(1,181)</u>	<u>(988)</u>
Net cash used in capital and related financing activities	<u>(234,307)</u>	<u>(450,767)</u>
<b>INVESTING ACTIVITIES:</b>		
Proceeds from the sale or maturity of investments	621,886	571,750
Investment earnings	20,637	17,464
Purchase of investments	<u>(626,645)</u>	<u>(623,056)</u>
Net cash provided by (used in) investing activities	<u>15,878</u>	<u>(33,842)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS</b>	<b>175,618</b>	<b>(79,638)</b>
<b>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:</b>		
Beginning of year	<u>624,295</u>	<u>703,933</u>
End of year	<u><u>\$ 799,913</u></u>	<u><u>\$ 624,295</u></u>

(Continued)



**FLORIDA'S TURNPIKE SYSTEM**  
**DEPARTMENT OF TRANSPORTATION**  
**STATE OF FLORIDA**

**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2012 AND 2011**  
(In thousands)

	<b>2012</b>	<b>2011</b>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	<u>\$ 371,395</u>	<u>\$ 379,304</u>
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	31,038	19,110
Pollution remediation	-	(1,030)
Other noncash adjustments	(1,587)	(1,372)
(Increase) decrease in:		
Due from other governments	(4,854)	(5,614)
Accounts receivable	178	(108)
Prepaid expenses	486	(547)
Inventory	619	3,024
Other assets	478	(1,555)
Increase (decrease) in:		
Due to Florida Department of Transportation	84	14,896
Due to other governments	(100)	(21)
Construction contracts and retainage payable	(3,519)	(1,556)
Deferred revenue	<u>(171)</u>	<u>440</u>
Total adjustments	<u>22,652</u>	<u>25,667</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 394,047</u>	<u>\$ 404,971</u>
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Bond premium amortization — net	<u>\$ (1,389)</u>	<u>\$ (16,019)</u>
Amortization of deferred charges	<u>\$ 1,699</u>	<u>\$ 1,817</u>
Amortization of deferred losses on early retirement of debt	<u>\$ 5,597</u>	<u>\$ 6,558</u>
Loss on disposed capital assets	<u>\$ 662</u>	<u>\$ 2,578</u>
Contributions for capital projects	<u>\$ 1,402</u>	<u>\$ 19,130</u>
Contributions to other governments	<u>\$ (5,628)</u>	<u>\$ (5,925)</u>
Purchases of capital assets in construction contracts and retainage payable	<u>\$ 114,801</u>	<u>\$ 107,415</u>
Unrealized loss on investments	<u>\$ (4,763)</u>	<u>\$ (3,145)</u>

The accompanying notes to the financial statements are an integral part of these statements.

(Concluded)

**FLORIDA'S TURNPIKE SYSTEM  
DEPARTMENT OF TRANSPORTATION  
STATE OF FLORIDA**

**NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2012 AND 2011**

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**1. REPORTING ENTITY**

Florida's Turnpike System (the "Turnpike" or the "System") is part of the Florida Department of Transportation (the "Department"), which is an agency of the State of Florida (the "State"). The Department is responsible for cash management and other financial matters of the System. The fiscal years 2012 and 2011 financial statements contained herein include only the accounts of the System and do not include any other accounts of the Department or the State. The System is presented as a blended enterprise fund in the financial reports of the State.

In evaluating how to define the System for financial reporting purposes, management has considered all potential component units in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*. GASB Statement No. 14 defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Management has determined that there are no other units that meet the criteria for inclusion in the System's financial statements.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The System has adopted GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. The Statement requires proprietary funds to apply all applicable GASB pronouncements, as well as those Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements. As also provided by GASB Statement No. 20, the System has elected not to adopt any FASB statements issued after November 30, 1989, unless so directed by the GASB.

**Basis of Presentation — Fund Accounting** — The accounting systems of the Department are organized on the basis of funds, each of which is considered an accounting entity having a self-balancing set of accounts for recording its assets, liabilities, fund equity or net assets, revenues, and expenditures or expenses. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. The System is an Enterprise Fund — a Proprietary Fund of the Department.

The focus of proprietary fund measurement is on economic resources, or the determination of operating income, changes in net assets, financial position, and cash flows. The accounting principles generally accepted in the United States of America (“generally accepted accounting principles”) applicable to proprietary funds are similar to those applicable to businesses in the private sector. The following is a general description of the Turnpike System Enterprise Fund:

*Enterprise funds* may be used to report any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds if any one of the following criteria is met, and governments should apply each of these criteria in the context of the activity’s principal revenue sources.

- a. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Debt that is secured by a pledge of net revenues from fees and charges and the full faith and credit of a related primary government or component unit — even if that government is not expected to make any payments — is not payable solely from fees and charges of the activity. (Some debt may be secured, in part, by a portion of its own proceeds but should be considered as payable “solely” from the revenues of the activity.)
- b. Laws or regulations require that the activity’s costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues.
- c. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation and amortization or debt service).

Management believes that the activities of the System meet all three criteria.

**Basis of Accounting** — Basis of accounting refers to the timing of recognition of revenues and expenses in the accounts and reporting in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Proprietary funds utilize the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

**Cash and Cash Equivalents** — Investments with a maturity of three months or less when purchased are considered to be cash equivalents. Included within this category are repurchase agreements held by the State Board of Administration (SBA) and cash deposited in the State’s general pool of investments, which are reported at fair value.

**Investments** — Investments are stated at fair value with the exception of certain nonparticipating contracts, such as repurchase agreements, which are reported at cost. Fair values are based on published market rates.

**Accounts Receivable** — Accounts receivable are reported at their net realizable value.

**Inventory** — Inventory consists of SunPass system transponders that will be sold to customers, which are valued at the lower of cost or market (first-in, first-out method).

**Other Assets** — Other assets consists of toll equipment parts for use in All Electronic Tolling lanes on the System. Toll equipment parts are reported at historical cost and classified as current if used within the operating cycle of 12 months, otherwise, they are classified as noncurrent.

**Capital Assets** — Capital assets are recorded at historical cost, except for contributed assets, which are recorded at fair value at the date of contribution. Construction in progress for nondepreciable capital

consists of project costs for infrastructure highway system, improvements, and buildings that are not yet complete and ready for use. Construction in progress for depreciable assets consists of project costs for equipment and intangible assets that are not yet complete and have not been placed in service.

Construction period interest cost, net of interest earned on the unexpended proceeds of tax-exempt borrowings, is capitalized as part of the capital asset cost. Costs for maintenance and repairs are expensed as incurred. The System's capitalization level is \$1,000 for tangible assets and \$10,000 for intangible assets. Depreciation and amortization, on a straight-line basis, is charged over useful lives ranging from 15 to 30 years for buildings and improvements, 3 to 10 years for furniture and equipment, and 3 to 15 years for intangibles assets. Infrastructure capital assets are recorded as highway system and improvements and are not depreciated (see the following infrastructure depreciation policy). Under the System's policy of accounting for toll facilities pursuant to "betterment accounting," property costs represent a historical accumulation of costs expended to acquire right-of-way and to construct, improve, and place in operation the various projects and related facilities. Costs also include the costs of enlargement, betterments, and certain general and administrative expenses incurred during the construction phase. Subsequent betterments are capitalized. All such costs are not reduced for subsequent replacements, as replacements are considered to be period costs and are included in renewals and replacements. These policies are consistent with practices followed by similar entities within the toll bridge, turnpike, and tunnel industry and with the modified approach for reporting infrastructure assets sanctioned by GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*.

**Modified Approach for Reporting Infrastructure** — The modified approach is an alternative to reporting infrastructure capital assets depreciation, if two requirements are met. First, the assets should be managed using an asset management system that meets certain criteria. Second, the System should document that the infrastructure is being preserved at or above a condition level established and disclosed by management. Significant aspects of the System's modified approach policy are: The System has made the commitment to preserve and maintain its infrastructure assets (highway system and improvements) at levels equal to or greater than those established by the Department. Depreciation expense is not reported for infrastructure assets and amounts are not capitalized in connection with improvements that lengthen the lives of such assets, unless the improvements also increase their service potential. Rather, costs for both maintenance and preservation of infrastructure capital assets are expensed in the period incurred. The System relies on the Department to maintain an asset management system that has an up-to-date inventory of System infrastructure assets and that performs condition assessments of those assets, summarizing the results using a measurement scale. Using these results, System management estimates the annual amount to maintain and preserve its infrastructure at a condition level established and disclosed by the System. The information required by GASB Statement No. 34 is presented in the required supplementary information included after the Notes to Financial Statements.

**Impairment of Capital Assets** — The System reviews its capital assets and considers impairment whenever indicators of impairment are present, such as when the decline in service utility of the capital asset is large in magnitude, and the event or change in circumstance is outside the normal life cycle of the capital asset. Pursuant to these guidelines, management has determined that no impairments existed at June 30, 2012 and 2011.

**Restricted Assets** — Certain assets are required to be segregated from other assets due to various bond indenture provisions. These assets are legally restricted for specific purposes, such as construction, renewals and replacements, and debt service.

**Bond Discounts and Issuance Costs** — Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the interest method and straight-line method, respectively.



**Deferred Amounts on Bond Refundings** — In bond refunding transactions, the difference between the reacquisition price and the net carrying amount of the refunded debt is deferred and systematically amortized as a component of interest expense over the shorter of the remaining life of the old bonds or the life of the new bonds.

**Restricted Net Assets** — Restricted net assets are comprised of amounts restricted for debt service and renewals and replacements. It is the System's policy to first use restricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

**Net Assets Invested in Capital Assets** — *Net of Related Debt* — This component of net assets consists of capital assets — net of accumulated depreciation and amortization, reduced by the outstanding balances of bonds net of unexpended proceeds, and advances payable that are attributable to the acquisition, construction, or improvement of those assets.

**Operating Revenues and Expenses** — Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the System are toll collections and concession revenue. Operating expenses consist primarily of operations, maintenance, renewal and replacement costs, pollution remediation, and business development and marketing costs, as well as depreciation and amortization on certain capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

**Contributions to Other Governments** — Amounts included in contributions to other governments represent capital contributions to other governments by the System to support other government road construction projects in conjunction with System projects. Such contributions are authorized by Chapter 338 of the Florida Statutes.

**Use of Estimates** — The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**New Accounting Standards** — In December 2009, the GASB issued GASB Statement No. 57, *OPEB (Other Postemployment Benefits) Measurements by Agent Employers and Agent Multiple-Employer Plans*. This Statement establishes standards for the measurement and financial reporting of actuarially determined information by agent employers with individual-employer OPEB plans that have fewer than 100 total plan members and by the agent multiple-employer OPEB plans in which they participate. In addition, it clarifies requirements of GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plan*, and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, related to the coordination of the timing and frequency of OPEB measurements by agent employers and the agent multiple-employer OPEB plans in which they participate. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011. The implementation of GASB Statement No. 57 had no effect the financial position, changes in net assets, or cash flows of the System.

In November 2010, the GASB issued GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*. This Statement improves the consistency in the reporting of service concession arrangements (SCA's), which are a type of public-private or public-public partnership, thereby enhancing the comparability of the accounting and financial reporting of such arrangements among state and local governments. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. Management believes GASB Statement No. 60 will have no effect on the financial position, changes in net assets, or cash flows of the System.

In November 2010, the GASB issued GASB Statement No. 61, *The Financial Reporting Entity: Omnibus — an amendment of GASB Statements No. 14 and No. 34*. This Statement improves the financial reporting requirements for a governmental financial reporting entity, modifies certain requirements for inclusion of component units in the financial reporting entity, and amends criteria for reporting component units as if they were part of the primary government in certain circumstances. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Management believes GASB Statement No. 61 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In December 2010, the GASB issued GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in various pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. This Statement improves the financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. Management believes GASB Statement No. 62 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In June 2011, the GASB issued GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides guidance for reporting deferred outflows of resources, the deferred inflows of resources, and net position in a statement of financial position and related disclosures. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. Management believes GASB Statement No. 63 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In June 2011, the GASB issued GASB Statement No. 64, *Derivative Instruments: Applications of Hedge Accounting Termination Provisions*—an amendment of GASB Statement No. 53. This Statement clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2011. The implementation of GASB Statement No. 64 had no effect on the financial position, changes in net assets, or cash flows of the System.

In April 2012, the GASB issued GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management believes GASB Statement No. 65 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In April 2012, the GASB issued GASB Statement No. 66, *Technical Corrections*—an amendment to Statement No. 62 and Statement No. 10. This Statement enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Management believes GASB Statement No. 66 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In June 2012, the GASB issued GASB Statement No. 67, *Financial Reporting for Pension Plans*—an amendment to Statement No. 25. This Statement enhances the financial reporting by state and local governmental pension plans. This Statement replaces the requirement of Statement No. 25 *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Management believes GASB Statement No. 67 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*—an amendment to Statement No. 67. This Statement enhances the financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Management believes GASB Statement No. 67 will not have a material effect on the financial position, changes in net assets, or cash flows of the System.

### **3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The System's deposit and investment practices are governed by Chapter 280, Florida Statutes, Section 17.57, and Section 215.47, as well as various legal covenants related to the outstanding bond issues. At June 30, 2012 and 2011, the carrying amounts of the System's cash on deposit in its bank accounts were \$3.9 million and \$2.8 million, respectively. The related bank balances were \$2.9 million and \$2.3 million, respectively, all of which were insured by the Federal Deposit Insurance Corporation or collateralized pursuant to Chapter 280, Florida Statutes. All collateralized deposits are considered insured.

Chapter 280, Florida Statutes, generally requires public funds to be deposited in a bank or savings association that is designated by the State Chief Financial Officer ("State CFO") as authorized to receive deposits in the State and that meets the collateral requirements. The State CFO determines the collateral requirements and collateral pledging level for each Qualified Public Depository (QPD) following guidelines outlined in Chapter 69C-2, Florida Administrative Code (FAC), and Section 280.04, Florida Statutes. The State CFO is directed by FAC to review the "Public Depository Monthly Reports" and continually monitor the collateral pledging level(s) and required collateral of each QPD. If the State CFO determines that a QPD has violated the law and rule and has not pledged adequate collateral and/or has not used the proper collateral pledging level or levels, the QPD is immediately notified of the fact and directed to immediately comply with the State CFO's collateral requirements.

Eligible collateral includes federal, federally guaranteed, state and local government obligations, corporate bonds, letters of credit issued by a Federal Home Loan Bank, and with the State CFO's permission, collateralized mortgage obligations, real estate mortgage investment conduits and securities, or other interests in any open-end management investment company registered under the Investment Company Act of 1940, provided the portfolio of such investment company is limited to direct obligations of the United States (U.S.) government and to repurchase agreements fully collateralized by such direct obligations of the U.S. government, and provided such investment company takes delivery of such collateral either directly or through an authorized custodian. Statutes provide that if a loss to public depositors is not covered by deposit insurance, demanding payment under letters of credit, and the proceeds from the sale of collateral pledged or deposited by the defaulting depository, the difference will be provided by an assessment levied against other QPDs.

The System deposits monies in the State's general pool of investments. Under Section 17.57, Florida Statutes, the State CFO is provided with the powers and duties concerning the investment of certain funds and specifies acceptable investments. The State CFO pools deposited monies from all departments in the State Treasury. The State Treasury, in turn, keeps these funds fully invested to maximize interest earnings. Authorized investment types are set forth in Section 17.57, Florida Statutes, and include certificates of deposit, direct obligations of the U.S. Treasury, obligations of federal agencies, asset-backed or mortgage-backed securities, commercial paper, bankers' acceptances, medium-term corporate obligations, repurchase agreements, reverse repurchase agreements, commingled and mutual funds, obligations of state and local governments, derivatives, put and call options, negotiable certificates of deposit and convertible debt obligations of any corporation domiciled within the U.S. and, subject to certain rating conditions, foreign bonds denominated in U.S. dollars and registered with the Securities and Exchange Commission for sale in the U.S. Certain investments, such as mutual funds, cannot be categorized by all the different investment types because they are not evidenced by securities that exist in physical or book entry form. Securities held by the other parties underlying securities lending agreements also are not categorized.

The System's share of the State's general pool of investments was \$723.1 million and \$592.3 million at June 30, 2012 and 2011, respectively, which was the fair value of the pool share. The historical cost of the System's share of the State's general pool of investments was \$711.0 million and \$586.5 million at June 30, 2012 and 2011, respectively. No allocation is made as to the System's share of the types of investments or their risk categories. The System's share of the assets and liabilities arising from the reverse repurchase agreements and securities lending agreements is likewise not carried on the balance sheet since the State Treasury operates on a pooled basis and, to do so, may give the misleading impression that the System itself has entered into such agreements.

The schedule below discloses the detail of the State's general pool of investments and the fair value of each investment type as of June 30, 2012 and 2011, which were used to determine the fair value of the System's participation (in thousands).

<b>Investment Type</b>	<b>2012</b>	<b>2011</b>
Commercial paper	\$ 1,039,325	\$ 837,686
Repurchase agreements	584,427	371,398
U.S. guaranteed obligations	5,164,224	5,220,838
Federal agencies	8,286,491	8,389,122
Bonds and notes — domestic	3,049,944	2,587,252
Bonds and notes — international	<u>420,186</u>	<u>381,778</u>
Total investments	18,544,597	17,788,074
Cash on hand	-	300
Cash on deposit	<u>1,016,894</u>	<u>756,526</u>
Total	<u>\$ 19,561,491</u>	<u>\$ 18,544,900</u>

The System currently invests in U.S. Treasury securities through the SBA. Further information may be obtained from the Chief Operating Officer — Finance and Accounting, State Board of Administration of Florida, 1801 Hermitage Boulevard, Suite 100, Tallahassee, Florida 32308, (850) 488-4406.

At June 30, 2012 and 2011, the System's cash, cash equivalents, and investments consisted of the following amounts stated at fair value (in thousands):

	<b>2012</b>	<b>2011</b>
Cash and restricted cash:		
Cash on hand	\$ 18	\$ 15
Cash on deposit	3,870	2,817
Cash held by the State Treasury	1,708	1,170
Cash held by the SBA	<u>71,181</u>	<u>16,784</u>
Total cash	<u>76,777</u>	<u>20,786</u>
Cash equivalents and restricted cash equivalents:		
U.S. government securities held by the SBA (maturity <90 days)	-	11,179
Pooled investments with the State Treasury (uncategorized)	<u>723,136</u>	<u>592,330</u>
Total cash equivalents	<u>723,136</u>	<u>603,509</u>
Restricted investments — U.S. government securities held by the SBA	249,927	206,263
Unrestricted investments — U.S. government securities held by the SBA	<u>127</u>	<u>37,444</u>
Total	<u>\$ 1,049,967</u>	<u>\$ 868,002</u>

As of June 30, 2012 and 2011, cash, cash equivalents, and investments as presented in the Statements of Net Assets were comprised of the following (in thousands):

	<b>2012</b>	<b>2011</b>
Current assets:		
Cash and cash equivalents:		
Cash on hand	\$ 18	\$ 15
Cash on deposit	3,870	2,817
Cash held by the State Treasury	1,608	1,070
Cash and cash equivalents held by the SBA	71,155	26,018
Pooled investments with the State Treasury (uncategorized)	<u>604,194</u>	<u>543,689</u>
Total	<u>680,845</u>	<u>573,609</u>
Noncurrent restricted assets:		
Restricted cash and cash equivalents:		
Cash held by the State Treasury	101	100
Cash and cash equivalents held by the SBA	26	1,945
Pooled investments with the State Treasury (uncategorized)	<u>118,941</u>	<u>48,641</u>
Total restricted cash and cash equivalents	<u>119,068</u>	<u>50,686</u>
Restricted investments	249,927	206,263
Unrestricted investments	<u>127</u>	<u>37,444</u>
Total	<u>\$ 1,049,967</u>	<u>\$ 868,002</u>



**Credit Risk** — Credit risk exists when there is a possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB Statement No. 40, *Deposit and Investment Risk Disclosures — an Amendment of GASB Statement No. 3*, requires the disclosure of nationally recognized credit quality ratings of investments in debt securities, as well as investments in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities existing at year-end, such as Standard & Poor's, Moody's, or Fitch ratings of AA, AAA, etc. Excluded from such disclosure requirements are U.S. government obligations and obligations explicitly guaranteed by the U.S. government, since those investments are deemed to have no exposure to credit risk. As of June 30, 2012, the U.S. government obligations and obligations explicitly guaranteed by the U.S. government were AAA rated with the exception that, on August 5, 2011, one of the rating agencies downgraded the rating to AA+. The credit risk requirements of GASB Statement No. 40 are not required for repurchase agreements or for deposits.

The State Treasury Investment Pool is rated by Standard & Poor's. The rating at June 30, 2012, was A+f. The System does not have a policy to address the credit risk that may exist for its investments in the State's uncategorized general pool. Instead, it relies on the controls and safeguards provided by Section 17.57, Florida Statutes, as discussed above.

The System currently invests in U.S. Treasury securities through the SBA. The System does not have a policy to address the credit risk that may exist for its investments with the SBA. Instead, it relies on the controls and safeguards provided by Section 215.47, Florida Statutes.

**Custodial Credit Risk** — Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits or recover collateral securities that are in possession of an outside party. Custodial credit risk for investments exists when, in the event of the failure of the counterparty to a transaction, a government may be unable to recover the value of investment or collateral securities that are in the possession of an outside party.

GASB Statement No. 40 limits disclosure of custodial risk to deposits and investments that meet the definition of "Category 3," as defined in GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements*. The System has no "Category 3" credit risk deposits or investments for which the securities are held by the counterparty or by its trust department or agent, but not in the System's name.

**Concentration of Credit Risk** — Increased risk of loss occurs as more investments are acquired from one issuer (i.e., lack of diversification). This results in a concentration of credit risk. GASB Statement No. 40 requires disclosures of investments by amount and issuer for any issuer that represents 5% or more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the U.S. government or investments in external investment pools, such as those that the System makes through the SBA or the State's general pool of investments.

**Foreign Currency Risk** — Foreign currency risk exists when there is a possibility that changes in exchange rates could adversely affect an investment's or deposit's fair value. GASB Statement No. 40 requires disclosures of value in U.S. dollars by foreign currency denomination and by investment type for investments denominated in foreign currencies. The System does not have a policy to address the foreign currency risk that may exist for its investments in the State's uncategorized general pool. Instead, it relies on the controls and safeguards provided by Section 17.57, Florida Statutes, as discussed above. For the years ended June 30, 2012 and 2011, the System was not exposed to any foreign currency risks.

**Interest Rate Risk** — Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. GASB Statement No. 40 requires that interest rate risk be disclosed using one of five approved methods.

Interest rate risk disclosures are required for all debt investments, as well as investments in external investment pools and other pooled investments that do not meet the definition of a 2a7-like pool. Also, disclosures are required for any assumptions regarding cash flow timing, interest rate changes, and other factors, as well as contract terms, such as coupon multipliers, benchmark indexes, reset dates, and embedded options that cause the fair value of investments to be highly sensitive to interest rate changes. The System does not have a policy to address the interest rate risk that may exist for its investments in the State's uncategorized general pool or investments held with the SBA. Instead, it relies on the controls and safeguards provided by Sections 17.57 and 215.47, Florida Statutes, as discussed above.

The System's investments reported on its Statements of Net Assets consist of U.S. Treasury Notes held by the SBA. As of June 30, 2012 and 2011, the maturity dates of these securities and their fair values (in thousands) were as follows:

	<b>2012</b>	<b>2011</b>
December 31, 2011		\$ 243,707
December 31, 2012	<u>250,054</u>	<u>          </u>
	<u>\$ 250,054</u>	<u>\$ 243,707</u>

#### **4. DUE FROM OTHER GOVERNMENTS**

As of June 30, 2012 and 2011, amounts due from other governments consisted of the following (in thousands):

	<b>2012</b>	<b>2011</b>
Due from the Department	\$ 19,592	\$ 14,328
Due from the Department of Financial Services	108	1,919
Due from other departments	<u>90</u>	<u>500</u>
	<u>\$ 19,790</u>	<u>\$ 16,747</u>

The amount due from the Department of Financial Services (DFS) is attributable to escrow deposits held by DFS on behalf of local governments and organizations to fund certain construction costs. Pursuant to the agreement between the Turnpike and the local governments, the Turnpike is required to incur the construction costs before the deposits are released from escrow. In addition, at June 30, 2012 and 2011, amounts due from the Department were \$19.6 million and \$14.3 million, respectively, which were primarily comprised of toll revenue that was collected from customers and held in a Department fund at year-end. The amounts were remitted to the Turnpike subsequent to the respective year-ends.

## 5. CAPITAL ASSETS

Changes in the System's capital assets for the fiscal years ended June 30, 2012 and 2011 are shown below (in thousands):

<b>2012</b>	<b>Beginning Balance</b>	<b>Transfers</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
Nondepreciable capital assets:					
Land	\$ 863,893	\$ -	\$ 1,023	\$ (1,561)	\$ 863,355
Infrastructure — highway system and improvements	5,958,776	339,425	13,440	-	6,311,641
Construction in progress	<u>582,363</u>	<u>(338,161)</u>	<u>137,761</u>	<u>-</u>	<u>381,963</u>
Total nondepreciable capital assets	<u>7,405,032</u>	<u>1,264</u>	<u>152,224</u>	<u>(1,561)</u>	<u>7,556,959</u>
Depreciable capital assets:					
Buildings and improvements	262,745	1,395	1,870	(2,952)	263,058
Furniture and equipment	136,623	8,874	9,258	(2,410)	152,345
Intangible assets	16,787	22,607	565	(7)	39,952
Construction in progress	42,507	(34,140)	8,858	-	17,225
Less accumulated depreciation and amortization:					
Intangible assets	(2,195)	-	(9,484)	6	(11,673)
Buildings and improvements	(113,491)	-	(9,206)	2,453	(120,244)
Furniture and equipment	<u>(82,896)</u>	<u>-</u>	<u>(12,347)</u>	<u>2,282</u>	<u>(92,961)</u>
Total depreciable capital assets	<u>260,080</u>	<u>(1,264)</u>	<u>(10,486)</u>	<u>(628)</u>	<u>247,702</u>
	<u>\$ 7,665,112</u>	<u>\$ -</u>	<u>\$ 141,738</u>	<u>\$ (2,189)</u>	<u>\$ 7,804,661</u>
<b>2011</b>	<b>Beginning Balance</b>	<b>Transfers</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>
Nondepreciable capital assets:					
Land	\$ 866,680	\$ (194)	\$ 3,063	\$ (5,656)	\$ 863,893
Infrastructure — highway system and improvements	5,641,690	314,629	5,732	(3,275)	5,958,776
Construction in progress	<u>606,452</u>	<u>(337,683)</u>	<u>315,094</u>	<u>(1,500)</u>	<u>582,363</u>
Total nondepreciable capital assets	<u>7,114,822</u>	<u>(23,248)</u>	<u>323,889</u>	<u>(10,431)</u>	<u>7,405,032</u>
Depreciable capital assets:					
Buildings and improvements	254,140	14,880	100	(6,375)	262,745
Furniture and equipment	127,855	16,688	1,589	(9,509)	136,623
Intangible assets	167	16,548	72	-	16,787
Construction in progress	41,371	(24,868)	26,004	-	42,507
Less accumulated depreciation and amortization:					
Intangible assets	(12)	-	(2,183)	-	(2,195)
Buildings and improvements	(108,934)	-	(8,635)	4,078	(113,491)
Furniture and equipment	<u>(83,845)</u>	<u>-</u>	<u>(8,292)</u>	<u>9,241</u>	<u>(82,896)</u>
Total depreciable capital assets	<u>230,742</u>	<u>23,248</u>	<u>8,655</u>	<u>(2,565)</u>	<u>260,080</u>
	<u>\$ 7,345,564</u>	<u>\$ -</u>	<u>\$ 332,544</u>	<u>\$ (12,996)</u>	<u>\$ 7,665,112</u>

The reduction to interest costs during the year ended June 30, 2012 was \$28.1 million. This is comprised of \$1.7 million of interest earned on related investments acquired with revenue bond proceeds, \$5.9 million of the Build America Bonds (“BABs”) interest subsidy received in 2012 from the U.S. Treasury pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), and \$20.5 million capitalized as part of capital assets for the year ended June 30, 2012. The reduction to interest costs during the year ended June 30, 2011 was \$30.1 million. This is comprised of interest costs of \$24.2 million (\$21.9 million capitalized as part of capital assets and \$2.3 million of interest earned on related investments acquired with revenue bond proceeds) and \$5.9 million BABs interest subsidy received in 2011 from the U.S. Treasury pursuant to the ARRA. See Note 8 — *Bonds Payable* for further discussion related to the BABs that were part of the 2009B Bond issue.

In 2007, the System became a party to a lawsuit with a natural gas company involving pipeline relocation costs with respect to 11 miles along the Mainline in Broward County. In May 2011, the System was required to reimburse the gas company for related costs in the amount of \$92.0 million. The System’s practice of accounting for reimbursable utility costs is for these costs to be included as part of the project costs to complete the roadway projects, which are classified as capital assets. For the year ended June 30, 2011, the System recorded \$24.9 million of the reimbursable pipeline relocation costs in infrastructure – highway systems and improvements for a project completed in April 2011. The System recorded the remaining \$48.6 million and \$18.5 million in construction in progress for projects to be completed in March 2012 and July 2014, respectively. The corresponding liability was recorded in construction contracts and retainage payable. For the year ended June 30, 2012, the System recorded \$5.5 million of additional costs related to the relocation. The additional costs comprised the following: \$1.5 million was related to infrastructure for the project completed in April 2011; \$1.1 million was related to the construction work in progress project to be completed in July 2014; and \$2.9 million was related to the project which was completed in March 2012 and transferred from construction work in progress to infrastructure. See Note 14 — *Commitments and Contingencies* for further discussion related to this lawsuit.

## 6. DUE TO FLORIDA DEPARTMENT OF TRANSPORTATION

At June 30, 2012 and 2011, due to the Department consisted of the following (in thousands):

	2012	2011
June operations, maintenance, in-house, and overhead reimbursement	\$ 34,897	\$ 32,291
Current portion of advances payable to the Department	<u>7,766</u>	<u>6,575</u>
	<u>\$ 42,663</u>	<u>\$ 38,866</u>

## 7. ADVANCES PAYABLE TO FLORIDA DEPARTMENT OF TRANSPORTATION

At June 30, 2012 and 2011, advances payable to the Department consisted of the following (in thousands):

	2012	2011
State Infrastructure Bank Loans	\$ 48,705	\$ 51,923
Operations and maintenance subsidy	98,959	101,480
Advances from Toll Facilities Revolving Trust Fund	<u>9,000</u>	<u>9,000</u>
	156,664	162,403
Less current portion	<u>(7,766)</u>	<u>(6,575)</u>
	<u>\$ 148,898</u>	<u>\$ 155,828</u>

State Infrastructure Bank (SIB) Loans were established in 1997 as a pilot program for eight states, which allows those states to capitalize the SIB with up to 10% of their Federal Highway apportionments. The SIB acts as a revolving fund to provide assistance in the form of loans, credit enhancements, capital reserves, subsidized interest rates, or to provide other debt financing security. Such loans are interest free. In fiscal year 2005, the System received the last advance of the \$55.5 million loan for Seminole Expressway, Project 2. Repayments of \$2.5 million occurred as scheduled in both 2012 and 2011, with the balance due in installments through 2026. SIB loans are also being utilized as interest cost subsidies for the 2003C bond sale. No interest subsidy was received in fiscal year 2012 and \$1.1 million was received in fiscal year 2011. Interest subsidies have been provided through 2011 in the aggregate of \$16.9 million. Repayments on this loan were \$0.7 million and \$0.3 million for fiscal year 2012 and 2011, respectively, and will be fully repaid by fiscal year 2034. The repayment of these loans is subordinate to the payment of bonded debt.

As provided in Section 338.223 (4), Florida Statutes, the Department is authorized to make operations and maintenance loans to the System in a fiscal year, subject to a limitation of 1.5% of state transportation tax revenues available for that fiscal year. For the years ended June 30, 2012 and 2011, \$0.8 million and \$8.4 million, respectively, were provided to the System primarily in support of the Suncoast Parkway project. Repayment began in fiscal year 2012 with a \$2.5 million payment (net of \$0.8 million subsidy provided) from the System's general reserve fund and will be fully repaid by fiscal year 2030.

As provided in Section 338.251, Florida Statutes, the Department is authorized to advance funds to the System in the form of interest free Toll Facility Revolving Trust Fund (TFRTF) loans up to \$1.5 million annually, to reimburse for preliminary engineering expenditures incurred by the System. Through fiscal year 2009, the System was awarded and expended \$9.0 million in TFRTF loans from the Department for eligible expenditures. Repayment of these interest free loans begins in fiscal year 2015 with final payment due in fiscal year 2020.

Following are maturities of advances payable to the Department at June 30, 2012 (in thousands):

2013	\$ 7,766
2014	9,777
2015	13,242
2016	15,217
2017	25,542
2018–2022	53,230
2023–2027	22,060
2028–2032	8,726
2033–2034	<u>1,104</u>
	<u>\$ 156,664</u>



## 8. BONDS PAYABLE

Bonds payable as of June 30, 2012 and 2011 were as follows (in thousands):

	Maturing	Interest	2012	2011
\$150,165 Revenue Bonds, Series 2011A:				
Serial Bonds	2012–2039	3.25%–5.00%	\$ 115,210	\$ -
Term Bonds	2035–2041	4.75%–5.00%	<u>33,355</u>	<u>-</u>
Total 2011 Series A			<u>148,565</u>	<u>-</u>
\$251,080 Revenue Bonds, Series 2010B:				
Serial Bonds	2012–2031	4.00%–5.00%	\$ 127,380	\$ 131,485
Term Bonds	2033–2040	4.50%–5.00%	<u>115,635</u>	<u>115,635</u>
Total 2010 Series B			<u>243,015</u>	<u>247,120</u>
\$211,255 Refunding Bonds, Series 2010A — Serial Bonds	2012–2030	5.00 %	<u>185,890</u>	<u>198,715</u>
\$255,000 Revenue Bonds, Series 2009B — Build America				
Term Bonds	2025–2039	6.14%–6.80%	<u>255,000</u>	<u>255,000</u>
\$68,445 Revenue Bonds, Series 2009A — Serial Bonds	2012–2020	3.00%–5.00%	<u>50,885</u>	<u>56,935</u>
\$325,775 Revenue Bonds, Series 2008A:				
Serial Bonds	2012–2029	5.00 %	200,705	211,310
Term Bonds	2030–2037	4.50%–5.00%	<u>81,880</u>	<u>81,880</u>
Total 2008 Series A			<u>282,585</u>	<u>293,190</u>
\$256,075 Revenue Bonds, Series 2007A:				
Serial Bonds	2012–2030	5.00 %	147,500	152,495
Term Bonds	2031–2036	5.00 %	<u>85,825</u>	<u>85,825</u>
Total 2007 Series A			<u>233,325</u>	<u>238,320</u>
\$443,290 Revenue Bonds, Series 2006A:				
Serial Bonds	2012–2029	3.00%–5.00%	292,555	304,480
Term Bonds	2030–2036	4.50%–4.75%	<u>98,975</u>	<u>98,975</u>
Total 2006 Series A			<u>391,530</u>	<u>403,455</u>
\$93,560 Refunding Bonds, Series 2005A — Serial Bonds	2012–2029	3.375%–5.00%	<u>85,185</u>	<u>88,455</u>
\$279,180 Revenue Bonds, Series 2004A:				
Serial Bonds	2012–2031	4.00%–5.00%	190,350	196,540
Term Bonds	2032–2034	4.50%	<u>48,170</u>	<u>48,170</u>
Total 2004 Series A			<u>238,520</u>	<u>244,710</u>
\$200,925 Revenue Bonds, Series 2003C:				
Serial Bonds	2012–2026	4.50%–5.00%	92,650	97,195
Term Bonds	2027–2033	4.625%–5.00%	<u>74,615</u>	<u>74,615</u>
Total 2003 Series C			<u>167,265</u>	<u>171,810</u>
\$303,945 Refunding Bonds, Series 2003B — Serial Bonds	2012–2025	4.50%–5.25%	<u>229,525</u>	<u>241,415</u>
\$445,980 Refunding Bonds, Series 2003A	2012–2022	4.25%–5.25%	<u>262,965</u>	<u>290,025</u>
\$109,835 Revenue Bonds, Series 1999A — Term Bonds	2025–2028	4.50 %	<u>25,285</u>	<u>25,285</u>
\$233,615 Revenue Bonds, Series 1998A — Term Bonds	2024–2027	4.50 %	<u>57,395</u>	<u>57,395</u>
			2,856,935	2,811,830
Add unamortized bond premium			66,093	56,946
Less deferred loss on early retirement of debt			<u>(27,951)</u>	<u>(33,548)</u>
			2,895,077	2,835,228
Less current portion			<u>(110,185)</u>	<u>(103,460)</u>
Long-term portion			<u>\$ 2,784,892</u>	<u>\$ 2,731,768</u>

As of June 30, 2012, debt service requirements to maturity, including interest at fixed rates, were as follows (in thousands):

	Principal	Interest	Total
2013	\$ 110,185	\$ 141,658	\$ 251,843
2014	120,280	136,295	256,575
2015	123,980	130,497	254,477
2016	130,260	124,299	254,559
2017	136,650	117,969	254,619
2018–2022	701,865	485,085	1,186,950
2023–2027	598,435	326,266	924,701
2028–2032	446,780	196,710	643,490
2033–2037	383,930	83,721	467,651
2038–2041	<u>104,570</u>	<u>11,260</u>	<u>115,830</u>
	<u>\$2,856,935</u>	<u>\$1,753,760</u>	<u>\$4,610,695</u>

The System has defeased certain bonds by placing sufficient funds from the issuance of new bonds into irrevocable trusts. The trust funds will provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the System's financial statements. The principal balances of all defeased bonds outstanding were \$23.0 million and \$34.5 million at June 30, 2012 and 2011 respectively.

The State of Florida issued the \$68.5 million and \$255.0 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2009A and 2009B, respectively. The 2009B Bonds were issued as BABs for purposes of the American Recovery and Reinvestment Act of 2009. Pursuant to the Recovery Act, the State receives a cash subsidy payment from the U.S. Treasury equal to 35% of the interest payable on each interest payment date. The cash payment does not constitute a full faith and credit guarantee of the U.S. Government, but is required to be paid by the Treasury under the Recovery Act. Any cash subsidy payments received by the State are deposited into the Sinking Fund. The cash subsidy interest payments received in both fiscal year 2012 and 2011 were \$5.9 million and are included in nonoperating revenues on the Statements of Revenues, Expenses, and Changes in Net Assets.

In July 2011, the State of Florida issued the \$150.2 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2011A (2011A Bonds), to finance capital improvements to the System, to fund the debt service reserve account, to refund all or a portion of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2003C (2003C Bonds), and to pay costs of issuance.

**Bond Refunding** — A portion of the 2011A Bonds proceeds will be utilized in fiscal year 2013 to advance refund the 2003C Bonds maturing in the years 2014 through 2021 with outstanding principal amounts totaling \$47.6 million. This advance refunding will take advantage of a general reduction in interest rates to achieve an overall reduction in future debt service costs.

**Debt Service Reserve** — The resolution authorizing the issuance of Turnpike revenue bonds requires a debt service reserve be established in an amount as defined in the resolution. The debt service reserve requirement for each bond issue is to be funded from revenues or through a reserve account credit facility as provided for in the resolution.

The resolution requires that if the Standard & Poor's or Moody's rating of an issuer of a reserve credit facility falls below AAA to AA or A, that credit facility must be replaced with another AAA-rated credit facility within six months or with cash over a five-year period in equal semiannual installments. If the rating falls below A, replacement must occur with another AAA-rated credit facility within six months or with cash over 12 months in equal monthly installments.

As of June 30, 2012 and 2011, the balance in the debt service reserve account was \$250.0 million and \$209.9 million, respectively. The balance as of June 30, 2012 exceeded the requirements of \$202.6 million for all outstanding issues. The debt service reserve account was fully funded as of June 30, 2012 and 2011.

## 9. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2012 and 2011 was as follows (in thousands):

<b>2012</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>	<b>Amount Due in More than One Year</b>
Bonds payable	\$ 2,811,830	\$ 150,165	\$ (105,060)	\$ 2,856,935	\$ 110,185	\$ 2,746,750
Add deferred amounts for issuance premiums	56,946	22,825	(13,678)	66,093	-	66,093
Less deferred amounts on refundings	<u>(33,548)</u>	<u>-</u>	<u>5,597</u>	<u>(27,951)</u>	<u>-</u>	<u>(27,951)</u>
Total bonds payable	2,835,228	172,990	(113,141)	2,895,077	110,185	2,784,892
Advances payable to the Department	162,403	836	(6,575)	156,664	7,766	148,898
Deferred revenue from other governments	749	-	(50)	699	50	649
Other long-term liabilities	<u>5,204</u>	<u>-</u>	<u>(2,998)</u>	<u>2,206</u>	<u>640</u>	<u>1,566</u>
	<u>\$ 3,003,584</u>	<u>\$ 173,826</u>	<u>\$ (122,764)</u>	<u>\$ 3,054,646</u>	<u>\$ 118,641</u>	<u>\$ 2,936,005</u>
<b>2011</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>	<b>Amount Due in More than One Year</b>
Bonds payable	\$ 2,910,830	\$ -	\$ (99,000)	\$ 2,811,830	\$ 103,460	\$ 2,708,370
Add deferred amounts for issuance premiums	72,965	-	(16,019)	56,946	-	56,946
Less deferred amounts on refundings	<u>(40,107)</u>	<u>-</u>	<u>6,559</u>	<u>(33,548)</u>	<u>-</u>	<u>(33,548)</u>
Total bonds payable	2,943,688	-	(108,460)	2,835,228	103,460	2,731,768
Advances payable to the Department	155,768	9,485	(2,850)	162,403	6,575	155,828
Deferred revenue from other governments	798	-	(49)	749	50	699
Other long-term liabilities	<u>8,162</u>	<u>-</u>	<u>(2,958)</u>	<u>5,204</u>	<u>1,186</u>	<u>4,018</u>
	<u>\$ 3,108,416</u>	<u>\$ 9,485</u>	<u>\$ (114,317)</u>	<u>\$ 3,003,584</u>	<u>\$ 111,271</u>	<u>\$ 2,892,313</u>

## 10. EMPLOYEE BENEFITS

### A. Pensions

*Florida Retirement System* — The System participates in the Florida Retirement System (FRS), a cost-sharing multiple-employer public-employee retirement system administered by the State of Florida, Department of Management Services, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility, and benefit provisions. The financial statements and other supplementary information for the FRS are included in the Comprehensive Annual Financial Report of the State of Florida, which may be obtained from the DFS. FRS also issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by contacting the State of Florida, Department of Management Services, Division of Retirement, Research, Education and Policy Section, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by calling (850) 488-5706.

*Retiree Health Insurance Subsidy Program* — In 1987, the Florida Legislature established through Section 112.363, Florida Statutes, the Retiree Health Insurance Subsidy (HIS) to assist retirees of all state-administered retirement systems in paying health insurance costs. The HIS is a cost-sharing multiple-employer defined benefit pension plan. For the fiscal years ended June 30, 2012 and 2011, eligible retirees or beneficiaries received a monthly retiree health insurance subsidy payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments to individual retirees or beneficiaries were at least \$30, but not more than \$150 per month during each of the fiscal years. To be eligible to receive the HIS, a retiree under any State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS is funded by required contributions from FRS participating employers. For each of the years ended June 30, 2012 and 2011, the System contributed 1.11% of payroll for all active employees covered by the FRS, which is included in the amounts disclosed below. This contribution was added to the amount submitted for retirement contributions and was deposited in a separate trust fund from which HIS payments are authorized. If these contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

The State of Florida's implementation of GASB Statement No. 43 resulted in a reevaluation of the HIS classification as a "postemployment benefit other than a pension" and its reclassification as a "pension benefit." The accounting and financial reporting for the HIS is now governed by GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, which was implemented for the fiscal year ending June 30, 2007, the transition year. Further disclosures and other supplementary information for the HIS are included in the Comprehensive Annual Financial Report of the State of Florida, which may be obtained from the DFS.

*Funding Policy* — In the Spring of 2011, the Florida Legislature passed Senate Bill 2100 and the Governor signed it on May 26, 2011. The bill made a number of substantial changes to the FRS. One of the changes affecting the funding policy requires each employee, beginning July 1, 2011, to contribute 3% of their gross compensation. The employer shall deduct the contribution from the employee's salary, and the contribution shall be submitted to the Division of Retirement. The System is required to pay the amount collected from each employee and the employer contribution for full-time and part-time employees. Generally, employee participation in FRS is compulsory. The contribution rates, which are established in Section 121.071, Florida Statutes, were as follows (including a health insurance subsidy of 1.11% for each of the years ended June 30, 2012, 2011, and 2010):

	Through June 30,		
	2012	2011	2010
Employer contributions			
Senior management	6.27 %	14.57 %	13.12 %
Regular employees	4.91	10.77	9.85
Employee contributions			
Senior management	3.00	-	-
Regular employees	3.00	-	-

The System's contributions to the FRS for the retirement plans amounted to approximately \$0.5 million for fiscal year ended June 30, 2012 and \$1.1 million for each of the years ended June 30, 2011 and 2010. The System remitted 100% of the required contributions for the years ended June 30, 2012, 2011, and 2010, respectively.

## **B. Other Postemployment Benefits**

The System participates in the State Employees' Health Insurance Program, a cost-sharing multiple-employer defined benefit plan administered by the State of Florida, Department of Management Services, Division of State Group Insurance, to provide group health benefits. Section 110.123, Florida Statutes, provides that retirees may participate in the State's group health insurance programs. Although premiums are paid by the retiree, the premium cost to the retiree is implicitly subsidized by the commingling of claims experience in a single risk pool with a single premium determination.

An actuarial valuation has been performed for the plan. The System's employees were included in the actuarial analysis and are part of the actuarial accrued liability, annual required contribution, and net other postemployment benefit obligation disclosed in the footnotes and other required supplementary information of the Comprehensive Annual Financial Report of the State of Florida.

The cost of group insurance benefits for current employees is charged to the System through overhead accruals assessed by the Department in the period the benefits are earned.

## **C. Deferred Compensation Plan**

The System, through the State of Florida, offers its employees a deferred compensation plan created in accordance with Section 457 of the Internal Revenue Code. The plan (refer to Section 112.215, Florida Statutes), available to all regular payroll State employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable financial emergency.



All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (notwithstanding the mandates of 26 U.S.C. s. 457(b)(6), all of the assets specified in subparagraph 1) held in trust for the exclusive benefit of participants and their beneficiaries as mandated by 26 U.S.C. s. 457(g)(1).

The System does not contribute to the plan. Participation under the plan is solely at the discretion of the employee.

The State has no liability for losses under the plan, but does have the duty of due care that would be required to an ordinary and prudent investor. Pursuant to Section 112.215, Florida Statutes, the Deferred Compensation Trust Fund is created in the State Treasury.

#### **D. Compensated Absences**

Employees earn the right to be compensated during absences for vacation and illness. Within the limits established by law or rule, the value of unused leave benefits will be paid to employees by the Department upon separation from state service.

The cost of vacation and vested sick leave benefits is charged to the System through overhead accruals assessed by the Department in the period the benefits are earned. The liability for these benefits is not recorded by the System since the System pays the Department for these costs in the period in which they are earned by the employee. The liability for accrued leave is recorded by the Department, which is responsible for paying accrued leave when it is taken.

### **11. CONTRIBUTIONS FOR CAPITAL PROJECTS**

Contributions for capital projects represent proceeds received from other entities for construction of certain highway system projects, land acquisition, and various studies.

Contributions for capital projects recognized for the years ended June 30, 2012 and 2011 were as follows (in thousands):

	<b>2012</b>	<b>2011</b>
Service Plaza Refurbishments	\$ 597	\$ -
Pace Road/Polk Parkway Interchange	571	4,082
I-595 Flyover Ramps	500	1,735
Widening in Orange County	302	-
Solar Power Project	225	-
Integrated Congestion Pricing Planning Study	68	-
Suncoast 2	9	13
Furniture	2	-
HEFT All Electronic Tolling	-	15,612
Toll System Replacement	-	1,735
Truck Stop Electrification	-	423
Vegetation Mitigation	-	73
Winding Waters Natural Area	-	8
	<u>\$ 2,274</u>	<u>\$ 23,681</u>

## 12. TRANSACTIONS WITH FLORIDA DEPARTMENT OF TRANSPORTATION

As described in Note 1, System operations are the responsibility of the Department. Transactions between the System and other funds of the Department consist of reimbursements made by the System to the Department. Reimbursements include amounts arising from the use of Department personnel, equipment and materials, and charges incurred from independent suppliers and contractors who are paid directly by the Department on behalf of the System.

The following summarizes transactions with and balances due to the Department as of and for the years ended June 30, 2012 and 2011, (in thousands):

	2012	2011
Payments/reimbursements to the Department	\$ 194,148	\$ 213,881
Amounts due to the Department for reimbursement of operating expenses	39,445	35,648

## 13. OPERATING LEASES

The System leases certain toll equipment and office space under noncancelable operating leases. As of June 30, 2012, future minimum lease payments under noncancelable operating leases with initial or remaining terms in excess of one year are as follows (in thousands):

2013	\$ 250
2014	150
2015	112
2016	37
2017	-
	<u>\$ 549</u>

Rent expense for all operating leases was approximately \$0.5 million and \$0.6 million for the years ended June 30, 2012 and 2011, respectively.

The System is the lessor under a noncancelable operating lease agreement under which the lessee provides restaurant and fuel station operations and related services within System-owned service plazas. In fiscal year 2009, the System selected a new lessee for the operations of the System-owned service plazas. Lease rent is calculated as a percentage of sales with a minimum monthly concession fee of \$0.8 million through November 1, 2010, and \$0.5 million for the months thereafter. Lease rent earned under the agreement totaled approximately \$6.0 million and \$7.2 million for the years ended June 30, 2012 and 2011, respectively. Pursuant to the terms of the agreement, the new lessee was required to pay an initial deposit at the inception of the lease totaling \$0.2 million. The deposit is refundable and is recorded as of June 30, 2012 and 2011, in current liabilities. As of June 30, 2012, future minimum lease rental income for each of the five succeeding fiscal years and in the aggregate are as follows (in thousands):

2013	\$ 6,000
2014	6,000
2015	6,000
2016	6,000
2017	6,000
2018–2041	<u>135,500</u>
	<u>\$ 165,500</u>

As of June 30, 2012, the total cost and carrying amount of the assets in use by the lessee were \$28.8 million and \$6.8 million, respectively. Depreciation expense relating to these assets was \$0.9 million for fiscal year 2012.

As of June 30, 2011, the total cost and carrying amount of the assets in use by the lessee were \$25.8 million and \$7.0 million, respectively. Depreciation expense relating to these assets was \$0.9 million for fiscal year 2011.

#### 14. COMMITMENTS AND CONTINGENCIES

**Commitments and Contingencies** — Commitments on outstanding contracts for construction of improvements and maintenance of the System and right-of-way acquisitions totaled \$573.2 million at June 30, 2012.

The System is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of System management, based on the advice of Department legal counsel, except as described below, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial position or results of operations of the System.

In 2007, the System was party to a lawsuit with a natural gas pipeline company (“claimant”) involving pipeline relocation costs with respect to 11 miles along the Mainline in Broward County. A judgment was rendered in May 2011, and amended in July 2011, requiring the System to reimburse the claimant for relocation costs. The System recorded a liability for the year ended June 30, 2011. However, in July 2011, the System appealed the monetary judgment to the Fourth District Court of Appeal with the claimant having filed a notice of cross appeal. In June 2012, the Fourth District Court of Appeal affirmed the monetary judgment. As of June 30, 2012, the System was required to commit an additional \$5.5 million in connection with the claimant’s relocation costs due to the monetary part of the judgment being upheld. See Note 5 — *Capital Assets* for further discussion on the recording of the reimbursement related to the utility costs.

**Risk Management** — The System participates in various self-insurance programs established by the State of Florida for property and casualty losses and employee health insurance. Coverages include property, general liability, automobile liability, workers' compensation, and federal civil rights actions. The System obtains conventional coverage for damage and revenue losses on the System bridges, although it retains significant self-insurance risk in order to control the cost of insurance premiums. The costs associated with the repairs of the bridges are recorded in renewal and replacement in the accompanying Statements of Revenues, Expenses, and Changes in Net Assets.

There were no reported insurance losses or recoveries during fiscal year 2012, and \$.07 million in losses were reported and recovered during fiscal year 2011.

## 15. POLLUTION REMEDIATION

Groundwater and soil contamination related to fuel tank leakage exists at the System's eight service plazas. The sites were accepted into the Florida Department of Environmental Protection's (FDEP) Early Detection Incentive (EDI) Program established in 1986 to provide reimbursement or state-contracted cleanup of qualifying sites. Under EDI, qualifying sites were exempted from departmental enforcement actions. Section 376.308 of the Florida Statutes directs facilities eligible for FDEP funding not to accrue for remediation costs until restoration funding can be committed to the facility. FDEP has funded approximately \$15.3 million for pollution remediation efforts performed at five of the service plaza sites since the sites were accepted into the program. The System has not recognized any liability for the remediation efforts funded by the FDEP. In 2009, through its agreement with a new lessee of the service plazas, the System legally obligated itself to commence pollution remediation for soil and groundwater contamination and commit restoration funding. In fiscal year 2011, future estimated remediation costs listed below (in thousands) were reduced by \$1.0 million due to the decrease in contract rate costs for source removal, excavation, installation of monitoring wells, sampling, and reporting to FDEP.

	2013	2014	Total
Okahumpka	\$ -	\$ 566	\$ 566
Turkey Lake	10	-	10
Canoe Creek	75	-	75
Fort Drum	150	-	150
Fort Pierce	330	1,000	1,330
West Palm Beach	75	-	75
Pompano	-	-	-
Snapper Creek	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Pollution remediation liabilities	<u>\$ 640</u>	<u>\$ 1,566</u>	<u>\$ 2,206</u>

These estimates were developed based on existing site studies performed under the FDEP program. Management believes that these estimates are reasonable based on the information available as of June 30, 2012. However, the System's remediation efforts are two-thirds through the design stages and estimates are subject to change based on new information obtained as the project progresses. Additionally, the System could potentially receive some funding from FDEP for the future pollution remediation; however, estimates are not available. The System has no other pollution remediation obligations for the fiscal years presented. The current and long-term portions of the liabilities are included in construction contracts and retainage payable and other long-term liabilities, respectively.

## 16. SUBSEQUENT EVENTS

In July 2012, the Turnpike contributed \$80.0 million to the Interstate 4/Selmon Expressway Connector project in Tampa. The purpose of this project is to provide a limited access connection between Interstate 4 and the Selmon Expressway. The construction of the project is being managed by District Seven of the Department and was funded from a combination of federal, state, and local funds. The total project cost is estimated to be in excess of \$600.0 million. The project is anticipated to be completed in the fall of 2013. The System will own and operate the toll facility, toll equipment, and the associated roadway upon completion.

On November 16, 2012, the System tendered payment to the claimant in the judgment disclosed in Note 5 – *Capital Assets* and Note 14– *Commitments and Contingencies*. The Florida Department of Financial Services issued state warrants totaling \$99.6 million against System funds and made payable to the claimant in the judgment amount plus pre-judgment and post-judgment interest accrued through the warrant date.

\* \* \* \* \*



**REQUIRED SUPPLEMENTARY INFORMATION OTHER  
THAN MANAGEMENT'S DISCUSSION AND ANALYSIS**

# FLORIDA'S TURNPIKE SYSTEM

## DEPARTMENT OF TRANSPORTATION

### STATE OF FLORIDA

#### TREND DATA ON THE SYSTEM'S INFRASTRUCTURE CONDITION

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#### INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH

Pursuant to GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*, Florida's Turnpike System (the "System") has adopted an alternative method of recording depreciation expense on its infrastructure assets (highway system and improvements). Under this alternative method, referred to as the modified approach, the System expends certain maintenance and preservation costs and, consequently, does not report depreciation expense related to infrastructure. System assets accounted for under the modified approach include 460 centerline miles of roadway and 701 bridges.

In using this modified approach, the System relies on the Florida Department of Transportation (the "Department") to maintain an asset management system that has an up-to-date inventory of System infrastructure assets and that performs condition assessments of those assets, summarizing the results using a measurement scale. Using these results, System management estimates the annual amount to maintain and preserve its infrastructure at a condition level established and disclosed by the System. System management also documents the annual amount expensed to maintain and preserve its infrastructure at or above the established condition level.

#### DEPARTMENT CONDITION AND MAINTENANCE PROGRAMS

**Resurfacing Program** — Road pavements require periodic resurfacing. The frequency of resurfacing depends on the volume of traffic, type of traffic, pavement material variability, and weather conditions. Resurfacing preserves the structural integrity of highway pavements and includes pavement resurfacing, pavement rehabilitation, and minor reconstruction.

The Department conducts an annual pavement condition survey. Pavements are rated on a scale of 0 to 10 (with 10 being the best) in each of three criteria: ride smoothness, pavement cracking, and wheel path rutting. Ride smoothness is what the motorist experiences. It directly affects motor vehicle operation costs. Pavement cracking refers to the structural deterioration of the pavement, which leads to loss of smoothness and deterioration of the road base by water seepage if not corrected. Wheel path rutting are depressions in pavement caused by heavy use. Ride smoothness and wheel path rutting are measured mechanically, using lasers. Pavement cracking is determined through visual observation by experienced survey crews.

The condition rating scales are set by a statewide committee of pavement engineers, so that a pavement segment receiving a rating of 6 or less in any of the three rating criteria is designated a deficient pavement segment. The standard is to ensure that 80% of the pavement on the System's roadways has a score greater than 6 in all three criteria.

**Bridge Repair and Replacement Program** — The Department's bridge repair program emphasizes periodic maintenance and specified structural rehabilitation work. The primary focus is on the replacement of structurally deficient or weight-restricted bridges.

The Department conducts bridge condition surveys using the National Bridge Inspection Standards to determine condition ratings. Each bridge is inspected at least once every two years. During the inspection process, the major components, such as deck, superstructure, and substructure, are assigned a condition rating. The condition rating ranges from 0 to 9. A rating of 8 to 9 is very good to excellent, which indicates that no repairs are necessary. A rating of 5 to 7 is fair to good, which indicates that minor repairs are required. A rating below 5 identifies bridges needing major repairs or replacement. A rating of 4 or less indicates a condition of poor to failing and requires urgency in making repairs. A rating of 2 requires closure of the bridge, while a rating of 1 is used for a bridge that is closed. A rating of 0 means the bridge is beyond repair. The standard is to ensure that 90% of all System bridges achieve a rating of 5 or better.

**Pollution Remediation Program** — The System's eight service plazas have groundwater and soil contamination related to fuel tank leakages. These sites were accepted into the Florida Department of Environmental Protection's Early Detection Incentive Program in the late 1980's, which provided funding for all pollution remediation efforts through fiscal year 2009. In fiscal year 2009, the System entered into an agreement with a new lessee for the operations of the service plazas. Under the new lease agreement, the System legally obligated itself to commence pollution remediation related to the fuel tank leakages as discussed in Note 15 to the financial statements. These expenses do not impact the infrastructure condition ratings.

**Routine Maintenance Program** — The System is responsible for managing and performing routine maintenance on its roadways. Routine maintenance includes many activities, such as highway repair, roadside upkeep, emergency response, maintaining signs, roadway striping, and keeping storm drains clear and structurally sound.

The Department monitors the quality and effectiveness of the System's routine maintenance program by periodic surveys, using the Maintenance Rating Program (MRP). The Department has used the MRP since 1985 to evaluate routine maintenance in five broad categories or elements. The five rating elements are roadway, roadside, vegetation and aesthetics, traffic services, and drainage. The MRP results in a maintenance rating of 1 to 100 for each category, as well as an overall rating for the System's routine maintenance performance. The standard is to achieve an overall routine maintenance rating of 80 or higher.

<b>Condition Ratings for the System's Infrastructure</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Percentage of pavement meeting Department standards	91 %	96 %	96 %
Percentage of bridges meeting Department standards	92 %	92 %	98 %
Overall routine maintenance rating	91	91	91

Comparison of Needed-to-Actual Maintenance/Preservation (in thousands)\*:

<b>Fiscal Year</b>	<b>Needed</b>	<b>Actual Resurfacing</b>	<b>Actual Bridge Repair and Replacement</b>	<b>Actual Pollution Remediation</b>	<b>Actual Routine Maintenance</b>	<b>Total Actual</b>	<b>Difference</b>
2012	\$ 95,738	\$ 44,063	\$ 1	\$ -	\$ 40,278	84,342	(11,396)
2011	84,588	35,116	416	(1,030)	40,789	75,291	(9,297)
2010	84,692	49,717	287	-	38,909	88,913	4,221
2009	109,759	61,958	890	9,502	39,353	111,703	1,944
2008	139,689	99,000	3,726	-	41,044	143,770	4,081

\*Note: The amounts listed above are totals for the resurfacing, bridge repair and replacement, pollution remediation, and routine maintenance programs of the System. Needed amounts are estimated on a cash basis, while actual amounts are stated on the accrual basis of accounting.

# STATISTICAL SECTION

This section of the Florida Turnpike System's comprehensive annual financial report presents detailed information designed to assist users in utilizing the financial statements, note disclosures, and required supplementary information to understand and assess the Turnpike System's overall economic condition.

## Contents

## Page

### Financial Trends

These schedules contain trend information to help the reader understand how the Turnpike System's financial position has changed over time. The trend information is presented from FY 2006, pursuant to the implementation of Governmental Accounting Standards Board Statement No. 44, *Economic Condition Reporting: The Statistical Section*, effective for periods beginning after June 15, 2005. Trend data will be added in each subsequent year until ten years of information is presented.

2-4

### Revenue Capacity

These schedules contain information to help the reader assess the Turnpike System's ability to generate toll and concession revenues.

5-30

### Debt Capacity

These schedules present information to help the reader assess the Turnpike System's current levels of outstanding debt and the Turnpike System's ability to issue additional debt in the future.

31-33

### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the Turnpike System operates and provide a basis for comparison over time.

34-35

### Operating Information

These schedules contain data on infrastructure, personnel and other operating information to help the reader understand how the Turnpike System operates and provide a framework useful in assessing the condition of the Turnpike System.

36-40

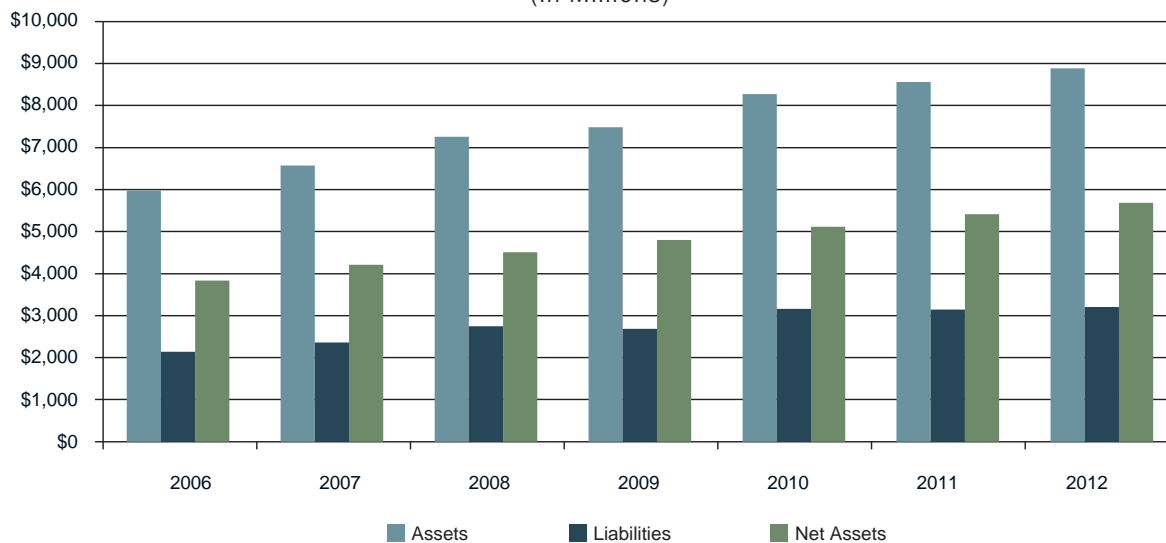
Sources: Unless otherwise noted, the information in these schedules is derived from the unaudited comprehensive annual financial reports for the relevant year.

FLORIDA'S TURNPIKE SYSTEM  
NET ASSETS  
FY 2006 through FY 2012  
(In Thousands)

	2012	2011	2010	2009	2008	2007	2006
<b>Assets</b>							
Current and Other Assets	\$728,127	\$652,076	\$461,345	\$367,664	\$570,379	\$519,773	\$405,335
Restricted Assets	368,995	256,949	479,995	167,366	202,066	119,231	142,252
Capital Assets, net of Accumulated Depreciation	7,804,661	7,665,112	7,345,564	6,962,730	6,495,488	5,943,035	5,436,999
<b>Total Assets</b>	<b>8,901,783</b>	<b>8,574,137</b>	<b>8,286,904</b>	<b>7,497,760</b>	<b>7,267,933</b>	<b>6,582,039</b>	<b>5,984,586</b>
<b>Liabilities</b>							
Current Liabilities	273,802	258,716	161,670	169,535	160,322	167,924	158,878
Long-Term Debt Outstanding and Other Liabilities	2,936,005	2,892,313	3,003,128	2,522,050	2,592,008	2,198,661	1,984,441
<b>Total Liabilities</b>	<b>3,209,807</b>	<b>3,151,029</b>	<b>3,164,798</b>	<b>2,691,585</b>	<b>2,752,330</b>	<b>2,366,585</b>	<b>2,143,319</b>
<b>Net Assets</b>							
Invested in Capital Assets, Net of Related Debt	5,051,519	4,791,948	4,592,159	4,446,638	4,041,985	3,820,318	3,547,320
Restricted	166,228	164,939	158,071	136,453	19,504	45,929	29,065
Unrestricted	474,229	466,221	371,876	223,084	454,114	349,207	264,882
<b>Total Net Assets</b>	<b>\$5,691,976</b>	<b>\$5,423,108</b>	<b>\$5,122,106</b>	<b>\$4,806,175</b>	<b>\$4,515,603</b>	<b>\$4,215,454</b>	<b>\$3,841,267</b>

As indicated in the graph below, net assets have continued to increase reflecting the Turnpike System's strong financial position.

FLORIDA'S TURNPIKE SYSTEM  
NET ASSETS  
(In Millions)



Sources:

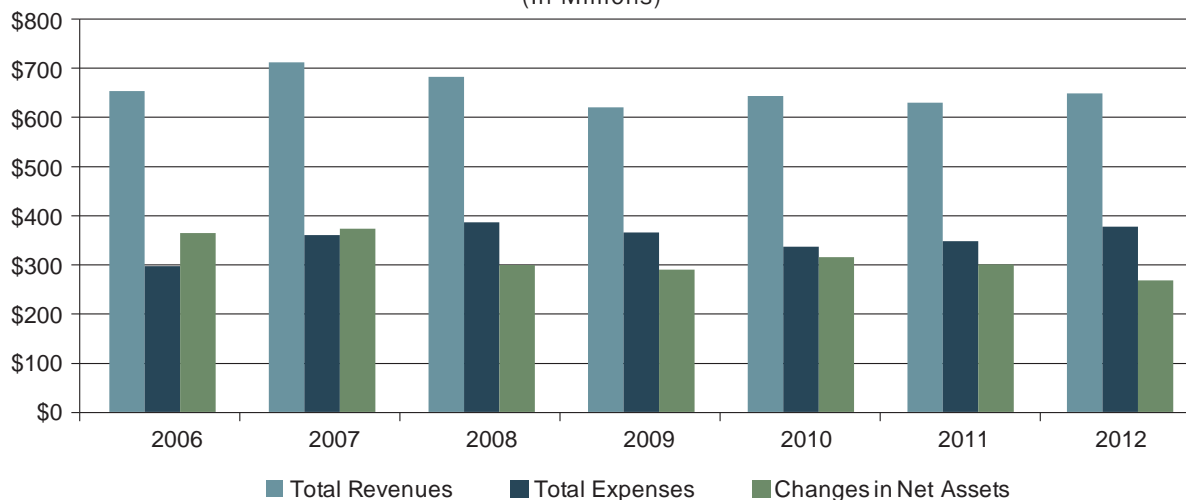
Audited Financial Statements  
Turnpike Enterprise Finance Office

**FLORIDA'S TURNPIKE SYSTEM**  
**CHANGES IN NET ASSETS**  
FY 2006 through FY 2012  
(In Thousands)

	2012	2011	2010	2009	2008	2007	2006
<b>Revenues</b>							
Operating Revenues from Toll Facilities	\$608,812	\$600,079	\$596,173	\$590,528	\$635,571	\$663,943	\$632,846
Operating Revenues from Concessions and Other Sources	11,389	11,867	15,423	14,369	15,172	17,672	15,113
Nonoperating Investment Earnings	24,121	13,750	27,309	17,285	33,204	32,124	6,836
Interest Subsidy	5,943	5,943	5,811	-	-	-	-
<b>Total Revenues</b>	<b>650,265</b>	<b>631,639</b>	<b>644,716</b>	<b>622,182</b>	<b>683,947</b>	<b>713,739</b>	<b>654,795</b>
<b>Expenses</b>							
Operations and Maintenance Expense	171,028	176,758	170,262	186,608	184,218	175,386	155,357
Business Development and Marketing Expense	2,676	3,302	2,160	3,995	5,669	8,569	6,667
Pollution Remediation	-	(1,030)	-	9,502	-	-	-
Renewals and Replacements Expense	44,064	34,502	50,005	62,848	102,726	93,913	56,919
Depreciation Expense	31,038	19,110	15,268	17,613	19,628	15,147	15,252
Nonoperating Interest Expense	125,821	110,437	98,294	82,823	73,255	65,105	61,793
Other Nonoperating Expense, Net	3,416	5,314	1,642	2,715	1,808	2,757	1,511
<b>Total Expenses</b>	<b>378,043</b>	<b>348,393</b>	<b>337,631</b>	<b>366,104</b>	<b>387,304</b>	<b>360,877</b>	<b>297,499</b>
Income Before Contributions for Capital Projects, Special Contributions and Extraordinary Loss Item	272,222	283,246	307,085	256,078	296,643	352,862	357,296
Contributions for Capital Projects	2,274	23,681	14,177	35,153	13,922	29,703	24,212
Contributions to Other Governments	(5,628)	(5,925)	(5,331)	(659)	(10,416)	(8,378)	(16,251)
<b>Increase in Net Assets</b>	<b>268,868</b>	<b>301,002</b>	<b>315,931</b>	<b>290,572</b>	<b>300,149</b>	<b>374,187</b>	<b>365,257</b>
Net Assets, Beginning of Year	5,423,108	5,122,106	4,806,175	4,515,603	4,215,454	3,841,267	3,476,010
<b>NET ASSETS, END OF YEAR</b>	<b>\$5,691,976</b>	<b>\$5,423,108</b>	<b>\$5,122,106</b>	<b>\$4,806,175</b>	<b>\$4,515,603</b>	<b>\$4,215,454</b>	<b>\$3,841,267</b>

As indicated in the graph below, total revenues have increased in three of the last seven years. The decrease in FY 2008 and FY 2009 total revenues represented a decline in Florida's economic conditions. The decrease in FY 2011 total revenues represented an increase in toll revenues offset by decrease in nonoperating investment earnings due to the decline in interest rates, and a decrease in concessions and other sources of revenue related to service plaza renovations (see page 7 for ten-year toll and concession revenue trend). Net assets have continued to increase over the last seven years reflecting the Turnpike System's strong financial position.

**FLORIDA'S TURNPIKE SYSTEM**  
**REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
(In Millions)



Sources:

Audited Financial Statements  
Turnpike Enterprise Finance Office

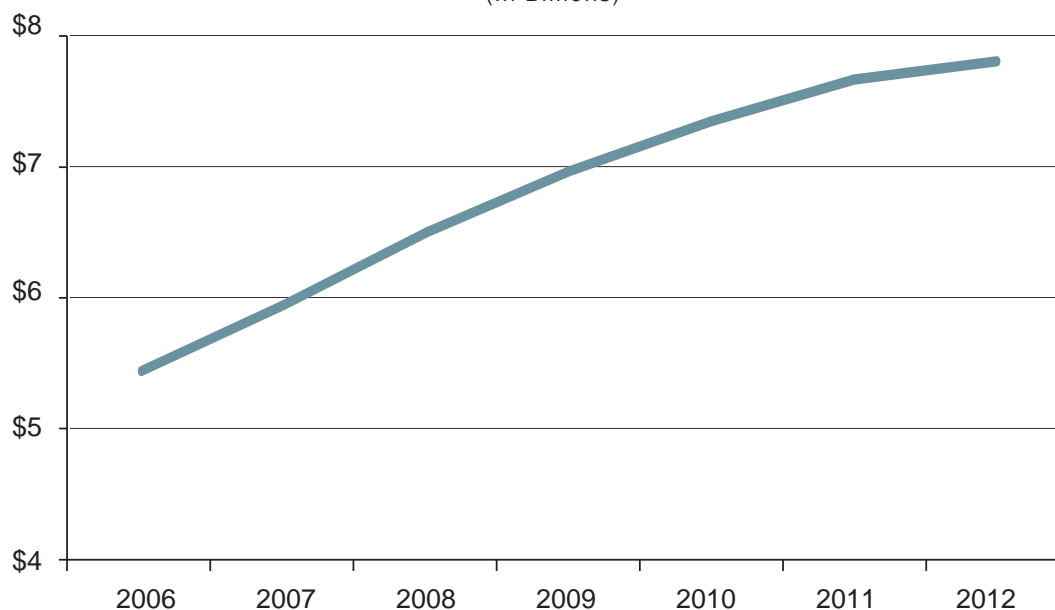


**FLORIDA'S TURNPIKE SYSTEM**  
**CAPITAL ASSETS**  
FY 2006 through FY 2012  
Net of Depreciation (In Thousands)

	2012	2011	2010	2009	2008	2007	2006
Land	\$863,355	\$863,893	\$866,680	\$865,191	\$851,532	\$826,472	\$813,668
Infrastructure	6,311,641	5,958,776	5,641,690	5,073,715	4,775,882	4,248,171	3,924,861
Construction in Progress	381,963	582,363	606,452	839,935	688,698	714,937	559,932
Buildings and Improvements, Net	142,814	149,254	145,206	137,177	138,412	128,782	117,737
Furniture and Equipment, Net	59,384	53,727	44,010	46,712	40,964	24,673	20,801
Intangible Assets, Net	28,279	14,592	155	-	-	-	-
Construction in Process - depreciable	17,225	42,507	41,371	-	-	-	-
<b>Total Net Capital Assets</b>	<b>\$7,804,661</b>	<b>\$7,665,112</b>	<b>\$7,345,564</b>	<b>\$6,962,730</b>	<b>\$6,495,488</b>	<b>\$5,943,035</b>	<b>\$5,436,999</b>

At the end of FY 2012, the Turnpike System had invested \$7.8 billion in purchased and donated capital assets (net of accumulated depreciation). As indicated in the graph below, net capital assets have grown substantially in the last six years due to the Turnpike System's significant capital improvement program. Major investments were made to provide additional capacity and access to Turnpike System facilities, to convert the HEFT to All-Electronic Tolling and to upgrade toll equipment systemwide.

**FLORIDA'S TURNPIKE SYSTEM**  
**NET CAPITAL ASSETS**  
(In Billions)



Sources:

Audited Financial Statements  
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM  
CURRENT TOLL RATES PER MILE  
Two-Axle Vehicles

Project	Length of Project (Miles)	SunPass Toll	SunPass Rate Per Mile	Cash/TBP* Toll	Cash/TBP* Rate Per Mile
Homestead Extension (HEFT)	47	\$3.75	\$0.080	\$4.75	\$0.101
Southern Coin System	43	2.75	0.064	3.50	0.081
Ticket System	155	9.60	0.062	12.90	0.083
Northern Coin System	67	4.00	0.060	4.50	0.067
Beachline West Expressway	8	0.75	0.094	1.00	0.125
Sawgrass Expressway	23	2.00	0.087	2.50	0.109
Seminole Expressway	18	2.00	0.111	2.25	0.125
Veterans Expressway	15	1.75	0.117	2.25	0.150
Southern Connector Extension	6	0.75	0.125	1.00	0.167
Polk Parkway	25	3.00	0.120	3.75	0.150
Suncoast Parkway	42	3.00	0.071	3.75	0.089
Western Beltway, Part C	11	1.00	0.091	1.25	0.114

Toll rates effective June 24, 2012.

\* TOLL-BY-PLATE (TBP) rates apply to HEFT and three plazas on the Southern Coin System.

### SunPass Toll Versus Cash Toll

As indicated in the above table, toll rates are differentiated between conventional cash, TOLL-BY-PLATE, and customers paying through the SunPass Electronic Toll Collection (ETC) method on Turnpike System facilities. The TOLL-BY-PLATE rates are identical to cash toll rates at most locations where this program is offered. The ETC method provides for increased throughput at the toll plazas, enhanced safety, and lower transaction processing costs which allows for the Turnpike to offer a pricing preference to SunPass customers.

### Three-Plus Axle Vehicle (Truck) Toll

Only the toll for two-axle vehicles is provided in the above table. Two toll rate formulas are utilized on the Turnpike System to calculate truck tolls: the "n minus one" formula, and the "per-axle" formula. The n minus one formula is used for all Turnpike facilities except for the Ticket System which utilizes the per-axle formula.

- N minus One = Number of vehicle axles, minus one, multiplied by the two-axle toll.
- Per-axle = Number of vehicle axles, multiplied by the two-axle toll divided by two.

### Toll Rate Setting

Section 338.231, Florida Statutes, authorizes the Department to fix and adjust toll rates on the Turnpike System and requires all toll rate changes be implemented through the provisions of the Administrative Procedures Act (Chapter 120, Florida Statutes). This requires a published notice and the opportunity for a public hearing to solicit public comment before adoption of the proposed toll rate change.

### Toll Rate Indexing

Section 338.165, Florida Statutes, authorizes the Department to index toll rates. The rates were indexed on all Department toll roads and bridges on June 24, 2012. The law requires that the Department index toll rates on existing toll facilities to the annual Consumer Price Index or similar inflation indicator no more frequently than once a year, and no less frequently than once every five years. The current adjusted toll rates reflect an average increase of \$0.25 at most toll locations. SunPass and TOLL-BY-PLATE rates will be adjusted annually on or before July 1 each year based on the actual change in year-over-year price index, while cash rates will be indexed every five years.

**FLORIDA'S TURNPIKE SYSTEM  
PRINCIPAL CUSTOMERS  
Fiscal Years 2012 and 2003**

Customer	FY 2012			FY 2003		
	Toll Revenue	Rank	% of Total Toll Revenue	Toll Revenue	Rank	% of Total Toll Revenue
Federal Express	\$2,378,391	1	0.39%	\$978,390	3	0.22%
United Parcel Service	1,617,356	2	0.27%	1,033,863	1	0.23%
Kenan Advantage Group	1,072,927	3	0.18%	746,852	4	0.17%
Werner Enterprises Inc.	903,525	4	0.15%	271,349	14	0.06%
Wal-Mart Stores Inc,	844,220	5	0.14%	1,010,551	2	0.22%
Swift Transportation Company, Inc.	777,415	6	0.13%	--	--	--
Eagle Transport Corp	612,322	7	0.10%	291,164	10	0.06%
AAA Cooper Transportation Corp	558,686	8	0.09%	395,460	6	0.09%
Community Asphalt Corp	543,166	9	0.09%	336,545	8	0.07%
Southeastern Freight Lines	538,820	10	0.09%	394,029	7	0.09%
American Freightways	--	--	--	514,214	5	0.11%
Saia Motor Freight Line Inc.	--	--	--	328,219	9	0.07%
Total	\$9,846,828		1.63%	\$6,300,636		1.39%

Note: Total toll revenue used in calculations above obtained from page 7 of the CAFR statistical section.

For FY 2003 and FY 2012, the top ten Turnpike System customers comprised only 1.39 percent and 1.63 percent, respectively, of total Turnpike System toll revenues. This is attributable to the geographic diversity of the Turnpike System and the large varied customer base. Additionally, eight of the top ten customers in FY 2003 were rated in the top ten in FY 2012.

**FLORIDA'S TURNPIKE SYSTEM  
OTHER PRINCIPAL CUSTOMER INFORMATION  
Fiscal Years 2012 and 2003**

Customer	FY 2012			FY 2003		
	Toll Revenue	Rank	% of Total Toll Revenue	Toll Revenue	Rank	% of Total Toll Revenue
Highway Toll Administration	\$7,982,091	1	1.31%	--	--	--
American Traffic Solutions	2,068,165	2	0.34%	--	--	--
Rent-A-Toll LTD	2,038,115	3	0.33%	--	--	--
Total	\$12,088,371		1.98%	\$0		0.00%

Starting in FY 2008, the Turnpike System entered into agreements with the above companies to oversee a program that uses license plate information to collect tolls electronically from rental cars and trucks. Familiar brands that fall under the umbrella of these agreements are: Advantage, Alamo, Avis, Budget, Dollar, Enterprise, Global, Hertz, National, Penske, Ryder, Sunshine and Thrifty.

Source:  
Turnpike Enterprise Toll Operations Office

**FLORIDA'S TURNPIKE SYSTEM  
REVENUE**  
Last Ten Fiscal Years  
(In Thousands)

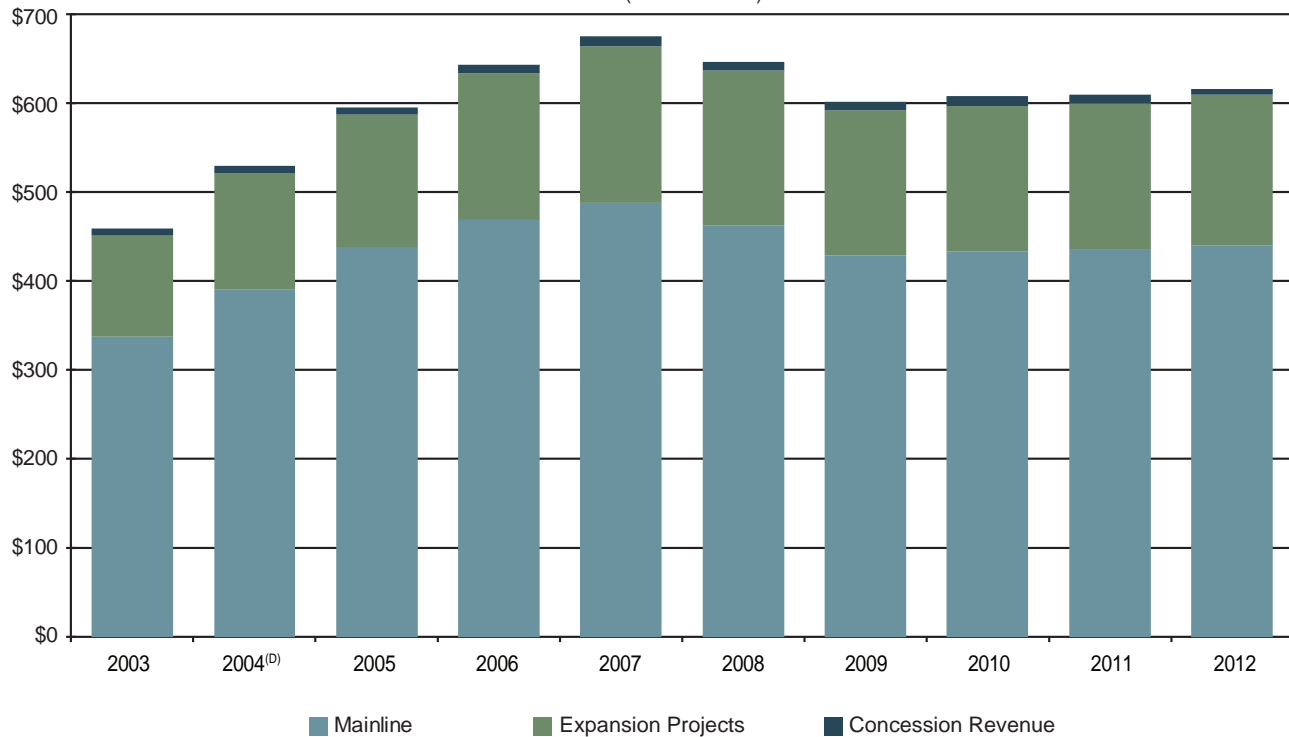
Fiscal Year	Mainline	Sawgrass Expressway <sup>(A)</sup>	Seminole Expressway <sup>(A)</sup>	Veterans Expressway <sup>(A)</sup>	Southern Connector Extension <sup>(A)</sup>	Polk Parkway <sup>(A)</sup>	Suncoast Parkway <sup>(A)</sup>	Western Beltway, Part C <sup>(A,B)</sup>	Total Toll Revenue	Concession Revenue	Total Revenue	Total Transactions
2012	\$439,961	\$51,360	\$31,457	\$32,757	\$4,343	\$22,615	\$20,769	\$5,550	\$608,812	\$7,169	\$615,981	664,279
2011	434,230	50,314	30,763	32,466	4,201	21,775	21,233	5,097	600,079	8,382	608,461	652,857
2010	432,970	49,702	30,882	31,692	4,148	21,391	20,621	4,767	596,173	10,757	606,930	639,426
2009 <sup>(C)</sup>	428,124	48,121	32,488	30,980	4,443	21,496	20,157	4,719	590,528	10,110	600,638	630,861
2008 <sup>(C)</sup>	461,567	50,902	36,138	33,089	5,130	22,450	21,424	4,871	635,571	10,363	645,934	667,320
2007	487,686	52,538	36,539	34,354	5,148	22,572	21,743	3,363	663,943	10,710	674,653	690,485
2006	467,807	50,419	34,542	33,086	4,854	21,198	19,962	978	632,846	10,171	643,017	661,368
2005	438,469	47,124	31,221	29,527	4,489	18,504	16,930	N/A	586,264	8,618	594,882	617,930
2004	390,459	42,609	27,403	26,064	3,596	16,209	14,883	N/A	521,223	8,513	529,736	587,043
2003	336,444	38,832	23,281	22,645	3,035	13,662	12,562	N/A	450,461	8,564	459,025	532,351

(A) Toll facilities other than the Mainline are considered Expansion Projects and are combined as such in the graph below.

(B) Western Beltway, Part C did not open to traffic until FY 2006.

(C) The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

**FLORIDA'S TURNPIKE SYSTEM  
TOTAL REVENUE**  
(In Millions)



(D) Tolls were increased for Non-ETC customers in March 2004.

**Sources:**

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant

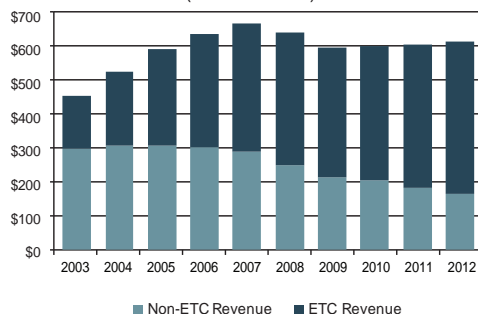
**FLORIDA'S TURNPIKE SYSTEM  
ELECTRONIC TOLL COLLECTION (ETC)  
Last Ten Fiscal Years  
(In Thousands)**

Fiscal Year	Total Toll Revenue	ETC Toll Revenue <sup>(A)</sup>	Percentage ETC Revenue	Total Transactions	Total ETC Transactions <sup>(A)</sup>	Percentage ETC Transactions
2012	\$608,812	\$443,876	72.91%	664,279	525,616	79.13%
2011	600,079	421,598	70.26	652,857	493,627	75.61
2010	596,173	395,202	66.29	639,426	454,012	71.00
2009 <sup>(B)</sup>	590,528	377,938	64.00	630,861	430,720	68.27
2008 <sup>(B)</sup>	635,571	387,382	60.95	667,320	437,017	65.49
2007	663,943	379,483	57.16	690,485	427,399	61.90
2006	632,846	331,924	52.45	661,368	366,709	55.45
2005	586,264	282,161	48.13	617,930	323,877	52.41
2004	521,223	218,947	42.01	587,043	262,627	44.74
2003	450,461	157,040	34.86	532,351	191,649	36.00

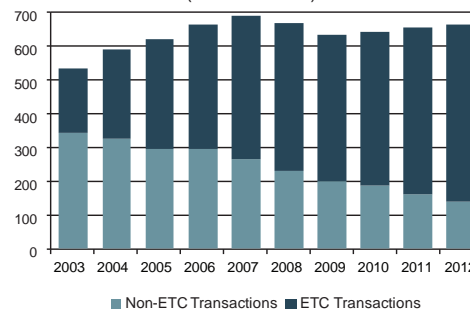
<sup>(A)</sup> SunPass and E-PASS are included in Electronic Toll Collection (ETC) Revenue and Transactions.

<sup>(B)</sup> The decrease in FY 2008 and FY 2009 Total Toll Revenue and Total Transactions was due to a decline in Florida's economic conditions.

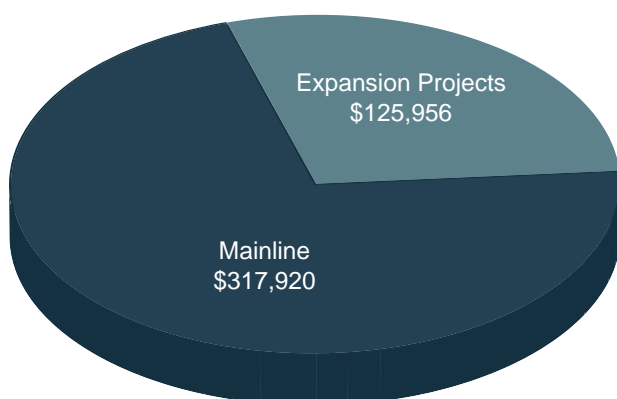
**FLORIDA'S TURNPIKE SYSTEM  
TOTAL TOLL REVENUE  
(In Millions)**



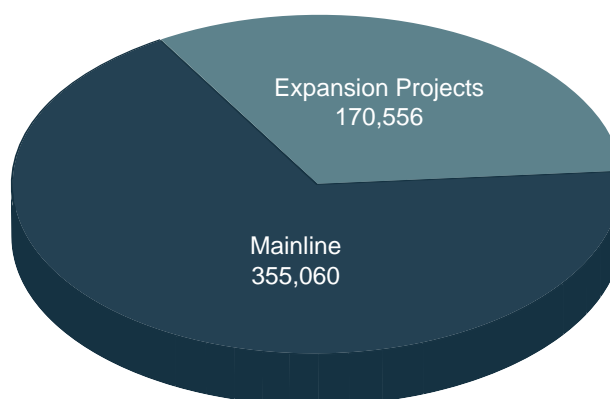
**FLORIDA'S TURNPIKE SYSTEM  
TOTAL TRANSACTIONS  
(In Millions)**



**ETC TOLL REVENUE  
FISCAL YEAR 2012  
(In Thousands)**



**ETC TRANSACTIONS  
FISCAL YEAR 2012  
(In Thousands)**



Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant

**FLORIDA'S TURNPIKE SYSTEM  
MAINLINE**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Mainline Toll Revenue						Concession Revenue	Total Revenue <sup>(A)</sup>	Total Transactions <sup>(A)</sup>
	HEFT	Golden Glades to Wildwood			Beachline West	Total			
		Southern Coin	Ticket	Northern Coin					
2012	\$108,203	\$100,861	\$130,482	\$84,707	\$15,708	\$439,961	\$6,713	\$446,674	440,023
2011 <sup>(B)</sup>	103,802	99,318	132,936	83,187	14,987	434,230	7,995	442,225	431,586
2010	103,164	98,660	134,525	82,474	14,147	432,970	10,237	443,207	422,237
2009 <sup>(C)</sup>	99,158	97,376	135,302	82,243	14,045	428,124	9,661	437,785	415,943
2008 <sup>(C)</sup>	106,509	104,982	145,269	88,765	16,042	461,567	10,001	471,568	441,380
2007	116,087	111,449	152,270	91,563	16,317	487,686	10,410	498,096	463,642
2006	108,230	107,160	147,815	88,383	16,219	467,807	10,026	477,833	447,905
2005	103,170	103,716	135,238	80,913	15,432	438,469	8,513	446,982	424,321
2004	91,144	93,376	121,375	72,179	12,385	390,459	8,513	398,972	407,734
2003	76,615	81,120	105,835	62,835	10,039	336,444	8,564	345,008	369,526

<sup>(A)</sup> SunPass and E-PASS Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(B)</sup> The decrease in FY 2011 Total Revenue is attributed to a decline in Concession Revenue due to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline.

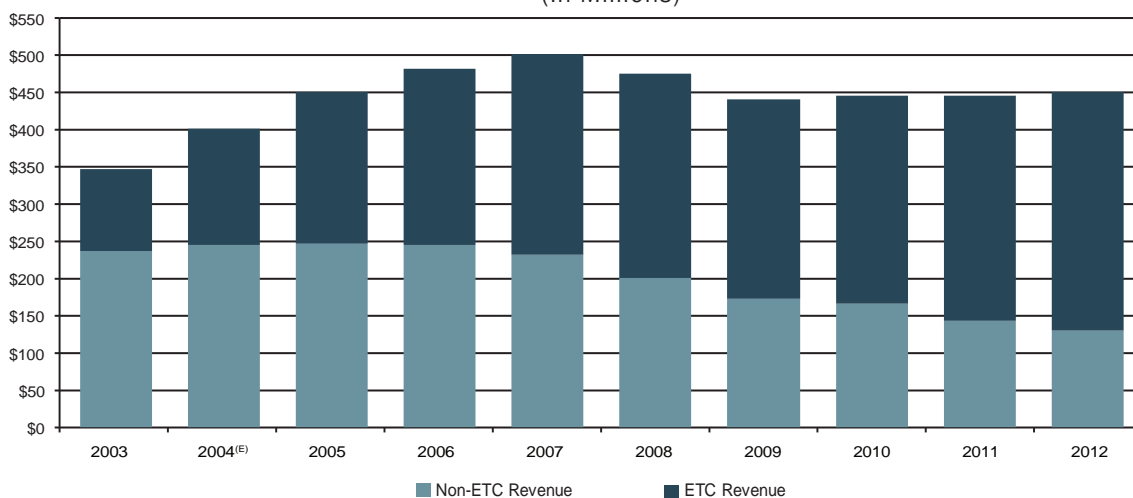
<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

Fiscal Year	Mainline ETC Toll Revenue						Concession Revenue	Total Revenue <sup>(b)</sup>	Total Transactions <sup>(b)</sup>
	HEFT	Golden Glades to Wildwood			Beachline West	Total			
		Southern Coin	Ticket	Northern Coin					
2012	\$94,678	\$76,341	\$88,314	\$49,574	\$9,013	\$317,920	N/A	\$317,920	355,060
2011	86,262	71,672	86,940	46,937	8,472	300,283	N/A	300,283	329,098
2010	75,003	66,544	84,483	45,049	7,707	278,786	N/A	278,786	297,731
2009	69,579	63,348	82,633	43,297	7,114	265,971	N/A	265,971	282,005
2008	70,706	64,616	84,761	45,024	7,479	272,586	N/A	272,586	287,441
2007	70,154	64,843	82,873	43,277	7,401	268,548	N/A	268,548	282,417
2006	61,243	57,313	73,059	37,411	6,578	235,604	N/A	235,604	241,798
2005	54,158	52,098	59,119	31,084	5,684	202,143	N/A	202,143	219,344
2004	42,314	41,414	43,651	24,303	4,455	156,137	N/A	156,137	177,780
2003	29,772	29,377	30,329	17,853	3,416	110,747	N/A	110,747	127,752

<sup>(D)</sup> Amounts include only SunPass and E-PASS revenue and transactions.

N/A: Concession Revenue is not included in Total Revenue calculation.

**MAINLINE  
TOTAL REVENUE**  
(In Millions)

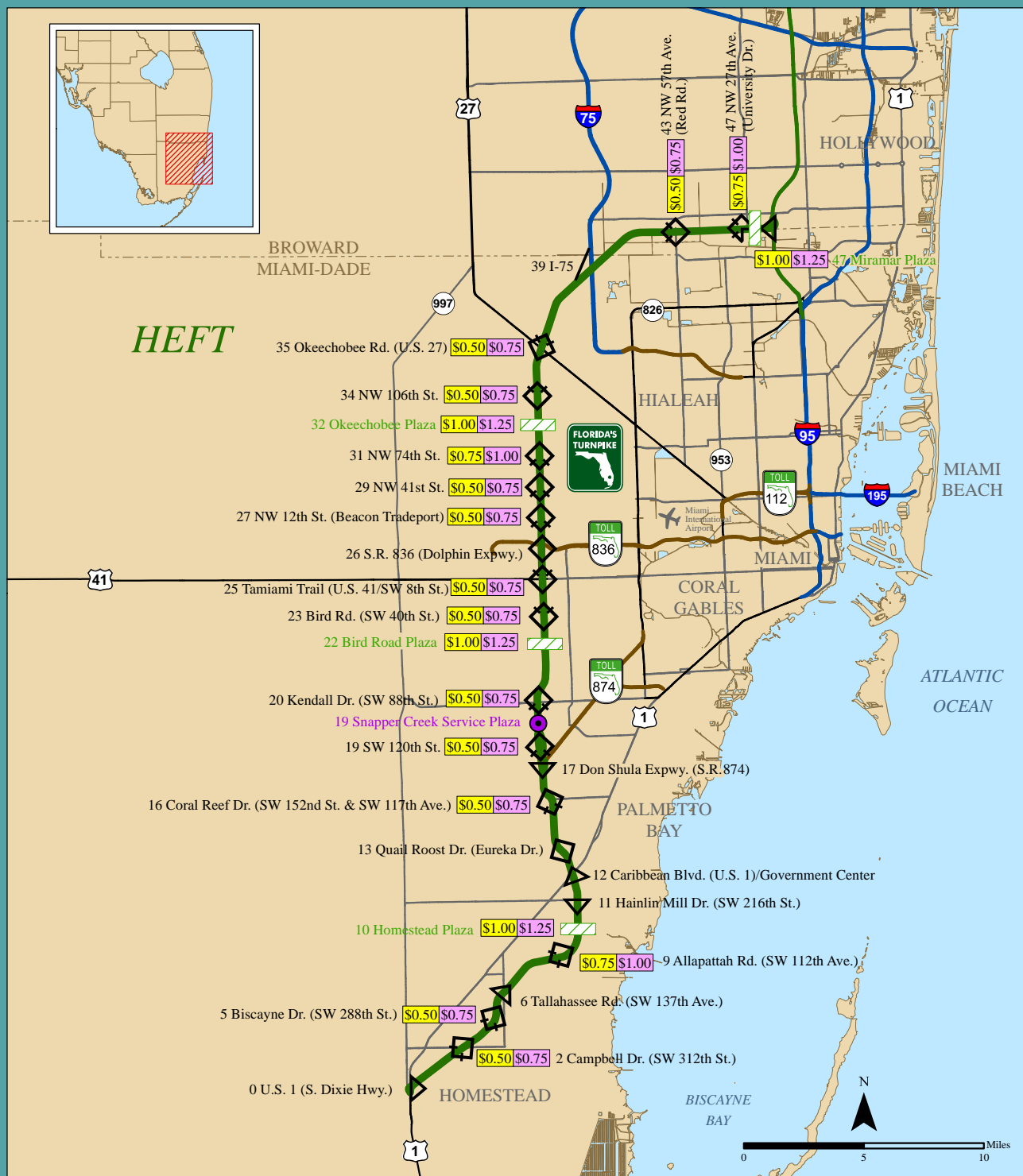


<sup>(E)</sup> Tolls were increased for Non-ETC customers in March 2004.

**Sources:**

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant





Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## HEFT

- Interchange With Toll Collection
- Interchange With No Toll Collection
- Existing Turnpike System Facility, HEFT
- Existing Turnpike System Facility

- Interstate Highway
- Other Toll Road
- Arterial
- Other Road
- County Boundary



Produced by:  
URS Corporation

# FLORIDA'S TURNPIKE SYSTEM HEFT

Last Ten Fiscal Years  
(In Thousands)

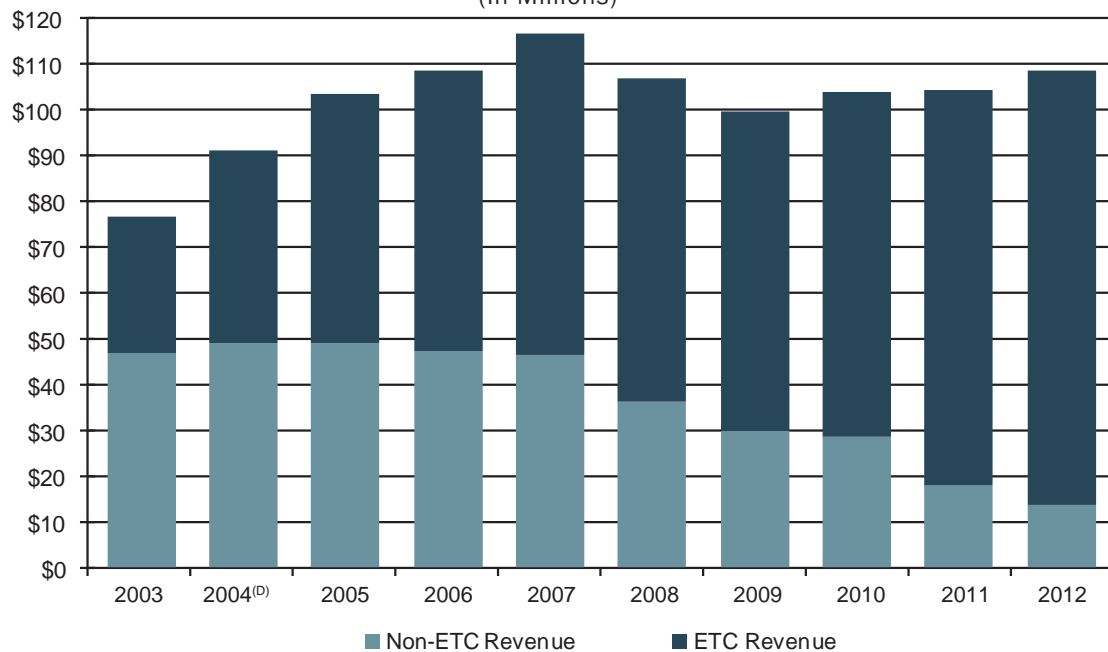
Fiscal Year	Toll Revenue	Concession Revenue	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(A)</sup>	Transactions <sup>(A)</sup>
2012	\$108,203	\$185 <sup>(B)</sup>	\$108,388	174,126	\$94,678	156,466
2011	103,802	303 <sup>(B)</sup>	104,105	169,218	86,262	140,382
2010	103,164	426	103,590	165,152	75,003	122,256
2009 <sup>(C)</sup>	99,158	437	99,595	160,659	69,579	114,450
2008 <sup>(C)</sup>	106,509	372	106,881	169,884	70,706	115,927
2007	116,087	371	116,458	184,707	70,154	115,607
2006	108,230	327	108,557	176,347	61,243	97,553
2005	103,170	164	103,334	165,422	54,158	88,638
2004	91,144	71	91,215	159,090	42,314	73,058
2003	76,615	70	76,685	142,662	29,772	52,638

<sup>(A)</sup> SunPass Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(B)</sup> In February 2011, the conversion to All Electronic Tolling was completed. This conversion removed all toll booths available for advertising on the HEFT, resulting in a decline in Concession Revenue. FY 2012 reflects the first full year of the impact.

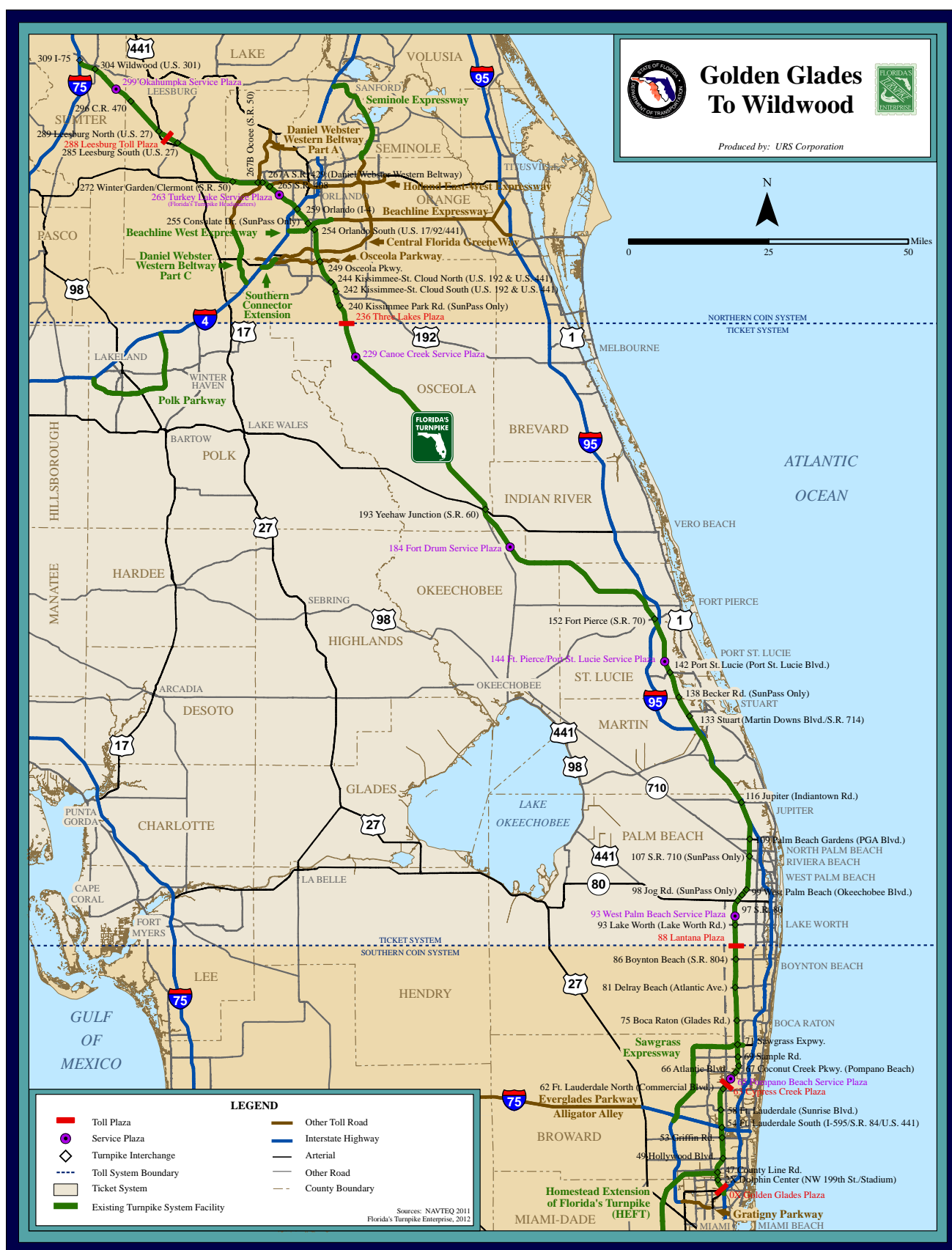
<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

## HEFT TOTAL REVENUE (In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



**FLORIDA'S TURNPIKE SYSTEM  
GOLDEN GLADES TO WILDWOOD**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue				Concession Revenue	Total Revenue <sup>(A)</sup>	Total Transactions <sup>(A)</sup>
	Southern Coin	Ticket	Northern Coin	Total			
2012 <sup>(B)</sup>	\$100,861	\$130,482	\$84,707	\$316,050	\$6,498	\$322,548	240,256
2011 <sup>(B)</sup>	99,318	132,936	83,187	315,441	7,667	323,108	237,370
2010	98,660	134,525	82,474	315,659	9,780	325,439	233,581
2009 <sup>(C)</sup>	97,376	135,302	82,243	314,921	9,190	324,111	231,974
2008 <sup>(C)</sup>	104,982	145,269	88,765	339,016	9,608	348,624	246,023
2007	111,449	152,270	91,563	355,282	9,969	365,251	253,395
2006	107,160	147,815	88,383	343,358	9,698	353,056	246,543
2005	103,716	135,238	80,913	319,867	8,346	328,213	235,143
2004	93,376	121,375	72,179	286,930	8,442	295,372	226,858
2003	81,120	105,835	62,835	249,790	8,494	258,284	207,511

<sup>(A)</sup> SunPass Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(B)</sup> The decrease in FY 2012 and FY 2011 Total Revenue is attributed to a decline in Concession Revenue due to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline.

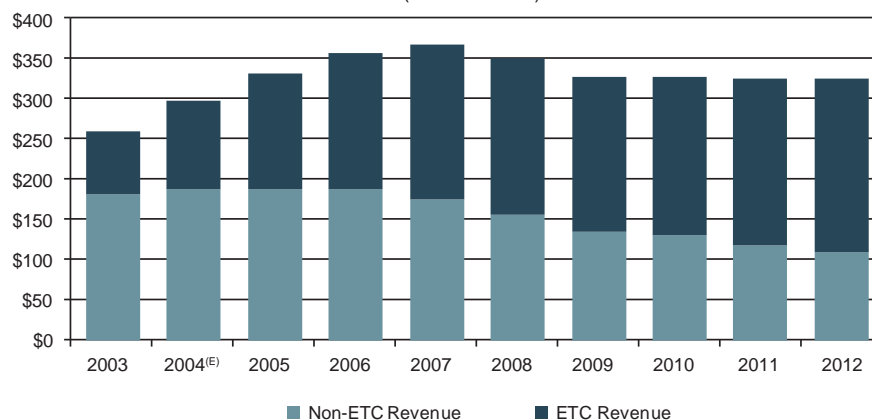
<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

Fiscal Year	ETC Toll Revenue				Concession Revenue	Total Revenue <sup>(D)</sup>	Total Transactions <sup>(D)</sup>
	Southern Coin	Ticket	Northern Coin	Total			
2012	\$76,341	\$88,314	\$49,574	\$214,229	N/A	\$214,229	181,822
2011	71,672	86,940	46,937	205,549	N/A	205,549	172,794
2010	66,544	84,483	45,049	196,076	N/A	196,076	161,188
2009	63,348	82,633	43,297	189,278	N/A	189,278	154,514
2008	64,616	84,761	45,024	194,401	N/A	194,401	157,997
2007	64,843	82,873	43,277	190,993	N/A	190,993	153,467
2006	57,313	73,059	37,411	167,783	N/A	167,783	132,412
2005	52,098	59,119	31,084	142,301	N/A	142,301	120,404
2004	41,414	43,651	24,303	109,368	N/A	109,368	96,363
2003	29,377	30,329	17,853	77,559	N/A	77,559	68,665

<sup>(D)</sup> Amounts include only ETC revenue and transactions.

N/A: Concession Revenue is not included in Total Revenue calculation.

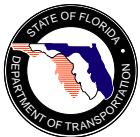
**GOLDEN GLADES TO WILDWOOD  
TOTAL REVENUE**  
(In Millions)



<sup>(E)</sup> Tolls were increased for Non-ETC customers in March 2004.

**Sources:**

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Beachline West Expressway

- \$0.00 SunPass Toll Rate
- \$0.00 Cash Toll Rate
- Toll Plaza
- Interchange With No Toll Collection

- Existing Turnpike System Facility, Beachline West Expressway
- Existing Turnpike System Facility
- Interstate Highway

- Other Toll Road
- Arterial
- Other Road
- County Boundary



Produced by:  
URS Corporation

**FLORIDA'S TURNPIKE SYSTEM  
BEACHLINE WEST EXPRESSWAY**  
Last Ten Fiscal Years  
(In Thousands)

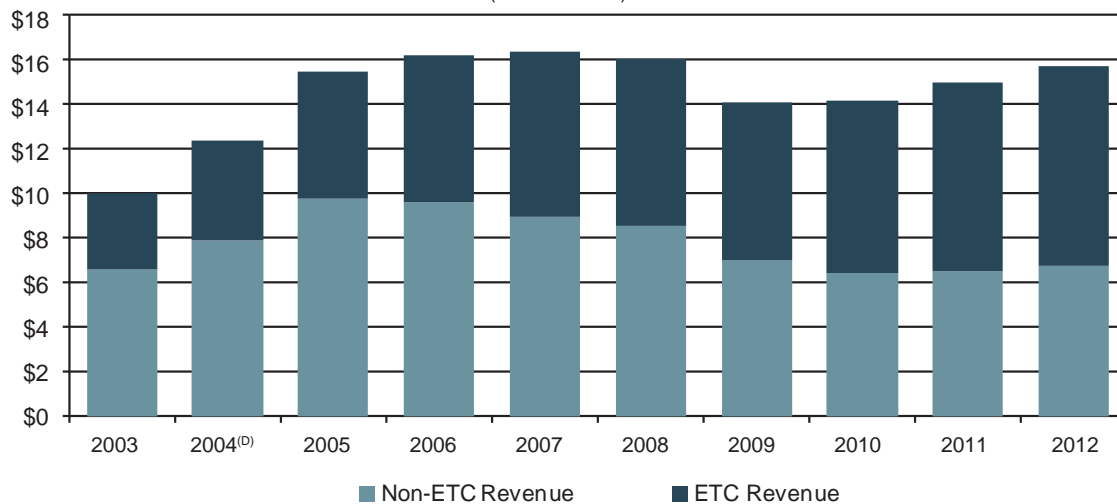
Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$15,708	\$30	\$15,738	25,641	\$9,013	16,772
2011	14,987	25	15,012	24,998	8,472	15,922
2010	14,147	31	14,178	23,504	7,707	14,287
2009 <sup>(C)</sup>	14,045	34	14,079	23,310	7,114	13,041
2008 <sup>(C)</sup>	16,042	21	16,063	25,473	7,479	13,517
2007	16,317	70	16,387	25,540	7,401	13,343
2006	16,219	1	16,220	25,015	6,578	11,833
2005	15,432	3	15,435	23,756	5,684	10,302
2004	12,385	N/A	12,385	21,786	4,455	8,359
2003	10,039	N/A	10,039	19,353	3,416	6,449

<sup>(A)</sup> Although there are no service plazas on the Beachline West Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively. The decrease in FY 2008 is due to movement of toll plaza advertising to other segments.

<sup>(B)</sup> SunPass and E-PASS Revenue and Transactions are included in Total Revenue and Total Transactions.

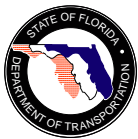
<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

**BEACHLINE WEST EXPRESSWAY  
TOTAL REVENUE**  
(In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Sawgrass Expressway

**\$0.00** SunPass Toll Rate  
**\$0.00** Cash Toll Rate  
**Red Line** Toll Plaza

◆ ◆ Interchange With Toll Collection  
◆ ◆ Interchange With No Toll Collection  
— Existing Turnpike System Facility, Sawgrass Expressway  
— Existing Turnpike System Facility

— Interstate Highway  
— Arterial  
— Other Road  
--- County Boundary



Produced by:  
URS Corporation



**FLORIDA'S TURNPIKE SYSTEM  
SAWGRASS EXPRESSWAY**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$51,360	\$107	\$51,467	72,179	\$42,843	61,052
2011	50,314	101	50,415	70,584	40,813	58,408
2010	49,702	145	49,847	69,662	39,188	55,684
2009 <sup>(C)</sup>	48,121	130	48,251	67,810	36,780	52,074
2008 <sup>(C)</sup>	50,902	117	51,019	69,503	36,648	50,365
2007	52,538	116	52,654	71,164	35,972	50,342
2006	50,419	64	50,483	69,610	32,026	44,290
2005	47,124	29	47,153	64,927	28,158	39,315
2004	42,609	N/A	42,609	62,033	22,380	32,707
2003	38,832	N/A	38,832	58,671	17,185	25,412

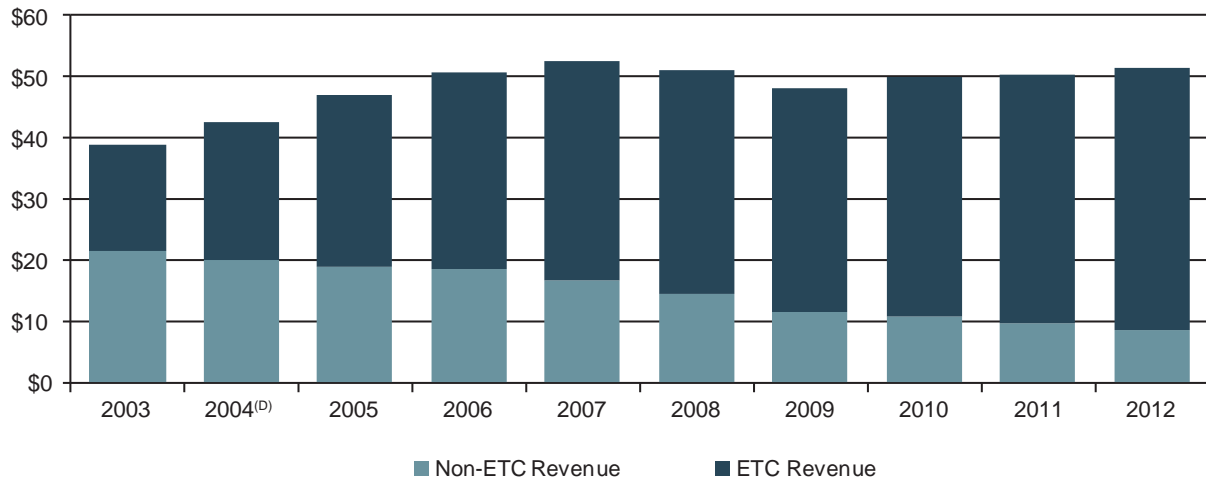
<sup>(A)</sup> Although there are no service plazas on the Sawgrass Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(B)</sup> SunPass Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

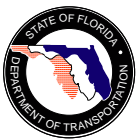
Revenue Capacity

**SAWGRASS EXPRESSWAY  
TOTAL REVENUE**  
(In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Seminole Expressway



Produced by:  
URS Corporation

**FLORIDA'S TURNPIKE SYSTEM  
SEMINOLE EXPRESSWAY**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$31,457	\$71	\$31,528	31,265	\$22,752	23,642
2011 <sup>(C)</sup>	30,763	72	30,835	31,117	22,087	23,153
2010 <sup>(C)</sup>	30,882	81	30,963	31,168	21,869	22,538
2009 <sup>(C)</sup>	32,488	92	32,580	32,765	22,417	23,080
2008 <sup>(C)</sup>	36,138	54	36,192	35,719	24,509	24,794
2007	36,539	52	36,591	35,908	24,003	24,287
2006	34,542	30	34,572	34,408	21,479	21,955
2005	31,221	7	31,228	32,216	18,326	19,161
2004	27,403	N/A	27,403	29,123	15,657	17,052
2003	23,281	N/A	23,281	25,771	12,329	14,031

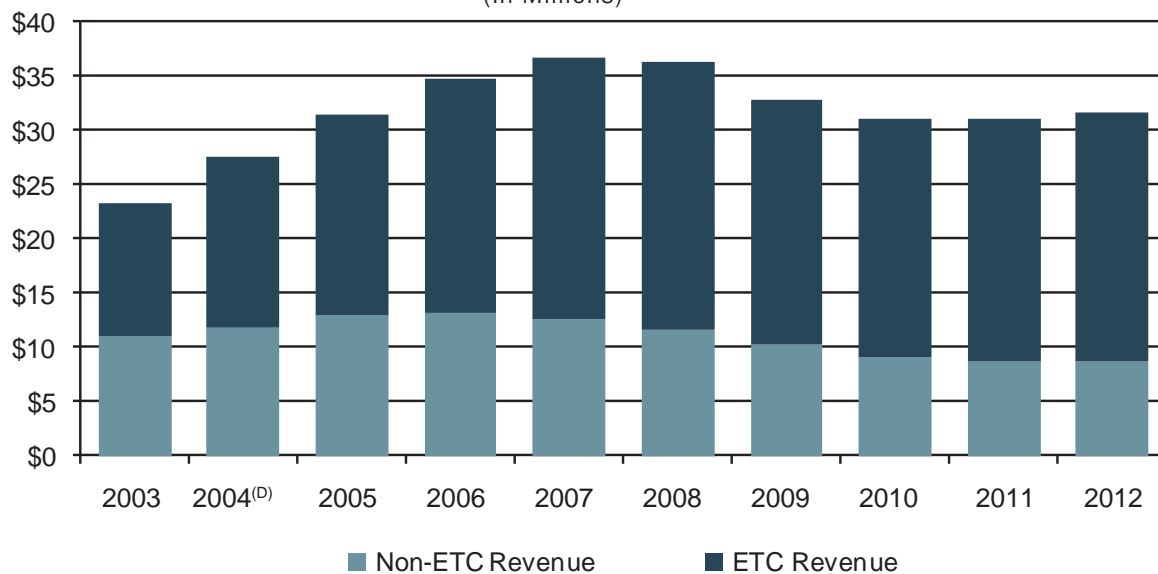
<sup>(A)</sup> Although there are no service plazas on the Seminole Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(B)</sup> SunPass and E-PASS Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(C)</sup> The decrease in FY 2008 through FY 2011 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

Revenue Capacity

**SEMINOLE EXPRESSWAY  
TOTAL REVENUE**  
(In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

**Sources:**

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Veterans Expressway



Produced by:  
URS Corporation

FLORIDA'S TURNPIKE SYSTEM  
VETERANS EXPRESSWAY  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$32,757	\$67	\$32,824	51,288	\$23,152	38,108
2011	32,466	56	32,522	50,933	22,496	37,106
2010	31,692	76	31,768	49,555	21,353	35,043
2009 <sup>(C)</sup>	30,980	59	31,039	47,876	20,126	32,757
2008 <sup>(C)</sup>	33,089	60	33,149	50,586	20,381	33,138
2007	34,354	47	34,401	51,896	20,083	32,594
2006	33,086	23	33,109	49,322	17,859	28,575
2005	29,527	33	29,560	44,090	14,538	23,038
2004	26,064	N/A	26,064	41,960	10,958	17,734
2003	22,645	N/A	22,645	38,215	7,723	12,574

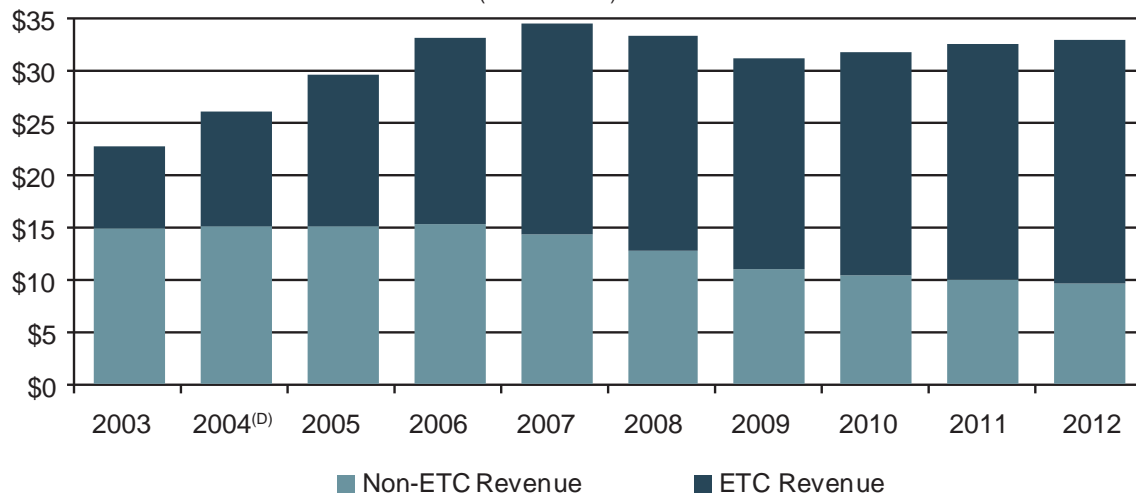
<sup>(A)</sup> Although there are no service plazas on the Veterans Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(B)</sup> SunPass Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(C)</sup> The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

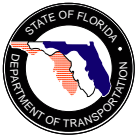
Revenue Capacity

VETERANS EXPRESSWAY  
TOTAL REVENUE  
(In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Southern Connector Extension

**\$0.00** SunPass Toll Rate

**\$0.00** Cash Toll Rate

**Toll Plaza**

◇ △ Interchange With Toll Collection

◇ △ Interchange With No Toll Collection

Existing Turnpike System Facility, Southern Connector Extension

Existing Turnpike System Facility

Interstate Highway

Other Toll Road

Arterial

Other Road

Planned International Drive Connector

County Boundary



Produced by:  
URS Corporation

FLORIDA'S TURNPIKE SYSTEM  
SOUTHERN CONNECTOR EXTENSION  
Last Ten Fiscal Years  
(In Thousands)

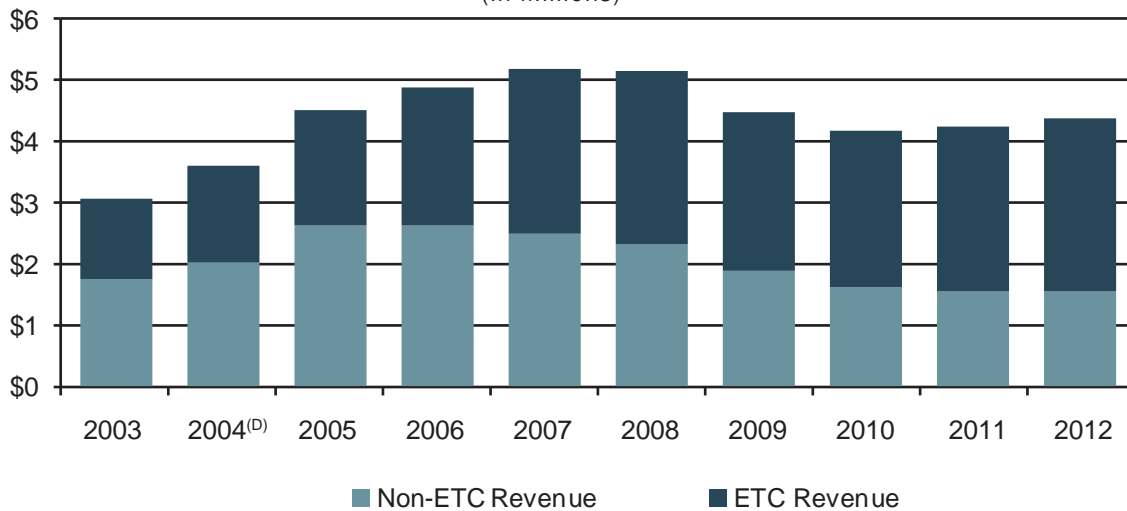
Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$4,343	\$17	\$4,360	8,499	\$2,804	6,091
2011	4,201	12	4,213	8,319	2,661	5,799
2010 <sup>(C)</sup>	4,148	16	4,164	8,138	2,551	5,483
2009 <sup>(C)</sup>	4,443	12	4,455	8,743	2,581	5,568
2008 <sup>(C)</sup>	5,130	15	5,145	9,760	2,830	6,005
2007	5,148	9	5,157	9,599	2,667	5,655
2006	4,854	11	4,865	9,019	2,265	4,811
2005	4,489	4	4,493	8,393	1,892	4,104
2004	3,596	N/A	3,596	7,759	1,569	3,507
2003	3,035	N/A	3,035	7,254	1,291	2,952

<sup>(A)</sup> Although there are no service plazas on the Southern Connector Extension, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(B)</sup> SunPass and E-PASS Revenue and Transactions are included in Total Revenue and Total Transactions.

<sup>(C)</sup> The decrease in FY 2008 through FY 2010 Total Revenue was due to a decline in Florida's economic conditions.

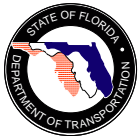
SOUTHERN CONNECTOR EXTENSION  
TOTAL REVENUE  
(In Millions)



<sup>(D)</sup> Tolls were increased for Non-ETC customers in March 2004.

Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant





Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

# Polk Parkway

- SunPass Toll Rate
- Cash Toll Rate
- Toll Plaza

- Interchange With Toll Collection
- Interchange With No Toll Collection
- Existing Turnpike System Facility, Polk Parkway
- Interstate Highway

- Arterial
- Other Road
- County Boundary



Produced by:  
URS Corporation

FLORIDA'S TURNPIKE SYSTEM  
POLK PARKWAY  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$22,615	\$103	\$22,718	27,395	\$14,951	17,453
2011	21,775	67	21,842	26,608	14,060	16,335
2010 <sup>(C)</sup>	21,391	97	21,488	26,209	13,366	15,435
2009 <sup>(C)</sup>	21,496	67	21,563	26,344	12,762	14,613
2008 <sup>(C)</sup>	22,450	56	22,506	27,330	12,629	14,214
2007	22,572	31	22,603	27,239	11,801	13,011
2006	21,198	9	21,207	25,340	10,115	10,868
2005	18,504	16	18,520	22,863	7,938	8,422
2004	16,209	N/A	16,209	20,222	5,735	6,421
2003	13,662	N/A	13,662	17,425	3,820	4,392

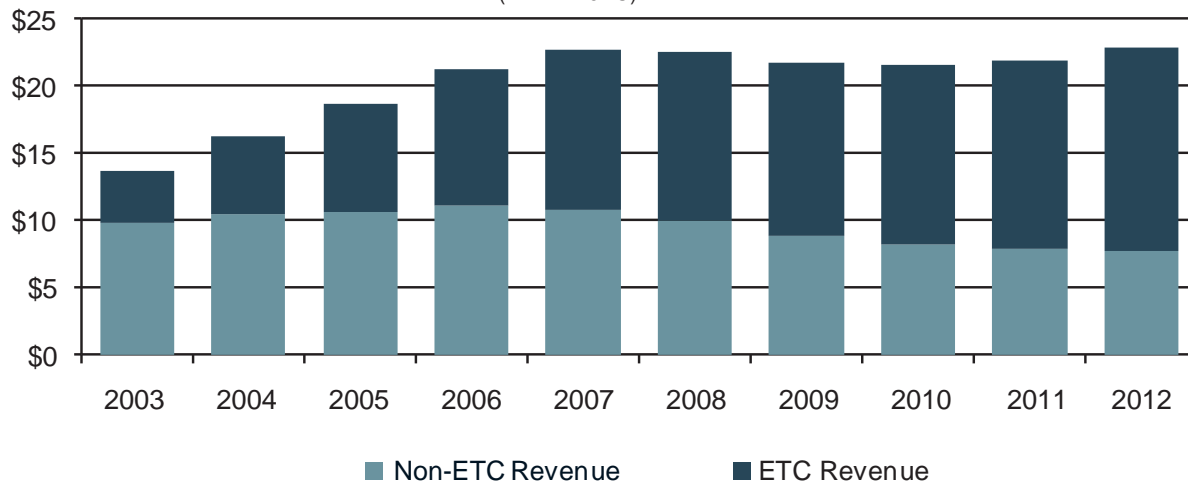
<sup>(A)</sup> Although there are no service plazas on the Polk Parkway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively. The increase in FY 2012 is attributable to additional advertising revenue due to the opening of Legoland Theme Park in Winter Haven.

<sup>(B)</sup> SunPass Revenue and Transactions are included in Total Revenue and Total Transactions.

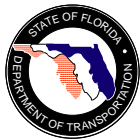
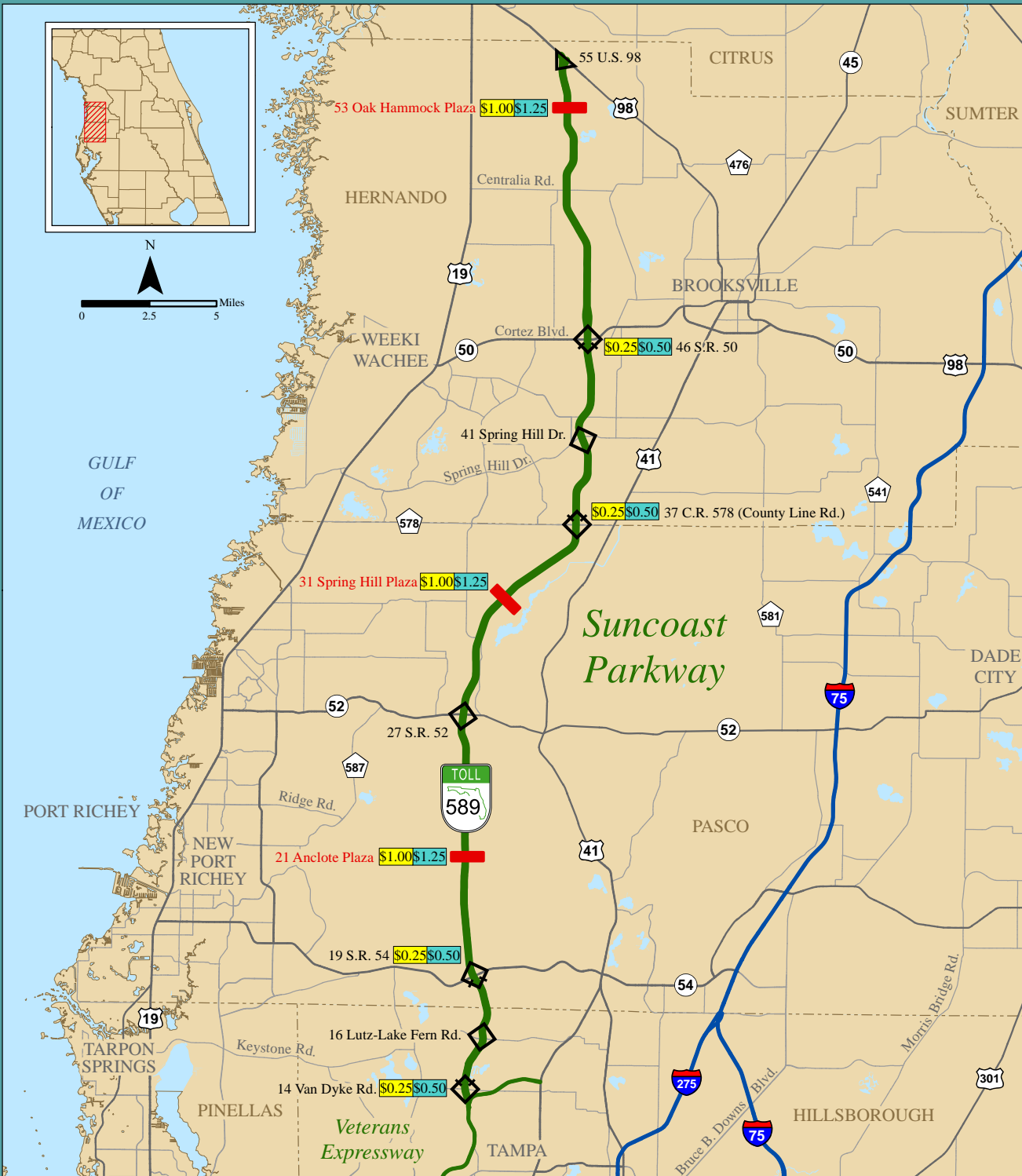
<sup>(C)</sup> The decrease in FY 2008 through FY 2010 Total Revenue was due to a decline in Florida's economic conditions.

Revenue Capacity

POLK PARKWAY  
TOTAL REVENUE  
(In Millions)



Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Suncoast Parkway

\$0.00 SunPass Toll Rate  
\$0.00 Cash Toll Rate

TOLL PLAZA

◇ △ Interchange With Toll Collection

◇ △ Interchange With No Toll Collection

Existing Turnpike System Facility, Suncoast Parkway

Existing Turnpike System Facility

Interstate Highway

Arterial

Other Road

County Boundary



Produced by:  
URS Corporation

FLORIDA'S TURNPIKE SYSTEM  
SUNCOAST PARKWAY  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012 <sup>(C)</sup>	\$20,769	\$59	\$20,828	27,593	\$15,545	20,358
2011	21,233	51	21,284	28,151	15,642	20,297
2010	20,621	72	20,693	27,345	14,808	19,026
2009 <sup>(C)</sup>	20,157	62	20,219	26,442	14,115	17,745
2008 <sup>(C)</sup>	21,424	43	21,467	28,114	14,525	18,222
2007	21,743	35	21,778	27,909	14,150	17,264
2006	19,962	8	19,970	24,897	11,904	13,880
2005	16,930	16	16,946	21,120	9,166	10,493
2004	14,883	N/A	14,883	18,212	6,511	7,426
2003	12,562	N/A	12,562	15,489	3,945	4,536

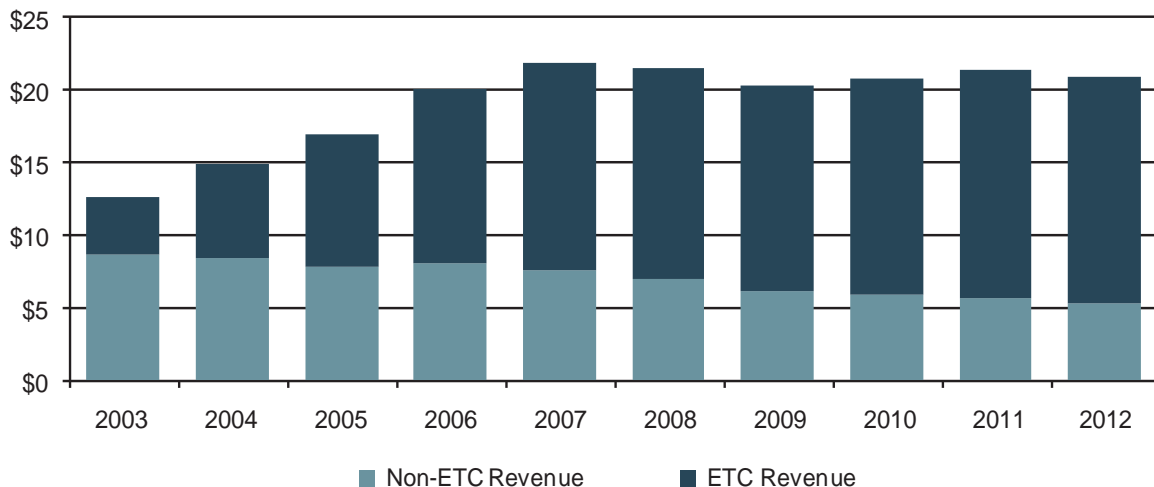
<sup>(A)</sup> Although there are no service plazas on the Suncoast Parkway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(B)</sup> SunPass collection began on the Suncoast Parkway upon opening and is included in Total Revenue and Total Transactions.

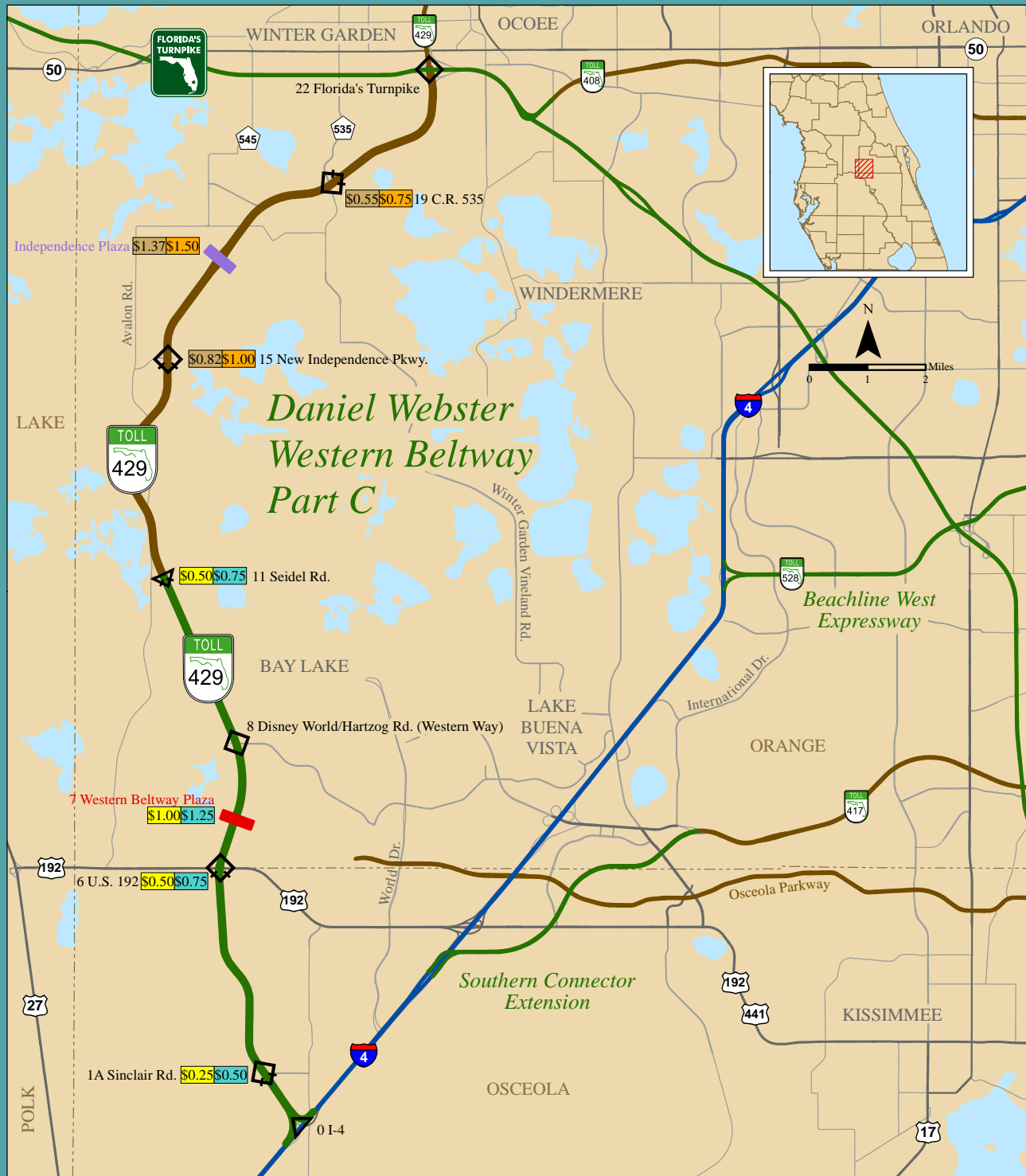
<sup>(C)</sup> The decrease in FY 2008, FY 2009 and FY 2012 Total Revenue was due to the variations in Florida's economic conditions.

Revenue Capacity

SUNCOAST PARKWAY  
TOTAL REVENUE  
(In Millions)



Sources:  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2011  
Florida's Turnpike Enterprise, 2012

## Daniel Webster Western Beltway, Part C



Produced by:  
URS Corporation

FLORIDA'S TURNPIKE SYSTEM  
WESTERN BELTWAY, PART C  
Fiscal Years 2006 through 2012  
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue <sup>(A)</sup>	Total Revenue	Total Transactions	ETC	
					Revenue <sup>(B)</sup>	Transactions <sup>(B)</sup>
2012	\$5,550	\$32	\$5,582	6,037	\$3,909	3,852
2011	5,097	28	5,125	5,559	3,556	3,431
2010	4,767	33	4,800	5,112	3,281	3,072
2009 <sup>(C)</sup>	4,719	27	4,746	4,938	3,186	2,878
2008	4,871	17	4,888	4,928	3,274	2,838
2007 <sup>(D)</sup>	3,363	10	3,373	3,128	2,259	1,829
2006 <sup>(E)</sup>	978	N/A	978	867	672	532

<sup>(A)</sup> Although there are no service plazas on the Western Beltway, Part C, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively. Beginning in FY 2007, advertising revenue was generated for Western Beltway, Part C.

<sup>(B)</sup> SunPass collection began on the Western Beltway, Part C, upon opening and is included in Total Revenue and Total Transactions.

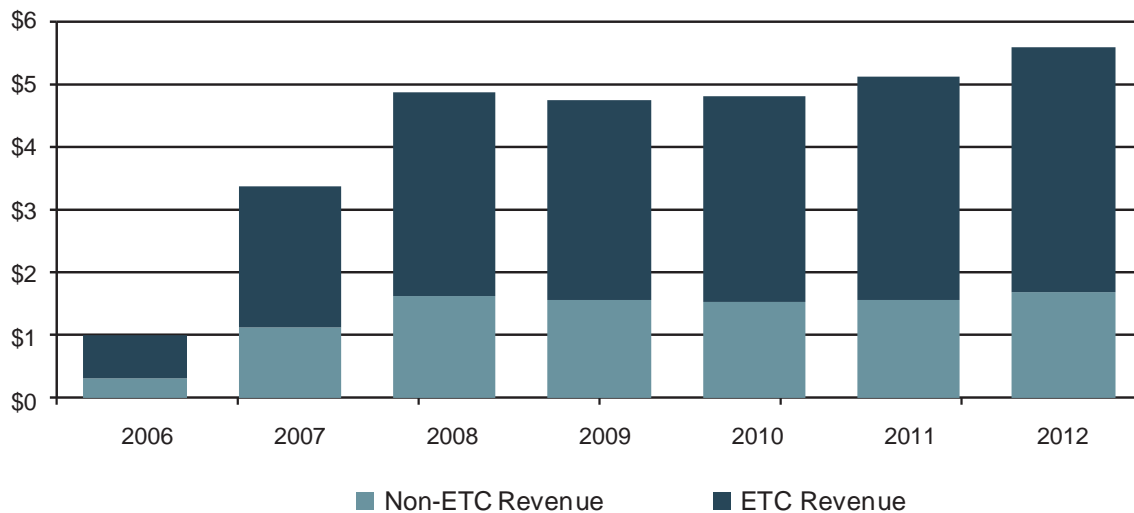
<sup>(C)</sup> The decrease in FY 2009 Total Revenue was due to a decline in Florida's economic conditions.

<sup>(D)</sup> The final 6-mile segment of the 11-mile Western Beltway, Part C opened to traffic in FY 2007.

<sup>(E)</sup> The first 5-mile segment of the Western Beltway, Part C opened to traffic in FY 2006.

Revenue Capacity

WESTERN BELTWAY, PART C  
TOTAL REVENUE  
(In Millions)



Sources:

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant

**FLORIDA'S TURNPIKE SYSTEM  
CONCESSION REVENUE**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Service Plazas - Concession Revenue								Total Service Plaza Revenue	Total Advertising Revenue <sup>(B)</sup>	Total Concession Revenue <sup>(C)</sup>
	West Palm Beach	Ft. Pierce/ Port St. Lucie	Fort Drum	Canoe Creek	Pompano Beach	Turkey Lake	Okahumpka	Snapper Creek <sup>(A)</sup>			
2012	\$974	\$1,624	\$1,424	\$741	\$176	\$387	\$597	\$77	\$6,000	\$1,169	\$7,169
2011	1,174	1,707	1,571	1,120	309	571	715	83	7,250	1,132	8,382
2010	1,318	2,041	1,854	1,441	607	761	827	98	8,947	1,810	10,757
2009	1,288	1,752	1,584	1,280	836	801	886	163	8,590	1,520	10,110
2008	1,333	1,851	1,660	1,296	904	860	919	144	8,967	1,396	10,363
2007	1,326	1,900	1,707	1,369	1,075	978	968	191	9,514	1,196	10,710
2006	1,347	1,822	1,648	1,364	1,134	934	871	197	9,317	854	10,171
2005	1,233	1,597	1,459	1,195	979	813	776	72	8,124	494	8,618
2004	1,261	1,725	1,598	1,266	962	867	763	71	8,513	-	8,513
2003	1,263	1,651	1,682	1,295	949	865	789	70	8,564	-	8,564

<sup>(A)</sup> Sales at the Snapper Creek Service Plaza have been historically lower than other facilities since it is comprised of only a convenience store and fuel service station.

<sup>(B)</sup> A license agreement for systemwide toll plaza advertising and highway signage began in FY 2005 and FY 2007, respectively.

<sup>(C)</sup> In FY 2011 and FY 2012, Total Concession Revenue decreased by \$2.4 million and \$1.2 million, respectively. This decline is attributable to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline, and revenue decrease from highway signage and advertising. In FY 2008 and FY 2009, the overall decrease in concession revenue of \$347 thousand and \$253 thousand, respectively, is due to a decline in Florida's economic conditions.

In April 2009 (FY 2009), a 30-year Concession Contract was awarded to a new concessionaire to operate fuel, food and beverage, and other retail operations at all Service Plazas.

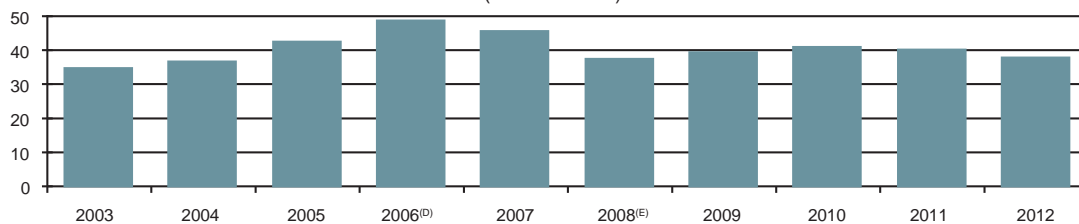
**CONCESSION REVENUE**  
(In Millions)



**MOTOR FUEL GALLONAGE SOLD**  
Last Ten Fiscal Years  
(In Thousands)

Fiscal Year	Service Plazas - Gallons of Fuel Sold (000)								Total Gallons
	West Palm Beach	Ft. Pierce/ Port St. Lucie	Fort Drum	Canoe Creek	Pompano Beach	Turkey Lake	Okahumpka	Snapper Creek	
2012	5,867	5,609	5,170	5,260	5,857	4,330	3,815	2,377	38,285
2011	6,317	5,873	5,475	6,029	6,143	4,423	4,188	2,171	40,619
2010	6,348	5,996	5,701	5,915	6,277	4,503	4,328	2,243	41,311
2009	6,201	5,521	5,497	5,474	6,755	3,720	4,209	2,689	40,066
2008	5,805	5,468	5,457	5,220	6,269	3,649	3,662	2,284	37,814
2007	6,881	6,298	6,282	6,073	8,570	4,700	4,376	3,109	46,289
2006	7,376	6,554	6,579	6,398	9,860	4,774	4,522	3,318	49,381
2005	6,670	5,951	6,032	5,941	8,152	4,346	4,204	1,703	42,999
2004	5,764	5,304	5,301	5,340	6,640	3,845	3,602	1,605	37,401
2003	5,250	4,754	5,079	5,147	6,232	3,644	3,557	1,551	35,214

**MOTOR FUEL GALLONAGE SOLD**  
(In Millions)



<sup>(D)</sup> In FY 2006, fuel sales increased due to the Turnpike's ability to provide fuel to customers during hurricane evacuations.

<sup>(E)</sup> During FY 2008, fuel prices significantly increased nationally resulting in a decrease in the motor fuel gallons sold.

Sources:

Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant

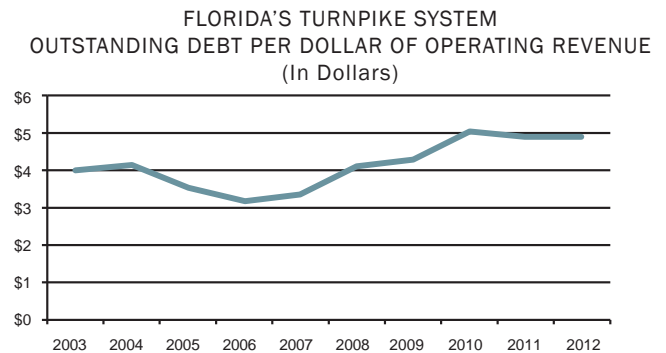
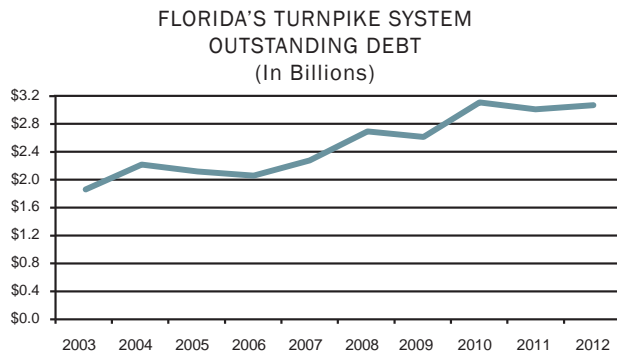


**FLORIDA'S TURNPIKE SYSTEM**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Fiscal Years  
 (In Thousands)

Fiscal Year	Outstanding Debt							Total Debt Florida's Turnpike	Debt Per Center Line Mile <sup>(H)</sup>	Debt Per Lane Mile <sup>(I)</sup>	Debt Per \$ Operating Revenue <sup>(J)</sup>
	Revenue Bonds <sup>(A)</sup>	Sawgrass Loan <sup>(B)</sup>	HEFT Loan <sup>(C)</sup>	SIB Loans <sup>(D)</sup>	ROWTF Loans <sup>(E)</sup>	TFRTF Loans <sup>(F)</sup>	STTF O&M Loans <sup>(G)</sup>				
2012	\$2,895,077	--	--	\$48,705	--	\$9,000	\$98,959	\$3,051,741	\$6,634	\$1,381	\$4.92
2011	2,835,228	--	--	51,923	--	9,000	101,480	2,997,631	6,517	1,379	4.90
2010	2,943,688	--	--	53,672	--	9,000	93,096	3,099,456	6,738	1,468	5.07
2009	2,453,194	--	--	53,899	--	9,000	83,100	2,599,193	5,650	1,242	4.30
2008	2,540,849	--	--	54,075	--	8,704	77,806	2,681,434	5,829	1,283	4.12
2007	2,151,170	--	--	54,203	--	5,791	64,309	2,275,473	4,947	1,133	3.34
2006	1,942,529	\$2,400	--	69,286	--	4,582	48,146	2,066,943	4,553	1,049	3.19
2005	2,007,382	2,400	--	69,324	\$3,258	4,500	37,404	2,124,268	4,731	1,089	3.55
2004	2,102,319	6,392	--	69,309	9,958	1,943	27,664	2,217,585	4,939	1,137	4.15
2003	1,634,155	93,187	\$24,000	70,334	16,658	936	18,166	1,857,436	4,137	965	4.02

Note: All debt of Florida's Turnpike System is related to business type activities (i.e., not governmental activities). No debt of the System is considered overlapping debt, and the System does not have any general obligation debt or debt financed with general governmental resources. The debt provided above includes principal amounts outstanding. Only revenue bonds and the Sawgrass Expressway loan have interest components while all other outstanding debt is "interest free."

- (A) Outstanding debt includes short-term and long-term debt for Turnpike Revenue Bonds (net of premiums, discounts and deferred losses on early retirement of debt).
- (B) The Sawgrass Expressway loan from the Department was used to defease the Broward County Expressway Authority Series 1984 Bonds.
- (C) The HEFT loan from the Department in FY 1994 and FY 1995 was used to offset the deferral of a planned toll rate increase on the Homestead Extension of Florida's Turnpike due to the effects of Hurricane Andrew. This loan was repaid in FY 2004.
- (D) State Infrastructure Bank (SIB) loans were used for the Seminole Expressway II project, an interest subsidy for the Series 2003C Turnpike Revenue Bond issue, and construction of southern ramps to connect the Turnpike Mainline at SR 50 with SR 429.
- (E) Right of Way Acquisition and Bridge Construction Trust Fund (ROWTF) loans from the Department assisted the Turnpike with Right of Way purchases for the Polk Parkway and the Seminole Expressway II projects.
- (F) Toll Facilities Revolving Trust Fund (TFRTF) loans from the Department were used for advances related to the acquisition of the Tampa-Hillsborough County and Seminole County Expressways, design costs associated with the Western Beltway, Part C expansion project and also costs associated with the Hollywood Boulevard and the Lake Worth Road interchange modifications.
- (G) State Transportation Trust Fund (STTF) loans have been received in the form of Operations and Maintenance subsidies on the SR 80 interchange on the Mainline, the Seminole Expressway II project, and the Suncoast Parkway. In 2007, a loan was used for advanced land acquisition related to future projects.
- (H) Center Line Miles of the Turnpike System used in debt ratio calculation obtained from the Capital Assets table, pages 36 and 37 of the CAFR statistical section.
- (I) Lane Miles of the Turnpike System used in debt ratio calculation obtained from the Capital Assets table, pages 36 and 37 of the CAFR statistical section.
- (J) Gross operating revenue of the Turnpike System used in debt ratio calculation obtained from the Debt Service Coverage, page 32 of the CAFR statistical section.



As indicated in the above graphs, although outstanding debt reflects a general increase over the ten-year reporting period primarily due to funding of expansion projects (additional center line miles of Turnpike System roads) and system improvements, outstanding debt per dollar of operating revenue reflects a general stability as a result of revenue growth on the system.

The outstanding debt per dollar of operating revenue increased in FY 2008 and FY 2010 primarily due to new bond issues. Similarly, the ratio increase in FY 2009 is largely attributed to the decline in Florida's economic conditions.

Sources:  
 Audited Financial Statements  
 Turnpike Enterprise Finance Office

**FLORIDA'S TURNPIKE SYSTEM**  
**DEBT SERVICE COVERAGE**  
 Last Ten Fiscal Years  
 (In Thousands)

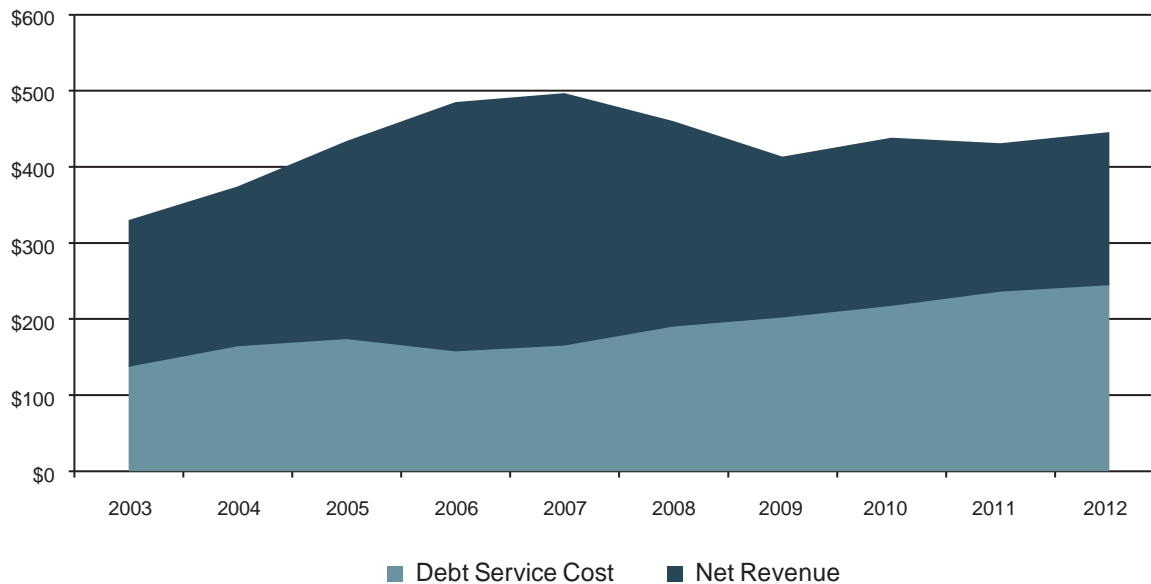
Fiscal Year	Gross Revenues (no interest)	Operations & Maintenance Expense <sup>(A)</sup>	Net Revenues Available for Debt Service	Debt Principal	Debt Interest	Total Debt Service	Coverage
2012 <sup>(B)</sup>	\$620,201	\$173,704	\$446,497	\$105,060	\$140,503	\$245,563	1.82
2011 <sup>(B)</sup>	611,946	180,060	431,886	99,000	138,118	237,118	1.82
2010 <sup>(B)</sup>	611,596	172,422	439,174	91,405	127,005	218,410	2.01
2009	604,897	190,603	414,294	81,660	121,485	203,145	2.04
2008	650,743	189,887	460,856	72,665	118,657	191,322	2.41
2007	681,615	183,955	497,660	65,610	100,743	166,353	2.99
2006	647,959	162,024	485,935	60,135	98,545	158,680	3.06
2005	598,762	163,936	434,826	62,470	112,380	174,850	2.49
2004	534,755	159,589	375,166	58,615	106,783	165,398	2.27
2003	462,001	130,984	331,017	52,330	86,137	138,467	2.39

<sup>(A)</sup> Operations and Maintenance includes Business Development and Marketing expense.

<sup>(B)</sup> Interest payments are reduced by the federal subsidy of \$5.9 million for FY 2012 and FY 2011, and \$5.8 million for FY 2010 on Build America Bonds.

As indicated in the graph below, net revenue available for debt service has significantly outpaced debt service costs providing strong debt service coverage ratios.

**DEBT SERVICE COVERAGE**  
**NET REVENUE AND DEBT SERVICE COST**  
 (In Millions)



Sources:  
 Audited Financial Statements  
 Turnpike Enterprise Finance Office

**FLORIDA'S TURNPIKE SYSTEM**  
**LEGALLY BONDED DEBT INFORMATION**  
 Last Ten Fiscal Years  
 (In Thousands)

Fiscal Year	Legally Bonded Debt Limit <sup>(A) (B)</sup>	Outstanding Bond Debt	Outstanding Bond Debt as a Percentage of Legally Bonded Debt Limit
2012	\$10,000,000	\$2,856,935	28.6%
2011	10,000,000	2,811,830	28.1%
2010	10,000,000	2,910,830	29.1%
2009	10,000,000	2,443,520	24.4%
2008	10,000,000	2,525,180	25.3%

Fiscal Year	Legally Bonded Debt Limit <sup>(A) (C)</sup>	Cumulative Bonded Debt Issued <sup>(D)</sup>	Cumulative Bonded Debt Issued as a Percentage of Legally Bonded Debt Limit
2007	4,500,000	2,391,410	53.1%
2006	4,500,000	2,115,355	47.0%
2005	4,500,000	2,115,355	47.0%
2004	4,500,000	1,836,175	40.8%
2003	4,500,000	1,635,250	36.3%

<sup>(A)</sup> The Department is authorized to borrow money as provided by the State Bond Act for the purpose of paying the cost of any legislatively approved Turnpike project. The principal and interest on such bonds are payable solely from Turnpike System revenues pledged for their payment. The State Board of Administration, Division of Bond Finance, issues revenue bonds on behalf of the Department in order to help fund Turnpike expansion projects, new interchanges and other capital projects.

<sup>(B)</sup> Effective July 1, 2007, the Turnpike's legislative bond cap was increased to \$10.0 billion of outstanding debt under Section 338.2275 of the Florida Statutes.

<sup>(C)</sup> Prior to July 1, 2007, the legislative bond cap was based on cumulative bonds issued (not outstanding debt) and excluded refunding bonds. The cap was set at \$1.5 billion in FY 1996, and subsequently increased to \$3.0 billion in FY 1998, and \$4.5 billion in FY 2003 (Section 338.2275, Florida Statutes).

<sup>(D)</sup> Cumulative bonded debt includes all Turnpike Bonds issued to fund projects since the cap was established in the 1995 codification of the Florida Statutes, excluding any refunding bonds. Cumulative bonded debt amounts are for total debt issued (not debt outstanding).

Sources:  
 Audited Financial Statements  
 Turnpike Enterprise Finance Office

# FLORIDA'S TURNPIKE SYSTEM DEMOGRAPHIC AND ECONOMIC STATISTICS

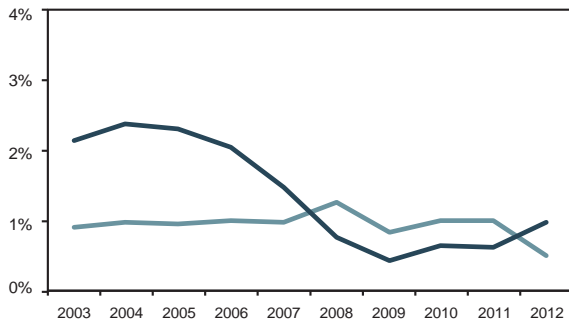
## State of Florida

Year	Population (000) (A)	Total Personal Income (000) (A)	Per-Capita Income (A)	Consumer Price Index (B)	Labor Force (000) (A)	Unemployment Rate (B)
2012 <sup>(A)</sup>	19,122	\$771,633,830	\$34,900	228.6	9,283	8.6%
2011	18,941	774,400,000	36,244	223.4	9,334	10.7%
2010	18,827	716,044,000	34,352	218.1	9,268	11.4%
2009	18,712	702,197,000	34,279	214.5	9,219	10.2%
2008	18,637	716,584,000	31,349	215.3	9,232	6.0%
2007	18,501	699,314,000	38,316	207.3	9,148	3.9%
2006	18,237	668,513,000	37,021	201.6	8,989	3.3%
2005	17,876	614,408,000	34,642	195.3	8,711	3.8%
2004	17,476	565,681,000	32,618	188.9	8,451	4.7%
2003	17,074	514,378,000	30,330	184.0	8,246	5.4%

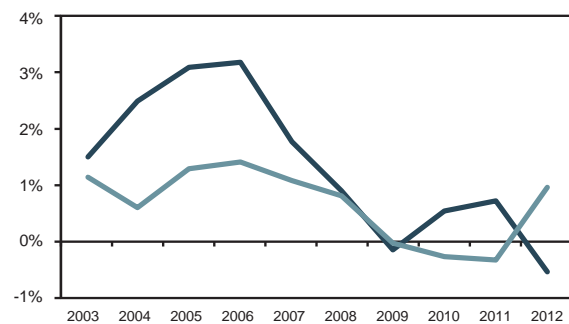
## United States

Year	Population (000) (A)	Total Personal Income (000) (A)	Per-Capita Income (A)	Consumer Price Index (B)	Labor Force (000) (A)	Unemployment Rate (B)
2012	315,330	\$13,411,730,000	\$36,788	228.6	154,880	8.2%
2011	313,850	13,002,325,000	36,451	223.4	153,400	9.2%
2010	310,850	12,402,025,000	35,967	218.1	153,900	9.5%
2009	307,850	12,070,350,000	35,892	214.5	154,300	9.5%
2008	305,350	12,100,650,000	32,590	215.3	154,325	5.6%
2007	301,621	11,631,571,000	38,564	207.3	153,080	4.6%
2006	298,755	10,977,312,000	36,744	201.6	151,428	4.6%
2005	295,896	10,252,849,000	34,650	195.3	149,320	5.0%
2004	293,192	9,711,363,000	33,123	188.9	147,401	5.6%
2003	290,448	9,150,320,000	31,504	184.0	146,510	6.3%

RATE OF POPULATION GROWTH



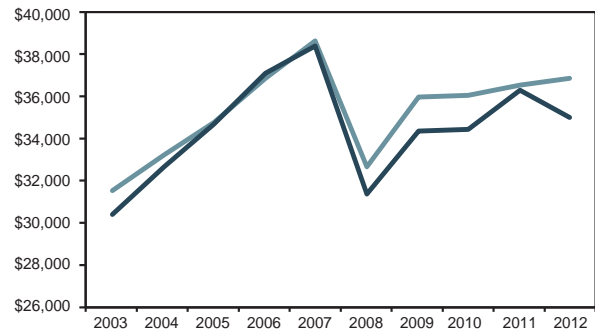
PERCENTAGE CHANGE IN LABOR FORCE



PERCENT UNEMPLOYMENT RATE



PER-CAPITA INCOME



U.S. FLORIDA

Sources:

- (A) Estimates based on the National Economic Estimating Conference (held July 10, 2012), Florida Demographic Conference (held July 13, 2012) and Florida Economic Estimating Conference (held July 23, 2012)
- (B) U.S. Department of Labor, Bureau of Labor Statistics

FLORIDA'S TURNPIKE SYSTEM  
NON-AGRICULTURAL EMPLOYMENT - STATE OF FLORIDA  
Calendar Years 2011 and 2002

Industry	CY 2011			CY 2002		
	Average Annual Employment	Rank	% of Total Employment	Average Annual Employment	Rank	% of Total Employment
Retail Trade	954,900	1	13.1%	940,000	1	13.1%
Health Care and Social Assistance	950,700	2	13.1%	784,700	2	10.9%
Accommodation and Food Services	766,600	3	10.5%	694,000	4	9.7%
Local Government	746,400	4	10.3%	708,500	3	9.9%
Administrative Services	524,800	5	7.2%	511,300	5	7.1%
Professional and Technical Services	445,400	6	6.1%	376,800	7	5.3%
Finance and Insurance	331,300	7	4.6%	328,700	8	4.6%
Construction	330,100	8	4.5%	504,800	6	7.0%
Wholesale Trade	308,700	9	4.2%	315,700	9	4.4%
Other Services	307,000	10	4.2%	315,200	10	4.4%
State Government	215,200	11	3.0%	208,500	13	2.9%
Transportation and Warehousing	209,000	12	2.9%	214,700	12	3.0%
Manufacturing - Durable Goods	205,600	13	2.8%	283,400	11	4.0%
Arts, Entertainment and Recreation	187,400	14	2.6%	179,400	14	2.5%
Educational Services	153,700	15	2.1%	103,100	19	1.4%
Real Estate, Rental and Leasing	151,500	16	2.1%	154,500	16	2.2%
Information	134,300	17	1.9%	172,800	15	2.4%
Federal Government	133,900	18	1.8%	122,200	18	1.7%
Manufacturing - Non-Durable Goods	105,600	19	1.5%	144,600	17	2.0%
Management of Companies and Enterprises	81,400	20	1.1%	70,900	20	1.0%
Utilities	22,400	21	0.3%	27,600	21	0.4%
Natural Resources and Mining	5,700	22	0.1%	7,200	22	0.1%
<b>Total Non-Agricultural Employment</b>	<b>7,271,600</b>		<b>100.0%</b>	<b>7,168,600</b>		<b>100.0%</b>

Note: The most current employment statistics are for CY 2011 (i.e., half of FY 2012)

Since the Turnpike services the entire State of Florida, it is deemed that employment by industry within the State is a more relevant socio-economic indicator than principal employers for the environment in which the Turnpike operates. As indicated in the above table, average employment for CY 2011 exceeded CY 2002 employment by 103,000, or approximately 1.4 percent. Comparing CY 2011 to CY 2002, the major employment gains in the last decade have been in the areas of Health Care and Social Assistance, Accommodation and Food Services, Local Government, Professional and Technical Services, and Educational Services.

Sources:

Florida Department of Economic Opportunity, Labor Market Statistics, Current Employment Statistics Program

# FLORIDA'S TURNPIKE SYSTEM

## NUMBER OF EMPLOYEES AND CAPITAL ASSETS

Fiscal Years 2008 through 2012

### Number of Employees

	June 30, 2012	June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008
Administrative	58	64	66	66	62
Design Preparation & Right-of-Way Acquisition	21	18	18	18	21
Maintenance	27	24	27	27	28
Construction	9	9	9	9	11
Florida's Turnpike System Authorized Positions	115	115	120	120	122
Turnpike Toll Operations - FDOT Toll Operations Staff	330	318	348	357	371
Manual Toll Collection - Contract Staff	991	1,024	1,329	1,397	1,724
SunPass Toll Collection - Contract Staff	445	499	417	406	384
Tolls Data Center - Contract Staff	58	55	53	58	93
Tolls Equipment Maintenance - Contract Staff	90	96	101	104	109
Turnpike Highway Patrol - Florida Highway Patrol's Troop K	222	221	221	183	183

### Capital Assets

	June 30, 2012		June 30, 2011		June 30, 2010		June 30, 2009		June 30, 2008	
	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles
<b>Existing Turnpike Components:</b>										
Mainline										
Homestead Extension of Florida's Turnpike (HEFT)	47	262	47	262	47	262	47	262	47	262
Southern Coin System	43	306	43	300	43	294	43	278	43	278
Ticket System	155	613	155	613	155	613	155	613	155	613
Northern Coin System	67	393	67	365	67	309	67	309	67	309
Beachline West Expressway	8	35	8	35	8	35	8	35	8	33
<b>Mainline Total</b>	<b>320</b>	<b>1,609</b>	<b>320</b>	<b>1,575</b>	<b>320</b>	<b>1,513</b>	<b>320</b>	<b>1,497</b>	<b>320</b>	<b>1,495</b>
Completed Expansion Projects										
Sawgrass Expressway	23	134	23	134	23	134	23	134	23	134
Seminole Expressway	18	73	18	73	18	73	18	73	18	73
Veterans Expressway	15	66	15	66	15	66	15	66	15	66
Southern Connector Extension	6	24	6	24	6	24	6	24	6	24
Polk Parkway	25	92	25	90	25	90	25	86	25	86
Suncoast Parkway	42	168	42	168	42	168	42	168	42	168
Western Beltway, Part C	11	44	11	44	11	44	11	44	11	44
<b>Completed Expansion Projects Total</b>	<b>140</b>	<b>601</b>	<b>140</b>	<b>599</b>	<b>140</b>	<b>599</b>	<b>140</b>	<b>595</b>	<b>140</b>	<b>595</b>
<b>Subtotal Existing Turnpike Components</b>	<b>460</b>	<b>2,210</b>	<b>460</b>	<b>2,174</b>	<b>460</b>	<b>2,112</b>	<b>460</b>	<b>2,092</b>	<b>460</b>	<b>2,090</b>
<b>Turnpike Components Under Development:</b>										
Polk Parkway	--	--	--	--	--	--	--	--	--	--
Suncoast Parkway	--	--	--	--	--	--	--	--	--	--
Seminole Expressway II	--	--	--	--	--	--	--	--	--	--
Western Beltway, Part C (fully opened in FY 2007)	--	--	--	--	--	--	--	--	--	--
<b>Subtotal Turnpike Components Under Development</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Turnpike System Total</b>	<b>460</b>	<b>2,210</b>	<b>460</b>	<b>2,174</b>	<b>460</b>	<b>2,112</b>	<b>460</b>	<b>2,092</b>	<b>460</b>	<b>2,090</b>

In the past decade, the only new project added to Florida's Turnpike System was the Western Beltway, Part C. This added 11 centerline miles and 44 lane-miles to the system. Additionally, significant investments have been made in system preservation, safety, capacity and modernization projects, as well as new access to the Turnpike System. Such projects include resurfacing, widening, new interchanges, median guardrail and canal protection systems, additional SunPass lanes at toll plazas, All-Electronic Tolling improvements, Traffic Management Centers, fiber optic cable, closed circuit television cameras, dynamic message signs, highway advisory radios, and other investments in technology.

<b>Toll Facilities:</b>					
Interchanges	132	131	131	129	129
Barriers	24	24	24	24	24
Toll Buildings	185	173	178	179	179
Service Plazas	8	8	8	8	8
Service Station Buildings	8	8	8	8	8
Maintenance Buildings	129	120	120	110	109
Construction Buildings	2	2	3	3	3
Law Enforcement Buildings	5	5	5	6	6
Administration Buildings	9	8	8	7	7
Radio Communications Buildings	19	19	19	19	19
Bridges	701	700	696 <sup>(A)</sup>	701	701

Note: Over the ten-year reporting period, changes occurred in the methodology used to classify building types.

<sup>(A)</sup> The net reduction of five bridges reported in FY 2010 is attributable to the removal of six bridges along the Northern Coin System due to widening and two bridges at Peters Road on the Southern Coin System replaced by a single bridge with ownership and maintenance transferred to Broward County. The removal of eight bridges was offset by the addition of one bridge on the HEFT at SR 821, one bridge on the Northern Coin System at SR 50 over the Turnpike, and one bridge on the Beachline West at Seaboard Coast Line Rail Road.

### Sources:

Turnpike Enterprise Finance Office  
 Atkins and HNTB, General Consultants  
 URS Corporation, Traffic & Revenue Consultant

# FLORIDA'S TURNPIKE SYSTEM

## NUMBER OF EMPLOYEES AND CAPITAL ASSETS

Fiscal Years 2003 through 2007

### Number of Employees

	June 30, 2007	June 30, 2006	June 30, 2005	June 30, 2004	June 30, 2003
Administrative	61	57	57	57	53
Design Preparation & Right-of-Way Acquisition	21	21	21	21	23
Maintenance	29	29	32	32	34
Construction	11	11	14	16	17
Florida's Turnpike System Authorized Positions	122	118	124	126	127
Turnpike Toll Operations - FDOT Toll Operations Staff	371	373	374	380	649
Manual Toll Collection - Contract Staff	1,747	1,824	1,853	1,986	1,804
SunPass Toll Collection - Contract Staff	331	295	194	138	116
Tolls Data Center - Contract Staff	77	62	45	30	23
Tolls Equipment Maintenance - Contract Staff	99	81	37	28	37
Turnpike Highway Patrol - Florida Highway Patrol's Troop K	183	171	171	153	153

### Capital Assets

	June 30, 2007		June 30, 2006		June 30, 2005		June 30, 2004		June 30, 2003	
	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles
<b>Existing Turnpike Components:</b>										
Mainline										
Homestead Extension of Florida's Turnpike (HEFT)	47	245	47	245	47	245	47	245	47	235
Southern Coin System	43	278	43	264	43	264	43	264	43	264
Ticket System	155	613	155	613	155	613	155	613	155	613
Northern Coin System	67	270	67	270	67	270	67	270	67	270
Beachline West Expressway	8	33	8	33	8	33	8	33	8	33
Mainline Total	320	1,439	320	1,425	320	1,425	320	1,425	320	1,415
Completed Expansion Projects										
Sawgrass Expressway	23	109	23	109	23	109	23	109	23	93
Seminole Expressway	18	73	18	73	18	73	18	73	18	73
Veterans Expressway	15	66	15	66	15	66	15	66	15	66
Southern Connector Extension	6	24	6	24	6	24	6	24	6	24
Polk Parkway	25	86	25	86	25	86	25	86	25	86
Suncoast Parkway	42	168	42	168	42	168	42	168	42	168
Western Beltway, Part C	11	44	5	20	--	--	--	--	--	--
Completed Expansion Projects Total	140	570	134	546	129	526	129	526	129	510
<b>Subtotal Existing Turnpike Components</b>	<b>460</b>	<b>2,009</b>	<b>454</b>	<b>1,971</b>	<b>449</b>	<b>1,951</b>	<b>449</b>	<b>1,951</b>	<b>449</b>	<b>1,925</b>
<b>Turnpike Components Under Development:</b>										
Polk Parkway	--	--	--	--	--	--	--	--	--	--
Suncoast Parkway	--	--	--	--	--	--	--	--	--	--
Seminole Expressway II	--	--	--	--	--	--	--	--	--	--
Western Beltway, Part C (fully opened in FY 2007)	--	--	6	24	11	44	11	44	11	44
<b>Subtotal Turnpike Components Under Development</b>	<b>--</b>	<b>--</b>	<b>6</b>	<b>24</b>	<b>11</b>	<b>44</b>	<b>11</b>	<b>44</b>	<b>11</b>	<b>44</b>
<b>Turnpike System Total</b>	<b>460</b>	<b>2,009</b>	<b>460</b>	<b>1,995</b>	<b>460</b>	<b>1,995</b>	<b>460</b>	<b>1,995</b>	<b>460</b>	<b>1,969</b>

In the past decade, the only new project added to Florida's Turnpike System was the Western Beltway, Part C. This added 11 centerline miles and 44 lane-miles to the system. Additionally, significant investments have been made in system preservation, safety, capacity and modernization projects as well as new access to the Turnpike System. Such projects include resurfacing, widening, new interchanges, median guardrail and canal protection systems, additional SunPass lanes at toll plazas, All-Electronic Tolling improvements, Traffic Management Centers, fiber optic cable, closed circuit television cameras, dynamic message signs, highway advisory radios and other investments in technology.

<b>Toll Facilities:</b>					
Interchanges	129	122	119	118	118
Barriers	24	24	23	23	23
Toll Buildings	165	158	153	150	150
Service Plazas	8	8	8	8	8
Service Station Buildings	8	8	8	8	8
Maintenance Buildings	107	107	104	97	92
Construction Buildings	3	3	4	4	4
Law Enforcement Buildings	4	4	3	3	3
Administration Buildings	7	7	7	7	7
Radio Communications Buildings	19	19	19	19	19
Bridges	701	701	692 <sup>(b)</sup>	694	692

Note: Over the ten-year reporting period, changes occurred in the methodology used to classify building types.

<sup>(b)</sup> The reduction of bridges reported in FY 2005 is attributable to the replacement of two bridges with one bridge at Miami Gardens Drive and the transfer of the bridge at Independence Parkway to FDOT District Seven.

### Sources:

Turnpike Enterprise Finance Office  
 Atkins and HNTB, General Consultants  
 URS Corporation, Traffic & Revenue Consultant



**FLORIDA'S TURNPIKE SYSTEM**  
**OPERATING INDICATORS**  
Fiscal Years 2008 through 2012

	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008
<b>TOLL REVENUE (in thousands)</b>					
Passenger Vehicles (2 axle)	\$496,943	\$489,917	\$488,990	\$485,738	\$519,365
Truck Vehicles (3+ axle)	111,869	110,162	107,183	104,790	116,206
Total	\$608,812	\$600,079	\$596,173	\$590,528	\$635,571
<b>NUMBER OF TRANSACTIONS (in thousands)</b>					
Passenger Vehicles (2 axle)	629,918	619,601	607,816	598,501	630,766
Truck Vehicles (3+ axle)	34,361	33,256	31,610	32,360	36,554
Total	664,279	652,857	639,426	630,861	667,320
<b>NUMBER OF MILES (in thousands)</b>					
Passenger Vehicles (2 axle)	7,256,437	7,175,596	7,101,059	7,002,978	7,371,061
Truck Vehicles (3+ axle)	551,734	551,545	528,736	504,707	559,427
Total	7,808,171	7,727,141	7,629,795	7,507,685	7,930,488
<b>NUMBER OF TRIPS<sup>(A)</sup> (in thousands)</b>					
Passenger Vehicles (2 axle)	491,135	483,149	473,927	467,160	492,649
Truck Vehicles (3+ axle)	26,981	26,163	24,953	25,392	28,586
Total	518,116	509,312	498,880	492,552	521,235
<b>AVERAGE TOLL COLLECTED PER TRIP</b>					
Passenger Vehicles (2 axle)	\$1.01	\$1.01	\$1.03	\$1.04	\$1.05
Truck Vehicles (3+ axle)	\$4.15	\$4.21	\$4.30	\$4.13	\$4.07
<b>AVERAGE TOLL COLLECTED PER TRANSACTION</b>					
Passenger Vehicles (2 axle)	\$0.79	\$0.79	\$0.80	\$0.81	\$0.82
Truck Vehicles (3+ axle)	\$3.26	\$3.31	\$3.39	\$3.24	\$3.18
<b>AVERAGE LENGTH OF TRIP (in miles)</b>					
Passenger Vehicles (2 axle)	14.77	14.85	14.98	14.99	14.96
Truck Vehicles (3+ axle)	20.45	21.08	21.19	19.88	19.57
<b>AVERAGE TOLL PER MILE</b>					
Passenger Vehicles (2 axle)	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07
Truck Vehicles (3+ axle)	\$0.20	\$0.20	\$0.20	\$0.21	\$0.21
<b>CONCESSION SALES (in thousands)</b>					
Restaurant Sales	\$45,782	\$50,674	\$50,339	\$46,735	\$49,816
Revenues from Concessions	\$7,169	\$8,382	\$10,757	\$10,110	\$10,363
Gallons of Gasoline Sold	32,760	34,466	35,160	34,464	32,974
Gallons of E85 Fuel Sold <sup>(B)</sup>	979	705	499	N/A	N/A
Gallons of Diesel Fuel Sold	4,546	5,448	5,652	5,602	4,840
<b>SUNPASS TRANSPONDERS SOLD<sup>(C)</sup> (in thousands)</b>	1,080	1,137	756	732	493
<b>ROADWAY MAINTENANCE CONDITION RATING<sup>(D)</sup></b>	91	91	91	92	91

<sup>(A)</sup> Each trip may involve one or more toll transactions.

<sup>(B)</sup> Sale of E85 fuel started in FY 2010.

<sup>(C)</sup> The launch of SunPass Mini Sticker Tag in July 2008 significantly increased the number of transponders sold in FY 2009 and FY 2010. Similarly, the conversion of the HEFT to All-Electronic Tolling boosted the sale of transponders in FY 2011 and FY 2012.

<sup>(D)</sup> The Department, through the State Maintenance Office, rates the Turnpike System's routine maintenance program from 1 to 100 in five categories (roadway, roadside, vegetation and aesthetics, drainage and traffic services). An overall rating is also provided for the System with an overall standard established at 80. Florida's Turnpike System has significantly exceeded this standard for the last ten fiscal years.

Sources:

Turnpike Enterprise Toll Operations Office  
Turnpike Enterprise Finance Office  
URS Corporation, Traffic & Revenue Consultant

**FLORIDA'S TURNPIKE SYSTEM**  
**OPERATING INDICATORS**  
Fiscal Years 2003 through 2007

	FY 2007	FY 2006	FY 2005	FY 2004	FY 2003
<b>TOLL REVENUE (in thousands)</b>					
Passenger Vehicles (2 axle)	\$538,040	\$500,037	\$479,808	\$431,057	\$376,424
Truck Vehicles (3+ axle)	125,903	132,809	106,456	90,166	74,037
Total	\$663,943	\$632,846	\$586,264	\$521,223	\$450,461
<b>NUMBER OF TRANSACTIONS (in thousands)</b>					
Passenger Vehicles (2 axle)	651,215	618,918	583,898	556,384	506,628
Truck Vehicles (3+ axle)	39,270	42,450	34,032	30,659	25,723
Total	690,485	661,368	617,930	587,043	532,351
<b>NUMBER OF MILES (in thousands)</b>					
Passenger Vehicles (2 axle)	7,783,497	7,541,780	6,947,683	6,133,887	6,031,597
Truck Vehicles (3+ axle)	608,207	677,174	525,578	449,666	410,433
Total	8,391,704	8,218,954	7,473,261	6,583,553	6,442,030
<b>NUMBER OF TRIPS<sup>(A)</sup> (in thousands)</b>					
Passenger Vehicles (2 axle)	507,770	482,618	455,219	433,410	393,805
Truck Vehicles (3+ axle)	30,785	33,144	26,655	23,860	20,201
Total	538,555	515,762	481,874	457,270	414,006
<b>AVERAGE TOLL COLLECTED PER TRIP</b>					
Passenger Vehicles (2 axle)	\$1.06	\$1.04	\$1.05	\$0.99	\$0.96
Truck Vehicles (3+ axle)	\$4.09	\$4.01	\$3.99	\$3.78	\$3.67
<b>AVERAGE TOLL COLLECTED PER TRANSACTION</b>					
Passenger Vehicles (2 axle)	\$0.83	\$0.81	\$0.82	\$0.77	\$0.74
Truck Vehicles (3+ axle)	\$3.21	\$3.13	\$3.13	\$2.94	\$2.88
<b>AVERAGE LENGTH OF TRIP (in miles)</b>					
Passenger Vehicles (2 axle)	15.33	15.63	15.26	14.15	15.32
Truck Vehicles (3+ axle)	19.76	20.43	19.72	18.85	20.32
<b>AVERAGE TOLL PER MILE</b>					
Passenger Vehicles (2 axle)	\$0.07	\$0.07	\$0.07	\$0.07	\$0.06
Truck Vehicles (3+ axle)	\$0.21	\$0.20	\$0.20	\$0.20	\$0.18
<b>CONCESSION SALES (in thousands)</b>					
Restaurant Sales	\$50,791	\$49,520	\$46,589	\$42,167	\$38,728
Revenues from Concessions	\$10,710	\$10,171	\$8,618	\$8,513	\$8,564
Gallons of Gasoline Sold	39,697	41,470	37,248	32,925	31,010
Gallons of E85 Fuel Sold <sup>(B)</sup>	N/A	N/A	N/A	N/A	N/A
Gallons of Diesel Fuel Sold	6,592	7,911	5,751	4,476	4,204
<b>SUNPASS TRANSPONDERS SOLD<sup>(C)</sup> (in thousands)</b>	631	539	518	567	243
<b>ROADWAY MAINTENANCE CONDITION RATING<sup>(D)</sup></b>	90	89	90	92	92

<sup>(A)</sup> Each trip may involve one or more toll transactions.

<sup>(B)</sup> Sale of E85 fuel started in FY 2010.

<sup>(C)</sup> The launch of SunPass Mini Sticker Tag in July 2008 significantly increased the number of transponders sold in FY 2009 and FY 2010. Similarly, the conversion of the HEFT to All-Electronic Tolling boosted the sale of transponders in FY 2011 and FY 2012.

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Sources:

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## COMPARATIVE PASSENGER CAR TOLLS TICKET AND BARRIER SYSTEMS

Toll Facility	Full-Length Distance (miles)	Passenger Car Toll (A)	Per-Mile Rate	Year of Last Toll Increase
<b>TICKET TOLLS:</b>				
New Jersey Turnpike (B)	118	\$13.85	\$0.117	2012
<b>Florida's Turnpike (Ticket Portion Only) (C)</b>	<b>155</b>	<b>9.60</b>	<b>0.062</b>	<b>2012</b>
Maine Turnpike	109	6.45	0.059	2012
Ohio Turnpike	241	11.25	0.047	2012
West Virginia Turnpike (D)	88	3.90	0.044	2009
Kansas Turnpike (E)	236	8.33	0.035	2009
Massachusetts Turnpike - (Interchanges 1 through 14)	120	2.70	0.023	2008
<b>COMBINED TICKET / COIN TOLLS:</b>				
Pennsylvania Turnpike (Mainline Only) (F)	360	\$28.18	\$0.078	2011
<b>Florida's Turnpike (G)</b>	<b>320</b>	<b>21.10</b>	<b>0.066</b>	<b>2012</b>
New York Thruway (Mainline Section 1)	390	17.43	0.045	2010
Indiana Toll Road	157	4.65	0.030	2006
<b>COIN SYSTEMS:</b>				
Delaware Turnpike (I-95)	11	\$4.00	\$0.364	2007
Miami Airport Expressway (H)	4	1.00	0.250	2005
OOCEA Apopka Expressway (SR 414)	5	1.09	0.218	2012
Miami Gratigny Parkway	5	1.00	0.200	2010
OOCEA East-West Expressway	22	3.82	0.174	2012
Tampa Lee Roy Selmon Crosstown Expressway	15	2.50	0.167	2007
Sam Houston Tollway (I)	70	11.30	0.161	2012
Dallas North Tollway	32	4.62	0.144	2011
Miami Dolphin Expressway (H)	14	2.00	0.143	2007
OOCEA Central Florida GreeneWay	33	4.38	0.133	2012
Miami Don Shula Expressway	8	1.00	0.125	2010
<b>Florida's Turnpike/Southern Connector Extension</b>	<b>6</b>	<b>0.75</b>	<b>0.125</b>	<b>2012</b>
OOCEA Western Beltway	22	2.74	0.125	2012
Hardy Toll Road (Texas)	23	2.80	0.122	2012
<b>Florida's Turnpike/Polk Parkway</b>	<b>25</b>	<b>3.00</b>	<b>0.120</b>	<b>1999</b>
OOCEA Beachline Main and Airport Sections	23	2.71	0.118	2012
<b>Florida's Turnpike/Veterans Expressway</b>	<b>15</b>	<b>1.75</b>	<b>0.117</b>	<b>2012</b>
<b>Florida's Turnpike/Seminole Expressway</b>	<b>18</b>	<b>2.00</b>	<b>0.111</b>	<b>2012</b>
<b>Florida's Turnpike/Beachline West</b>	<b>8</b>	<b>0.75</b>	<b>0.094</b>	<b>2012</b>
<b>Florida's Turnpike/Western Beltway, Part C</b>	<b>11</b>	<b>1.00</b>	<b>0.091</b>	<b>2005</b>
New Hampshire Turnpike (Blue Star) (J)	16	1.40	0.088	2009
<b>Florida's Turnpike/Sawgrass Expressway</b>	<b>23</b>	<b>2.00</b>	<b>0.087</b>	<b>2012</b>
Atlantic City Expressway	44	3.75	0.085	2008
<b>Florida's Turnpike/HEFT</b>	<b>47</b>	<b>3.75</b>	<b>0.080</b>	<b>2012</b>
<b>Florida's Turnpike/Suncoast Parkway</b>	<b>42</b>	<b>3.00</b>	<b>0.071</b>	<b>2001</b>
<b>Florida's Turnpike/Mainline (K)</b>	<b>110</b>	<b>6.75</b>	<b>0.061</b>	<b>2012</b>
Maryland JFK Memorial Highway (F)	50	3.00	0.060	2012
Garden State Parkway (F)	173	8.25	0.048	2012
Alligator Alley	78	2.75	0.035	2012

### Notes:

- (A) Electronic toll collection rates.
- (B) Peak period and weekend toll rates. Length reflects travel from exit 1 to exit 18.
- (C) Ticket System section - just north of Boynton Beach Interchange (MP 86) to just south of Kissimmee Park Road (MP 240).
- (D) Toll discount available only to West Virginia E-Z Pass holders. Others pay \$6.00 toll.
- (E) Includes 10% K-TAG discount.
- (F) One-way toll collection at select mainline plazas. Toll shown is roundtrip toll divided by 2.
- (G) Florida City to Wildwood/I-75 (includes Beachline West).
- (H) Per-mile rate based on one-way eastbound travel.
- (I) Includes the Houston Ship Channel Bridge toll of \$1.50.
- (J) Toll discount available only to New Hampshire EZ Pass holders. Others pay \$2.00 toll.
- (K) Southern Coin System - Golden Glades to Boynton Beach; Northern Coin System - Kissimmee to Wildwood/I-75.