State of Florida
Division of Bond Finance

Notice

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Copies of the printed Official Statement may be obtained from:

Florida Division of Bond Finance
1801 Hermitage Boulevard
Suite 200
Tallahassee, Florida 32308

E-Mail: bond@sbafla.com
Phone: (850) 488-4782
Fax: (850) 413-1315

Refunding Issue - Book- Entry Only

This Official Statement has been prepared by the Division of Bond Finance to provide information about the 2016A Bonds. Selected information is presented on this cover page for the convenience of the reader. ***To make an informed decision, a prospective investor should read this Official Statement in its entirety.*** Unless otherwise indicated, capitalized terms have the meanings given in Appendices E and F.

$173,385,000
STATE OF FLORIDA
Department of Transportation
Turnpike Revenue Refunding Bonds, Series 2016A

Dated: Date of Delivery Due: July 1, as shown on the inside cover

Bond Ratings	AA- Fitch Ratings Aa3 Moody's Investors Service Standard & Poor's Ratings Services - No rating requested. See "BOND RATINGS" herein for more information.
Tax Status	In the opinion of Bond Counsel, interest on the 2016A Bonds is excluded from gross income for federal income tax purposes. Such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, however, such interest is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. The 2016A Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein. See "TAX MATTERS".
Redemption	The 2016A Bonds are subject to optional redemption as provided herein. See "REDEMPTION PROVISIONS" herein for more complete information.
Security	The 2016A Bonds are payable from Net Revenues of the Turnpike System, a reserve account and certain other funds held under the Resolution. **The 2016A Bonds are not a general obligation or indebtedness of the State of Florida, and the full faith and credit of the State of Florida is not pledged to payment of the 2016A Bonds.**
Lien Priority	The lien of the 2016A Bonds on the Net Revenues is a first lien on such revenues and will be on a parity with the Outstanding Bonds previously issued to finance or refinance capital improvements to the Turnpike System. The aggregate principal amount of Bonds which will be outstanding subsequent to the issuance of the 2016A Bonds is $2,914,455,000, excluding the Refunded Bonds, which will be economically but not legally defeased on the date of closing and are expected to be redeemed on July 1, 2016.
Additional Bonds	Additional bonds payable on a parity with the 2016A Bonds and the Outstanding Bonds may be issued if historical and projected Net Revenues are at least 120% of debt service. This description of the requirements for the issuance of Additional Bonds is only a summary of the complete requirements. See "ADDITIONAL BONDS - Additional Parity Bonds" herein for more complete information.
Purpose	Proceeds of the 2016A Bonds will be used to refund a portion of the outstanding State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2006A, and to pay costs of issuance.
Interest Payment Dates	July 1 and January 1, commencing July 1, 2016.
Record Dates	December 15 and June 15.
Form/Denomination	The 2016A Bonds will initially be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only through Direct Participants (defined herein) in denominations of $1,000 and integral multiples thereof. Purchasers of the 2016A Bonds will not receive physical delivery of the 2016A Bonds.
Closing/Settlement	It is anticipated that the 2016A Bonds will be available for delivery through the facilities of DTC in New York, New York on February 23, 2016.
Bond Registrar/ Paying Agent	U.S. Bank Trust National Association, New York, New York.
Bond Counsel	Greenberg Traurig, P.A., Miami, Florida.
Issuer Contact	Division of Bond Finance (850) 488-4782, bond@sbafla.com
Maturity Structure	The 2016A Bonds will mature on the dates and bear interest at the rates set forth on the inside front cover.

January 19, 2016

MATURITY STRUCTURE

Initial CUSIP ©	Due Date	Principal Amount	Interest Rate	Price or Yield*	First Optional Redemption Date and Price
3 4 3 1 3 6 7 U 5	July 1, 2017	$6,550,000	5.00%	0.63%	-
3 4 3 1 3 6 7 V 3	July 1, 2018	6,875,000	5.00	0.85	-
3 4 3 1 3 6 7 W 1	July 1, 2019	7,220,000	5.00	1.01	-
3 4 3 1 3 6 7 X 9	July 1, 2020	7,580,000	5.00	1.16	-
3 4 3 1 3 6 7 Y 7	July 1, 2021	7,965,000	5.00	1.31	-
3 4 3 1 3 6 7 Z 4	July 1, 2022	8,360,000	5.00	1.47	-
3 4 3 1 3 6 8 A 8	July 1, 2023	8,775,000	5.00	1.65	-
3 4 3 1 3 6 8 B 6	July 1, 2024	9,215,000	5.00	1.82	-
3 1 3 4 3 6 8 C 4	July 1, 2025	9,680,000	5.00	1.98	-
3 1 3 4 3 6 8 D 2	July 1, 2026**	10,160,000	5.00	2.12	July 1, 2025 @ 100%
3 4 3 1 3 6 8 H 3	July 1, 2030**	11,640,000	4.00	2.77	July 1, 2025 @ 100%
3 4 3 1 3 6 8 J 9	July 1, 2031**	12,110,000	4.00	2.85	July 1, 2025 @ 100
3 4 3 1 3 6 8 K 6	July 1, 2032	12,590,000	3.00	3.10	July 1, 2025 @ 100
3 4 3 1 3 6 8 L 4	July 1, 2033	12,970,000	3.00	3.15	July 1, 2025 @ 100
3 4 3 1 3 6 8 M 2	July 1, 2034**	13,355,000	4.00	3.01	July 1, 2025 @ 100
3 4 3 1 3 6 8 N 0	July 1, 2035**	13,895,000	4.00	3.06	July 1, 2025 @ 100
3 4 3 1 3 6 8 P 5	July 1. 2036	14,445,000	3.25	3.31	July 1, 2025 @ 100

* Price and yield information provided by the underwriter.

** The yield on these maturities are calculated to a 100% call on July 1, 2025.

The State of Florida has not authorized any dealer, broker, salesman or other person to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied on. Certain information herein has been obtained from sources other than records of the State of Florida which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the State of Florida since the date hereof. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of the 2016A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

STATE OFFICIALS

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Department of Transportation

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State Board of Administration

CONSULTANTS TO THE STATE OF FLORIDA

URS Corporation
a wholly owned subsidiary of AECOM
Traffic Engineers
New York, New York

ATKINS and HNTB
General Consulting Engineers
Orlando, Florida

BOND COUNSEL

Greenberg Traurig, P.A.
Miami, Florida

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OFFICIAL STATEMENT

Relating to
$173,385,000
STATE OF FLORIDA
Department of Transportation
Turnpike Revenue Refunding Bonds, Series 2016A

For definitions of capitalized terms not defined in the text hereof, see Appendices E and F

INTRODUCTION

This Official Statement sets forth information relating to the sale and issuance of the $173,385,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2016A (the "2016A Bonds"), dated the date of delivery thereof, by the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance").

Proceeds of the 2016A Bonds will be used to refund a portion of the outstanding State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2006A, and to pay costs of issuance. The refunding is being effectuated to achieve debt service savings due to lower interest rates. See "THE REFUNDING PROGRAM" below for more detailed information.

The 2016A Bonds will be solely payable from the Net Revenues of the System. The lien of the 2016A Bonds on the Net Revenues is on a parity with certain Turnpike Revenue Bonds issued since 2004. The aggregate principal amount of Bonds which will be outstanding subsequent to the issuance of the 2016A Bonds is $2,914,455,000, excluding the Refunded Bonds which will be economically but not legally defeased on the date of closing and are expected to be redeemed on July 1, 2016. **The 2016A Bonds are not secured by the full faith and credit of the State of Florida.**

Requests for additional information may be made to:

Division of Bond Finance
Phone: (850) 488-4782
Fax: (850) 413-1315
E-mail: bond@sbafla.com
Mail: P. O. Box 13300
Tallahassee, Florida 32317-3300

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Any statements made in this Official Statement which involve opinions or estimates, whether or not expressly stated, are set forth as such and not as representations of fact. No representation is made that any of the opinions or estimates will be realized. To make an informed decision, a full review should be made of the entire Official Statement. The descriptions of the 2016A Bonds and the documents authorizing and securing the same do not purport to be comprehensive or definitive. All references to and descriptions of such documents are qualified by reference to the actual documents. Copies of such documents may be obtained from the Division of Bond Finance.

End of Introduction

AUTHORITY FOR THE ISSUANCE OF THE 2016A BONDS

General Legal Authority

The 2016A Bonds are being issued by the Division of Bond Finance on behalf of the Florida Department of Transportation (the "Department" or "FDOT") pursuant to Article VII, Section 11(d) of the Florida Constitution, the State Bond Act, the Florida Turnpike Enterprise Law (Sections 338.22 - 338.241, Florida Statutes), and other applicable provisions of law. Article VII, Section 11(d), of the Florida Constitution provides that revenue bonds payable solely from funds derived directly from sources other than State tax revenues may be issued by the State of Florida or its agencies, without a vote of the electors, to finance or refinance capital projects. Sections 215.59(2) and 215.79, Florida Statutes, authorize the issuance of revenue bonds and the refunding of such bonds by the Division of Bond Finance pursuant to Article VII, Section 11(d), of the Florida Constitution.

Division of Bond Finance

The Division of Bond Finance, a public body corporate created pursuant to the State Bond Act, is authorized to issue bonds on behalf of the State or its agencies. The Governing Board of the Division of Bond Finance (the "Governing Board") is composed of the Governor, as Chairman, and the Cabinet of the State of Florida, consisting of the Attorney General as Secretary, the Chief Financial Officer as Treasurer and the Commissioner of Agriculture. The Director of the Division of Bond Finance may serve as an assistant secretary of the Governing Board.

State Board of Administration of Florida

The State Board of Administration of Florida (the "Board of Administration") was created under Article IV, Section 4, of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, and succeeds to all the power, control and authority of the state board of administration established pursuant to Article IX, Section 16, of the Constitution of the State of Florida of 1885. It will continue as a body at least for the life of Article XII, Section 9(c) of the Florida Constitution. The Board of Administration is composed of the Governor, as Chairman, the Chief Financial Officer and the Attorney General. Under the State Bond Act, the Board of Administration determines the fiscal sufficiency of all bonds proposed to be issued by the State of Florida or its agencies. The Board of Administration also acts as the fiscal agent of the Department in administering the Revenue Fund, the Sinking Fund, and the Rebate Fund.

Department of Transportation

The Department operates under the Florida Transportation Code, which includes the Florida Turnpike Enterprise Law. The head of the Department is the Secretary of Transportation, nominated by the Florida Transportation Commission, appointed by the Governor and confirmed by the State Senate. Jim Boxold was appointed as Secretary of Transportation by Governor Rick Scott in January 2015 and previously served as FDOT's Chief of Staff.

The Department is a decentralized agency, with a Central Office, seven District Offices, the Turnpike Enterprise and the Rail Enterprise. Each of the District Secretaries and the Executive Director of the Turnpike Enterprise sit on the Executive Board of the Department. The Florida Turnpike Enterprise Law authorizes the Department to acquire, construct, maintain and operate the System.

Florida Turnpike Enterprise

Some of the original portions of the System were constructed and managed by the Florida State Turnpike Authority created in 1953. In 1969, the Department succeeded to all the powers, properties and assets of the Florida State Turnpike Authority. In 1994, the Turnpike District, one of eight Department District Offices, was created to manage the System.

Chapter 2002-20, Laws of Florida, reorganized the Turnpike District into the Florida Turnpike Enterprise (the "Enterprise"). The legislation provided the System with autonomy and flexibility to pursue innovations and best practices found in the private sector and to apply those to the System, which remains an asset of the Department.

In addition to providing additional flexibility in project delivery and enhanced revenue opportunities, Chapter 2002-20, Laws of Florida, authorized the incorporation of the Department's Office of Toll Operations into the Enterprise. The Enterprise collects Tolls for the System as well as five Department owned facilities and two Department operated facilities.

The System operates as an Enterprise within the Department. The Enterprise is organized into eight functional program areas as follows:

Program Area	Office
Finance, Business Development & Concession Management	Chief Financial Officer & Deputy Executive Director
Production and Planning	Director of Transportation Development
Highway Operations, Construction, and Maintenance	Director of Transportation Operations
Communications and Marketing	Director of Communications and Marketing
Administration	Director of Administration
Toll Systems and Customer Toll Operations	Director of Toll Systems
Legislative Coordination	Legislative Affairs Liaison
Security & Loss Prevention	Director of Loss Prevention

Administrative Approval

The Department, by a resolution dated November 12, 2015, requested the Division of Bond Finance to issue the 2016A Bonds. The Governing Board authorized the issuance and sale of the 2016A Bonds by resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and as supplemented by a resolution adopted on November 10, 2015 (collectively, the "Resolution"). The Board of Administration approved the fiscal sufficiency of the 2016A Bonds by a resolution adopted on November 10, 2015.

DESCRIPTION OF THE 2016A BONDS

The 2016A Bonds and the interest payable thereon are obligations of the Department, secured by and payable solely from a first lien pledge of the Net Revenues of the System on a parity with the previously issued 2006A through 2015B Bonds.

The 2016A Bonds are being issued as fully registered bonds in the denomination of $1,000 or integral multiples thereof. The 2016A Bonds are payable from the Net Revenues as described herein. The 2016A Bonds will be dated the date of delivery thereof and will mature as set forth on the inside front cover. Interest is payable on July 1, 2016, for the period from the date of delivery thereof, to July 1, 2016, and semiannually thereafter on January 1 and July 1 of each year, until maturity or redemption.

The 2016A Bonds will initially be issued exclusively in "book-entry" form. Ownership of one 2016A Bond for each maturity (as set forth on the inside front cover), each in the aggregate principal amount of such maturity, will be initially registered in the name of "Cede & Co." as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2016A Bonds. Individual purchases of the 2016A Bonds will be made in book-entry form only, and the purchasers will not receive physical delivery of the 2016A Bonds or any certificate representing their beneficial ownership interest in the 2016A Bonds. See Appendix I, "Provisions for Book-Entry Only System or Registered Bonds" for a description of DTC, certain responsibilities of DTC, the Department and the Bond Registrar/Paying Agent, and the provisions for registration and registration for transfer of the 2016A Bonds if the book-entry only system of registration is discontinued.

REDEMPTION PROVISIONS

Optional Redemption

General. The 2016A Bonds maturing in the years 2017 through 2025 are not redeemable prior to their stated dates of maturity. The 2016A Bonds maturing in 2026 and thereafter are redeemable prior to their stated dates of maturity, at the option of the Division of Bond Finance, (i) in part, by maturities to be selected by the Division of Bond Finance, and by lot within a maturity if less than an entire maturity is to be redeemed, or (ii) as a whole, on July 1, 2025, or on any date thereafter, at the principal amount of the 2016A Bonds so redeemed, together with interest accrued to the date of redemption.

Notice of Redemption

Notices of redemption of 2016A Bonds or portions thereof will be mailed at least 30 days prior to the date of redemption to Registered Owners of record as of 45 days prior to the date of redemption. Such notices of redemption will specify the serial numbers of the 2016A Bonds to be redeemed, if less than all, the redemption price, the date fixed for redemption, and the place for presentation, and will state that interest on the 2016A Bonds called for redemption will cease to accrue upon the redemption date.

Failure to give any required notice of redemption as to any particular 2016A Bonds will not affect the validity of the call for redemption of any 2016A Bonds in respect of which no such failure has occurred. Any notice mailed as provided in the Resolution will be conclusively presumed to have been given, whether or not the Registered Owner receives the notice.

THE REFUNDING PROGRAM

A portion of the proceeds derived from the sale of the 2016A Bonds, together with other legally available moneys, will be used to refund the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2006A, maturing in the years 2017 through 2026 and 2031 through 2036, in the outstanding principal amount of $188,090,000 (the "Refunded Bonds"). This refunding is being effectuated to achieve debt service savings.

Simultaneously with the delivery of the 2016A Bonds, the Department will cause to be deposited a portion of the proceeds of the 2016A Bonds, along with other legally available moneys, into an irrevocable escrow account (the "Escrow Deposit Trust Fund") under an Escrow Deposit Agreement to be entered into among the Department, the Division of Bond Finance and the Board of Administration (the "Escrow Agent"). The Escrow Agent will invest the proceeds in the State Treasury investment pool, or other legally authorized investments. The amount of proceeds initially deposited in escrow plus interest earnings thereon, is expected to be sufficient to redeem the Refunded Bonds on the redemption date. The Refunded Bonds will be considered as remaining outstanding and economically defeased only, and will continue to have a claim upon the Net Revenues of the Turnpike System, as well as the Escrow Deposit Trust Fund, until they are redeemed.

The maturing investments, the earnings thereon (if necessary), and the cash on deposit in the Escrow Deposit Trust Fund are expected to be sufficient to pay (1) all semiannual interest payments accruing through, and (2) the principal of and redemption premium, if any, on the Refunded Bonds on the redemption date. The Refunded Bonds are expected to be called for redemption (by separate redemption notice) on July 1, 2016, at a redemption price equal to the principal amount thereof with interest due thereon through the redemption date, plus a redemption premium, if any. No funds held in escrow will be available to pay debt service on the 2016A Bonds.

Sources and Uses of Funds

Sources:	
Par Amount of 2016A Bonds	$173,385,000
Plus: Net Original Issue Premium	19,661,282
Turnpike Cash Contribution	7,754,762
Sinking Fund Accrual	1,422,957
Total Sources	$202,224,001
Uses:	
Deposit to the Escrow Deposit Trust Fund	$193,480,033
Deposit to Debt Service Reserve Fund[1]	7,754,762
Underwriter's Discount	759,636
Costs of Issuance	229,570
Total Uses	$202,224,001

[1] Turnpike Cash Contribution noted under Sources.

Application of the 2016A Bond Proceeds

Upon receipt of the proceeds of the 2016A Bonds, the Department of Transportation will transfer and apply such proceeds as follows:

(A) The accrued interest, if any, on the 2016A Bonds will be transferred to the Board of Administration and deposited in the Sinking Fund created by the Resolution.

(B) The amount necessary to pay all costs and expenses of the Division of Bond Finance in connection with the preparation, sale and issuance of the 2016A Bonds, including a reasonable charge for the services of the Division of Bond Finance, will be transferred to the Division of Bond Finance to be deposited in the Bond Fee Trust Fund and the Arbitrage Compliance Trust Fund pursuant to written instructions at the delivery of the 2016A Bonds, unless such amount will be provided from another legally available source.

(C) All remaining proceeds will be transferred to the Board of Administration for deposit into a trust fund, to be known as the "State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2016A Escrow Deposit Trust Fund." After the redemption of the Refunded Bonds, any excess proceeds not used for such purpose will be transferred to the Sinking Fund and shall be used for any purpose for which moneys may be legally used from such fund (including the payment of debt service).

SECURITY FOR THE 2016A BONDS

Pledge of Revenues

The 2016A Bonds will be secured by a pledge of and a first lien on, and will be payable solely from, the Net Revenues of the Turnpike System on a parity with the previously issued 2006A through 2015B Bonds (the "Outstanding Bonds") and any Additional Bonds hereafter issued on a parity therewith pursuant to the Resolution. See "ADDITIONAL BONDS" below. The aggregate principal amount of Bonds which will be outstanding subsequent to the issuance of the 2016A Bonds is $2,914,455,000, excluding the Refunded Bonds which will be economically but not legally defeased on the date of closing and are expected to be redeemed on July 1, 2016. The 2016A Bonds are also secured by a subaccount in the Debt Service Reserve Account which also secures the Outstanding Bonds.

The Resolution, which was originally adopted in 1988, defines Net Revenues as the Revenues derived from the operation of the System after deducting the Cost of Operation and Cost of Maintenance. Pursuant to legislation adopted in 1997, the Department covenanted on August 21, 1997, to pay all costs of operation and maintenance of the Turnpike System from the State Transportation Trust Fund ("STTF"), in effect making 100% of the Turnpike System Gross Revenues available for debt service. The costs of operation and maintenance paid from the STTF are to be reimbursed from the Turnpike General Reserve Fund only after provision has been made for payment of debt service and other amounts required with respect to Turnpike Revenue Bonds. See "FLOW OF FUNDS - Payment of Costs of Operation and Maintenance from State Transportation Trust Fund," "FLOW OF FUNDS - Application of Revenues," and "TOLLS - Toll Covenant" below.

The 2016A Bonds are "revenue bonds" within the meaning of Article VII, Section 11(d), of the Florida Constitution, and are payable solely from funds derived directly from sources other than State tax revenues. **The 2016A Bonds do not constitute a general obligation or indebtedness of the State of Florida or any of its agencies or political subdivisions and will not be a debt of the State of Florida or of any agency or political subdivision thereof, and the full faith and credit of the State is not pledged to the payment of the principal of, premium, if any, or interest on the 2016A Bonds. The issuance of the 2016A Bonds does not, directly or indirectly or contingently, obligate the State of Florida to use State funds, other than the Net Revenues, to levy or to pledge any form of taxation whatsoever or to make any appropriation for payment of the principal of, premium, if any, or interest on the 2016A Bonds.**

Debt Service Reserve Account

Generally - The Division of Bond Finance may establish multiple subaccounts in the Debt Service Reserve Account for one or more Series of Bonds, each of which is available to cure deficiencies in the Sinking Fund only with respect to the Series of Bonds for which such subaccount is established. The Debt Service Reserve Requirement for each subaccount in the Debt Service Reserve Account is the lowest of:

(i) 125% of the average Annual Debt Service Requirement for the then current and succeeding fiscal years;

(ii) Maximum Annual Debt Service;

(iii) 10% of the aggregate of the original proceeds received from the initial sale of all Outstanding Bonds; or

(iv) the maximum debt service reserve permitted with respect to Tax-Exempt obligations under the U.S. Internal Revenue Code, as amended,

with respect to the Bonds for which such subaccount has been funded. The Resolution provides that one or more Reserve Account Credit Facilities may be deposited in the Debt Service Reserve Account in lieu of funding it with cash.

Moneys in the Debt Service Reserve Account may be used only for deposit into the Interest Account, Principal Account and Bond Amortization Account when the other moneys available for such purpose are insufficient therefor.

The 2016A Bonds - The 2016A Bonds will be secured by the subaccount in the Debt Service Reserve Account that also secures the 2006A through 2015A Bonds (the "Subaccount"). The Subaccount is funded by cash in the amount of $204,675,994, which represents 125% of the average Annual Debt Service Requirement for the current and succeeding fiscal years on the Outstanding Bonds. For the 2016A Bonds, the incremental Debt Service Reserve Requirement, which will be funded by a cash contribution from the Turnpike into the Subaccount, totals $7,754,762.

The Subaccount is also funded by debt service surety bonds totaling $173,807,394 issued by: Ambac Assurance Corporation ("Ambac") in the amount of $77,501,575; MBIA Insurance Corporation ("MBIA") in the amount of $58,983,344; Assured Guaranty Municipal Corp. ("AG Muni", formerly Financial Security Assurance, Inc.) in the amount of $24,574,400; and Financial Guaranty Insurance Company ("FGIC") in the amount of $12,748,075. As a result of downgrades of these insurers, the Turnpike was required to provide additional reserve funding. The Subaccount is now fully funded with cash.

See "MISCELLANEOUS - Bond Ratings" below for a discussion of potential and actual rating agency actions with respect to various insurance companies, including Ambac, MBIA, AG Muni and FGIC.

If more than one Reserve Account Credit Facility is deposited into a subaccount in the Debt Service Reserve Account, the Resolution provides that drawings thereunder will be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder. If a disbursement is made under a Reserve Account Credit Facility, the Department is obligated to either reinstate such instrument immediately following such disbursement to the amount required to be maintained in the Debt Service Reserve Account or to deposit into the applicable subaccount in the Debt Service Reserve Account funds in the amount of the disbursement made under the surety bonds, or a combination of such alternatives as will equal the amount required to be maintained.

Outstanding Parity Bonds

The Division of Bond Finance has issued several series of Department of Transportation Turnpike Revenue and Revenue Refunding Bonds which, subsequent to the issuance of the 2016A Bonds, will be outstanding in the aggregate principal amount of $2,914,455,000, excluding the Refunded Bonds which will be economically but not legally defeased on the date of closing and are expected to be redeemed on July 1, 2016. The 2016A Bonds are payable from the Net Revenues. The 2016A Bonds are secured by a lien on the Net Revenues on a parity with the Outstanding Bonds. See “ADDITIONAL BONDS” below.

ADDITIONAL BONDS

Additional Parity Bonds

The Division of Bond Finance may issue Additional Bonds payable from Net Revenues on a parity with the Outstanding Bonds and the 2016A Bonds, for the purpose of financing the cost of construction or acquisition of Turnpike Projects, or for the purpose of refunding Bonds, but only under the following terms, limitations and conditions:

(a) The Board of Administration must approve the fiscal sufficiency of the Additional Bonds prior to the sale thereof;

(b) Sufficient Revenues will have been collected and transferred to the Board of Administration to make all prior and current payments under the Resolution, and neither the Division of Bond Finance nor the Department will be in default thereunder;

(c) All principal of and interest on Bonds which became due on or prior to the date of delivery of the Additional Bonds must be paid;

(d) A certificate must be filed with the Board of Administration and the Division of Bond Finance signed by an Authorized Officer of the Department setting forth the amount of Net Revenues collected during the immediately preceding fiscal year or any 12 consecutive months selected by the Department out of the 15 months immediately preceding the date of such certificate;

(e) A certificate must be filed with the Board of Administration and the Division of Bond Finance by the Traffic Engineer stating the estimate of the amount of Net Revenues to be collected during the current fiscal year and each fiscal year thereafter, to and including the third complete fiscal year after the Consulting Engineer's estimated date for completion and placing in operation of the Turnpike Projects to be financed by the proposed Additional Bonds, taking into account any revisions to be effective during such period of the Tolls and other income in connection with the operation of the Florida Turnpike;

(f) Determinations must be made by both the Board of Administration and the Division of Bond Finance that:

(1) the amount shown by the certificate described in paragraph (d) are not less than 120% of the amount of the Annual Debt Service Requirement for the current fiscal year on account of all Bonds then Outstanding;

(2) the amount shown by the certificate described in paragraph (e) for the current fiscal year and for each fiscal year to and including the first complete fiscal year after the Consulting Engineer's estimated date for completion and placing in operation of the Turnpike Projects to be financed by the proposed Additional Bonds are not less than 120% of the Annual Debt Service Requirement for each such fiscal year on account of all Bonds then Outstanding and the proposed Additional Bonds; and

(3) the amount shown by the certificate described in paragraph (e) for each of the three complete fiscal years after the Consulting Engineer's estimated date for completion and placing in operation of the Turnpike Projects to be financed by the proposed Additional Bonds are not less than 120% of the Maximum Annual Debt Service for each such fiscal year on account of all Bonds then Outstanding and the proposed Additional Bonds.

The debt service requirement of Bonds to be refunded and defeased from the proceeds of the proposed Additional Bonds is not to be taken into account in making such determinations. Refunding bonds issued for a net debt service savings in each fiscal year are exempt from the provisions of (d), (e) and (f) above.

After the issuance of the 2016A Bonds $110,230,000 Turnpike Revenue Bonds will remain authorized, validated and unissued.

Turnpike Debt Management Policy

The Department has established debt management guidelines for the System designed to assure a sound financial decision making process and affirm the future financial viability of the System. The guidelines provide that the Department will borrow only to fund capital requirements, not operating and maintenance costs, and that the final maturity of bonds issued to finance Turnpike improvements may not exceed the useful lives of such improvements. The guidelines also call for the Department to adjust its capital plans in order to maintain annual debt coverage ratios of at least 1.5 times Net Revenue or 2.0 times Gross Revenue, and to periodically prepare cash forecasts and financial plans. In calculating debt coverage ratios for this purpose, the Department has taken federal subsidies for Build America Bonds into account.

Junior Lien Obligations

The Division of Bond Finance and Department covenant that until the Bonds are defeased, they will not issue any other obligations, except Additional Bonds, nor voluntarily create or cause to be created any other debt, lien, pledge, assignment, encumbrance or other charge, having priority to or being on a parity with the lien of the Registered Owners of the Bonds upon the Net Revenues. Any such other obligations secured by the Net Revenues, other than the Bonds and Additional Bonds, will contain an express statement that such obligations are junior, inferior, and subordinate to the Bonds theretofore or thereafter issued, as to lien on and source and security for payment from the Net Revenues. The Resolution authorizes the Division of Bond Finance to issue junior lien bonds which will ascend to parity status with the Bonds upon compliance with the requirements for Additional Bonds set forth above.

The Department has also covenanted not to issue any obligations, or create, cause or permit to be created, any debt, lien, pledge, assignment, encumbrance, or any charge upon any of the properties of the System except as otherwise provided in the Resolution.

Subordinated Debt. The System periodically incurs debt due to the Department. The lien of this debt on the net revenues of the System is junior and subordinate to that of the Bonds. The subordinated debt is made up of loans and advances made by the Department to the System for the purpose of advancing improvement and expansion projects with repayments deferred until projects have been incorporated into the System operations. The Department has made loans to the Turnpike System from the State Infrastructure Bank ("SIB") and the STTF. Various STTF loans were made to subsidize Operation and Maintenance ("O&M") expenses on expansion projects and to provide funding for project design efforts.

At November 30, 2015, subordinated debt was outstanding in the amount of $112.2 million. The following table shows the scheduled repayment of subordinated debt.

Scheduled Subordinated Debt Repayments as of November 30, 2015
Turnpike System
(In Thousands)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020 and thereafter	Total
SIB Loans	$0	$3,218	$3,218	$3,218	$26,182	$35,836
STTF Loans*	1,500	70,328	1,500	1,500	1,500	76,328
	$1,500	$73,546	$4,718	$4,718	$27,682	$112,164

*The Toll Facilities Revolving Trust Fund was combined with the STTF.
Source: Turnpike Finance Office.

Planned Near-Term Bond Issues

The Department has established a policy of cash management allowing bond issuance to be based on cash flow requirements over the construction period of the capital improvements undertaken by the Enterprise. The System's current year and tentative Five Year Work Plan calls for capital projects totaling approximately $4.0 billion and additional bonds of approximately

$1.5 billion following the sale of the 2016A Bonds. In Fiscal Year 2007, the System's legislative bond cap under Section 338.2275, Florida Statutes, was increased to $10.0 billion outstanding. Bond issuance is expected to occur annually as needed to fund the continuation of projects under construction and start new projects. The following shows planned debt issuances subsequent to the sale of the 2016A Bonds:

Fiscal Year 2016: $322 million,

Fiscal Year 2017: $212 million,

Fiscal Year 2018: $86 million,

Fiscal Year 2019: $90 million,

Fiscal Year 2020: $304 million,

Fiscal Year 2021: $446 million.

Projects to be funded with the proceeds of these issues include widening and adding express lanes to the Sawgrass Expressway, the Mainline, and the Beachline West Expressway; extension of the Suncoast Parkway from US-98 to SR-44 primarily in Citrus County; improvements to the Golden Glades interchange on the Mainline in Miami-Dade County; and construction of a new tolled interchange at Sand Lake Road on the Mainline at milepost 257 in Orange County. The proceeds will also provide for continued funding for widening and adding express lanes to the Veterans Expressway in Hillsborough County and SR-821 in Miami-Dade County, as well as construction of the First Coast Expressway, a new toll road near Jacksonville, in Clay and Duval counties.

FLOW OF FUNDS

The Resolution establishes: (i) the “Revenue Fund”, (ii) the “Operation and Maintenance Fund” or “O&M Fund” (and the “Cost of Operation Account” and the “Cost of Maintenance Account” therein), (iii) the “Sinking Fund” (consisting of the “Interest Account,” the “Principal Account,” the “Bond Amortization Account,” the “Debt Service Reserve Account” and the “Bond Redemption Account”), (iv) the “Renewal and Replacement Fund” or “R&R Fund,” (v) the “Operation and Maintenance Reserve Fund” or the “O&M Reserve Fund,” (vi) the “General Reserve Fund” and (vii) the “Rebate Fund.” All Revenues are deposited daily into a special account in one or more depositories (the “Collection Account”). At least weekly the Department transfers all moneys in the Collection Account to the Board of Administration for deposit into the Revenue Fund.

Except for the O&M Fund and the O&M Reserve Fund, such funds and accounts constitute trust funds for the purposes provided in the Resolution, and the Registered Owners of the Bonds have a lien on all moneys in such funds and accounts until applied as provided therein. See “MISCELLANEOUS - Investment of Funds” below.

Payment of Costs of Operation and Maintenance from State Transportation Trust Fund

Although the Resolution requires that moneys in the Revenue Fund first be applied to pay the Costs of Operation and Maintenance, the Department has covenanted (the “Covenant”) to pay such Costs of Operation and Maintenance from the State Transportation Trust Fund (“STTF”). By its terms, the Covenant (i) is a contract enforceable by the Registered Owners, (ii) is not subject to repeal, impairment or amendment which would materially and adversely affect the rights of Registered Owners, and (iii) may be amended only upon compliance with the procedures for amending the Resolution.

The Covenant requires that the STTF be reimbursed from moneys available in the General Reserve Fund, the last fund in the flow of funds. If such moneys are insufficient to reimburse the STTF, the Department must take actions (including deferring projects and increasing Tolls) to increase available revenues. If such actions would adversely impact the security of the Registered Owners or the integrity of the Turnpike System, the reimbursement obligation would become a debt of the Turnpike System to the STTF, payable from the General Reserve Fund. The terms of the Covenant were approved as part of validation proceedings with respect to previously authorized Turnpike Revenue Bonds. The full text of the Covenant is reproduced herein as Appendix D.

The STTF is funded by various transportation-related taxes, fees, fines and surcharges, including motor fuel taxes and motor vehicle license taxes, (collectively, the “State Tax Component”), as well as federal aid, interest earnings and miscellaneous revenues. By law, a minimum of 15% of STTF receipts are reserved for public transportation projects. STTF receipts are available to pay the costs of operation and maintenance on the Turnpike System only after payment of debt service and making loan repayments on certain non-Turnpike bond programs and costs of operation and maintenance on certain expressway systems (collectively, the “Prior Lien Obligations”). The list and amounts of Prior Lien Obligations are subject to revision, but may never become so extensive as to impair the ability of the Department to pay the Costs of Operation and Maintenance from the STTF pursuant to the Covenant.

The following table shows the STTF funds available to meet the Covenant. The management of the System has prepared the prospective financial information set forth below (i.e. Fiscal Years 2016-2021) to present the STTF funds available to meet the

Covenant. The accompanying prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the System's management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the System. However, this information is not fact and should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement for the Series 2016A Bonds are cautioned not to place undue reliance on the prospective financial information.

Neither the System's independent auditors, nor any other independent accountants have compiled, examined or performed any procedures with respect to the projected financial information contained in these tables, nor have they expressed any opinion or form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with the projected financial information.

Turnpike Operations and Maintenance Coverage from STTF
(In Millions)

Fiscal Year Ended June 30	State Receipts Available[1]	Prior Lien Obligations[2]	Available for Turnpike Operations & Maintenance	Turnpike Operations & Maintenance[3]	Turnpike Operations & Maintenance Coverage
2011	$2,439.1	$180.7	$2,258.4	$172.4	13.10x
2012	2,478.1	204.4	2,273.7	173.7	13.09
2013	2,664.1	234.1	2,430.0	157.4	15.44
2014	2,983.0	427.5	2,555.5	165.8	15.41
2015	3,142.3	211.7	2,930.6	177.2	16.54
2016	3,322.8	331.7	2,991.1	190.5	15.70
2017	3,438.3	426.3	3,012.0	201.0	14.98
2018	3,542.0	493.2	3,048.8	206.8	14.74
2019	3,671.2	495.2	3,176.0	207.7	15.29
2020	3,789.8	555.1	3,234.7	206.5	15.67
2021	3,899.8	487.7	3,412.1	211.3	16.15

1 Amounts for Fiscal Years 2011 through 2015 are actual. Projections of State Receipts Available for Fiscal Years 2016 through 2021 are based on the July 2015 Revenue Estimating Conference estimates of the State Transportation Trust Fund Revenue, adjusted by the Department to reflect (i) the statutory percentage reserved for public transportation projects, (ii) exempt revenues, (iii) the Department's share of documentary stamps, and (iv) interest earnings and miscellaneous revenues from the Department's Cash Forecast which is based on the Tentative Work Program Plan with July 2015 Revenue Estimating Conference estimates of the State Transportation Trust Fund Revenue.

2 Prior Lien Obligations include Right-of-Way Acquisition and Bridge Construction Bond Program debt service, State Infrastructure Bank repayments pledged for debt service, Public-Private Partnerships (P3) Concession Agreements, Design Build Finance Agreements, Authority Operations and Maintenance loans, Renewal and Replacement loans under Lease-Purchase Agreements, Transportation Infrastructure Finance and Innovation Act of 1998 loan repayment, and Turnpike Operations and Maintenance and Project Design loans. Projections of Prior Lien Obligations are based on the Department's Cash Forecast which is based on the Tentative Work Program Plan with July 2015 Revenue Estimating Conference estimates of the State Transportation Trust Fund.

3 Amounts for Fiscal Years 2011 through 2015 are actual. Projections for Fiscal Years 2016 through 2021 are from Appendix A - "Traffic and Earnings Report". Turnpike Operations and Maintenance includes business development and marketing expense.

Source: State of Florida Department of Transportation.

Application of Revenues

The Resolution provides that on the 15th day of each month, Revenues are first deposited in the O&M Fund in amounts equal to 1/12th of the Cost of Operation and 1/12th of the Cost of Maintenance. By July 2015, the Department had made sufficient deposits in the Cost of Operation and Cost of Maintenance Accounts equal to 1/12th of the budgeted Cost of Operation and 1/12th of the budgeted Cost of Maintenance for Fiscal Year 2016, respectively. Because the Costs of Operation and Maintenance are to be paid from the STTF, the moneys on deposit in the O&M Fund will not need to be drawn down and no Revenues will be deposited therein.

On the 15th day of each month, to the extent necessary, Revenues are deposited (i) first, into the Interest Account in the Sinking Fund, in an amount equal to 1/6th of the interest payable on the Bonds on the next Interest Payment Date; and (ii) next, to the Principal Account in the Sinking Fund in an amount equal to 1/12th of the principal amount of Serial Bonds maturing on the next annual maturity date, and into the Bond Amortization Account in such amounts as may be required for the payment of Term Bonds. Any deficiencies in the Interest Account, the Principal Account and the Bond Amortization Account will be restored from the first Net Revenues available to the Department.

After funding the accounts in the Sinking Fund, Revenues are deposited into each subaccount in the Debt Service Reserve Account to the extent necessary to maintain an amount equal to the Debt Service Reserve Requirement established for the Bonds.

Thereafter, Revenues are deposited in the Renewal and Replacement Fund to the extent necessary to pay 1/12th of the amount certified by the Consulting Engineer for the current fiscal year as being necessary for the purposes of the Renewal and Replacement Fund. The Department may withdraw and transfer to any other fund any excess amount certified by the Consulting Engineer as not being necessary for the purposes of the Renewal and Replacement Fund. Moneys in the Renewal and Replacement Fund are used to pay the cost of replacement or renewal of capital assets or facilities of the Turnpike System, or extraordinary repairs of the Turnpike System, excluding non-Toll roads other than Feeder Roads. The moneys in the Renewal and Replacement Fund may be deposited into the Interest Account, Principal Account and Bond Amortization Account only when the moneys in the Revenue Fund and the Debt Service Reserve Account are insufficient therefor.

Revenues are next deposited into the O&M Reserve Fund to the extent necessary to maintain an amount on deposit in the O&M Reserve Fund at least equal to 1/8th of the sum of the Cost of Operation and the Cost of Maintenance for the current fiscal year as set forth in the Annual Budget of the Department. Any moneys in the O&M Reserve Fund in excess of the amount required to be maintained therein may be transferred at the direction of the Department to the General Reserve Fund.

The balance of any moneys remaining in the Revenue Fund not needed for the foregoing payments are deposited in the General Reserve Fund and applied by the Department for any lawful purpose; provided, however, that no such deposit may be made unless all payments described above, including any deficiencies for prior payments, have been made in full to the date of such deposits.

TOLLS

Toll Covenant

The Department has covenanted in the Resolution to fix, establish and collect Tolls for the use of the Turnpike (except non-Toll roads) at such rates, and revise such Tolls from time to time whenever necessary so that the Revenues will be sufficient in each fiscal year to pay at least 100% of the Cost of Maintenance and Cost of Operation, and so that the Net Revenues will be sufficient in each fiscal year to pay at least 120% of the Annual Debt Service Requirement for the Bonds and at least 100% of all other payments required by the Resolution. Excess Revenues collected in any fiscal year will not be taken into account as a credit against the foregoing requirements for any subsequent fiscal year.

The Department will be without power to reduce Toll rates or remove Tolls from all or a portion of the System except in the manner provided in the Resolution, until all the Bonds and interest thereon have been fully paid and discharged, or such payment has been fully provided for. Any such Toll reduction or removal would require a survey and recommendation of the Traffic Engineers, who must certify that in their opinion the amount of Tolls to be produced after such rate reduction or Toll removal in each fiscal year thereafter will continue to be sufficient to comply with the Toll rate covenants above. For purposes of the Resolution, conversion from one system of Toll collection (such as a ticket system) to another system of Toll collection (such as a barrier/ramp system) is not considered a removal of Tolls.

On or before each February 1, the Department must (i) review the financial condition of the System and the Bonds in order to estimate whether the Revenues for the following fiscal year will be sufficient to comply with the Toll covenants; (ii) make a determination with respect thereto by resolution; (iii) file with the Board of Administration certified copies of such resolutions, together with a certificate of an Authorized Officer of the Department setting forth a reasonably detailed statement of the actual and estimated Revenues and other pertinent information for the year for which such determination was made. If the Department determines that the Revenues for the following fiscal year may not be sufficient, it will forthwith cause the Traffic Engineers to make a study and to recommend a schedule of Tolls which will provide Revenues sufficient to comply with the Toll requirements in the following fiscal year and to restore any deficiency at the earliest practicable time, but not later than the next July 1.

Failure to comply with the Toll covenant set forth above will not constitute a default under the Resolution if there is not a failure to pay principal and interest on the Bonds when due and (i) the Department complies with the provisions of the preceding paragraph; or (ii) the Traffic Engineers certify that a Toll schedule which will comply with such Toll covenant is impracticable at that time, and the Department establishes a schedule of Tolls recommended by the Traffic Engineers to comply as nearly as practicable with such Toll covenant.

Toll Collection and Rate Adjustments

Both the Resolution and State law require the Department to fix, adjust, charge and collect Tolls on the System sufficient to pay the costs of the System. The Department follows the public notice requirements set forth in the State of Florida Administrative Procedures Act (the “APA”) when fixing or adjusting Toll rates. The APA process results in the public notice occurring close to the time the Toll rate is implemented for existing projects. For new projects, the Department is required by law to publish and adopt a Toll rate during the planning and project development phase.

The System uses several methods of Toll collection including All-Electronic Tolling ("AET") and typically collects a higher Toll rate per mile on expansion projects than on the Mainline. A barrier/ramp (coin) system is used on non-AET segments of the existing System except the segment of the Mainline between Boynton Beach and Kissimmee - this 155-mile section utilizes a ticket system. An electronic Toll collection program has been implemented statewide which uses a transponder/account system, known as SunPass®. In addition to SunPass® Tolls, non-SunPass® Tolls are collected on AET facilities (SR-821, the Sawgrass Expressway, the southern tip of the Southern Coin section of the Mainline, the Veterans Expressway, and the I-4 Connector) through TOLL-BY-PLATE, an alternative toll collection system whereby a vehicle's license plate is captured by a camera for customer identification and billing.

The System has entered into a Toll revenue collection contract with a private contractor which runs through November 30, 2020.

Historical Revenue

Total Toll and concession revenues for the System are summarized in the table below. As indicated in the table, Turnpike System revenues increased from approximately $643 million in Fiscal Year 2006 to approximately $675 million in Fiscal Year 2007. In Fiscal Years 2008 and 2009, revenues declined to approximately $646 million and $601 million, respectively, due to the impact of the economic downturn. Following the Great Recession, revenues began growing again with annual increases experienced between Fiscal Years 2010 and 2012. In Fiscal Year 2013, total revenues reached $763 million due to the implementation of System-wide toll indexing. Subsequently, revenues increased to $803 million and $873 million in Fiscal Year 2014 and Fiscal Year 2015, respectively, due to System-wide traffic growth and annual toll indexing. The average compounded growth rate from 2006 to 2015 was approximately 3.5 percent.

During the early 1990's, almost all of the System revenues were collected on the Mainline. However, with the diversification of the System through the opening of expansion projects, the Mainline now accounts for approximately 72 percent of Toll revenues. As expansion projects continue to be added and their respective revenues ramp up, the System anticipates that expansion project revenues, as a percentage of the total revenues collected, will continue to gradually increase.

Florida's Turnpike System
Historical Revenue ($000)

Fiscal Year	Mainline	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Connector Extension	Polk Parkway	Suncoast Parkway	Western Beltway Part C	I-4 Connector*	Beachline East Expressway*	Total Toll Revenue	Concession Revenue	Total Turnpike System
2006	$467,807	$50,419	$34,542	$33,086	$4,854	$21,198	$19,962	$978	-	-	$632,846	$10,171	$643,017
2007	487,686	52,538	36,539	34,354	5,148	22,572	21,743	3,363	-	-	663,943	10,710	674,653
2008**	461,567	50,902	36,138	33,089	5,130	22,450	21,424	4,871	-	-	635,571	10,363	645,934
2009**	428,124	48,121	32,488	30,980	4,443	21,496	20,157	4,719	-	-	590,528	10,110	600,638
2010	432,970	49,702	30,882	31,692	4,148	21,391	20,621	4,767	-	-	596,173	10,757	606,930
2011	434,230	50,314	30,763	32,466	4,201	21,775	21,233	5,097	-	-	600,079	8,382	608,461
2012	439,961	51,360	31,457	32,757	4,343	22,615	20,769	5,550	-	-	608,812	7,169	615,981
2013***	550,715	66,579	38,473	41,616	6,794	23,649	21,349	6,367	-	-	755,542	7,515	763,057
2014	581,632	69,768	40,919	39,925	7,517	24,590	22,011	7,289	2,650	-	796,301	7,139	803,440
2015	624,033	72,614	45,243	41,111	8,746	27,713	23,682	8,853	8,774	5,181	865,950	7,050	873,000

* Revenue on these expansion projects is reflected from the date of the project's opening.
** The decrease in Fiscal Years 2008 and 2009 revenue is due to a decline in Florida's economic conditions.
***Increase due to toll rate increase.
Source: Appendix A, Traffic and Earnings Report.

In May 2001, the Department successfully completed the final phase of the statewide implementation of SunPass®. SunPass® is the electronic toll collection ("ETC") system operated by the Enterprise and is used on the five Department-owned and two Department-operated toll facilities within the Enterprise. SunPass® transponders are interoperable with other ETC systems in the State including the Central Florida Expressway Authority's E-Pass ETC system and the Lee County LeeWay ETC system. SunPass® is also accepted along the 32-mile Miami-Dade Expressway Authority System and the 15-mile Selmon Crosstown Expressway operated by the Tampa Hillsborough Expressway Authority. Additionally, SunPass® is a convenient method to pay electronically for parking at major international airports in Florida. SunPass® is currently accepted at Orlando, Tampa, Palm Beach, Miami and Fort Lauderdale International Airports. SunPass® customers can travel non-stop through Turnpike Toll plazas. Tolls are registered automatically, through the use of a transponder, after an account has been established with sufficient advance payment.

The following table provides a summary of ETC revenues for the System for the last 10 years. As indicated in the table, SunPass® revenues surpassed 80 percent of the total System Toll revenue in Fiscal Year 2015. In Fiscal Year 2006, the Department successfully completed the SunPass® Challenge program that was initiated in December 2002. Under this program, the Department increased the number of SunPass®-only lanes, added new capacity at select toll plazas, made several infrastructure enhancements, and improved the violation enforcement system. The result has been a significant increase in SunPass® participation. Today, the Department is implementing the next generation of ETC technology, known as Open Road Tolling ("ORT") and converting certain System facilities to All-Electronic Tolling ("AET"). Under ORT, conventional toll plazas are replaced with modern toll gantries that allow customers to drive and pay tolls at highway speed. ORT allows ETC customers (i.e. those with SunPass® and interoperable transponders) to pay tolls electronically at highway speeds while maintaining cash toll collection in select outside lanes for the benefit of customers who do not have SunPass®. On February 19, 2011 and April 19, 2014, the SR-821 and the Sawgrass Expressway, respectively, were converted to AET. The Veterans Expressway was also converted to AET in phases starting on June 14, 2014 and ending on September 6, 2014. Cash toll payments are no longer accepted on these facilities. Customers must pay their tolls electronically using a SunPass® transponder or through the TOLL-BY-PLATE program, which is based on the identification of the registered owner of the vehicle after a license plate image is captured in the lane. TOLL-BY-PLATE customers have the option to establish a video account with prepaid tolls, or pay upon receiving a monthly invoice reflecting the TOLL-BY-PLATE rates, which are higher than the SunPass® toll rates. TOLL-BY-PLATE customers without a prepaid balance are assessed a flat administrative charge of $2.50 on their monthly invoice to recover the cost of administering this payment option.

Florida's Turnpike System

Electronic Toll Collection

Last Ten Years

Fiscal Year	Total Toll Revenue ($000)	Total ETC Revenue ($000)	Percentage ETC Revenue
2006	$632,846	$331,924	52.45%
2007	663,943	379,483	57.16
2008*	635,571	387,382	60.95
2009*	590,528	377,938	64.00
2010	596,173	395,202	66.29
2011	600,079	421,598	70.26
2012	608,812	443,876	72.91
2013**	755,542	578,278	76.54
2014	796,301	624,064	78.37
2015	865,950	696,438	80.42

* The decrease in Fiscal Years 2008 and 2009 total revenues reflects the decline in Florida's economic climate.

** Increase due to toll rate increase.

Source: Turnpike System Comprehensive Annual Financial Reports.

Toll Rate Increases and Indexing

After the opening of Florida's Turnpike in 1957, the first Toll increase occurred in 1979 and remained unchanged for nearly a decade. Under legislative direction to equalize Toll rates and in part to fund System improvements and expansion programs, the Department implemented Toll increases in 1989, 1991, 1993 and 1995 on various portions of the Turnpike Mainline. The combined impact of these Toll adjustments doubled the average Toll per-mile from $0.03 to $0.06. During this period, traffic continued to increase correspondingly with Florida's increase in population, employment, commerce and tourism.

On March 7, 2004, Tolls were increased on the Mainline, Sawgrass Expressway, Seminole Expressway, Veterans Expressway and Southern Connector Extension. This Toll rate increase was for cash customers only, at 25 percent rounded to the quarter. The Toll for SunPass® customers remained the same, effectively giving these customers a discount of 25 percent or more and contributing to an increase in SunPass® participation levels. For example, the two-axle Toll at the Golden Glades barrier plaza increased from $0.75 to $1.00, representing the 25 percent increase rounded to the quarter (i.e., effectively a 33 percent increase). Conversely, SunPass® customers at this location continued to pay a $0.75 Toll. However, some ramp Tolls did not increase due to "per-mile constraints". For example, customers entering SR-821 from SR 836 do not pay a Toll initially, but pay $0.25 if they exit one mile south (i.e., $0.25 per-mile) at US 41. As such, Tolls collected at this ramp were already significantly higher than the average rate of approximately $0.07 per-mile for cash customers, and therefore, were not increased. The Polk Parkway and Suncoast Parkway expansion projects were not programmed with a Toll rate increase in order to allow traffic to ramp-up on these facilities. In addition to the March 2004 Toll rate increase for cash customers, a 10 percent SunPass® frequent-user discount was discontinued. The March 2004 Toll increase had a minimal impact on traffic since cash customers could convert to SunPass® and avoid the increased Toll.

The 2007 Legislature amended Section 338.165, Florida Statutes, to require the Turnpike and other FDOT-owned toll facilities to index toll rates on existing toll facilities to the annual Consumer Price Index ("CPI") or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. Toll rates may be increased beyond these limits as directed by bond documents, covenants, or governing body authorization or pursuant to Department administrative rule.

Pursuant to this requirement, on June 24, 2012, the cash toll rates were indexed to reflect the change in CPI for the previous five year period, and were adjusted to the next quarter for collection efficiency. TOLL-BY-PLATE toll rates, where offered, were set to be the same as cash rates, while the SunPass® rates were $0.25 less than the cash rates. On the Ticket System, the cash toll rates were indexed by 11.7% and adjusted to the next dime, while the SunPass® toll rates were adjusted to be 25% less than the cash rates. For subsequent years, SunPass® and TOLL-BY PLATE rates are to be adjusted annually based on the year-over-year change in CPI and rounded to the penny, while cash rates will be adjusted every five years and rounded to the quarter. Accordingly, on July 1, 2013, SunPass® and TOLL-BY-PLATE toll rates were adjusted up by 2.1 percent and rounded to the penny. Similarly, on July 1, 2014 and July 1, 2015, SunPass® and TOLL-BY-PLATE rates were indexed by 1.5 percent and 1.6 percent, respectively, rounded to the nearest penny.

The toll indexing implemented Systemwide on June 24, 2012, resulted in a slight decline in overall traffic (approximately 4%) over the twelve month period following the change. Cash customers on some Turnpike facilities switched to SunPass® to obtain lower toll rates.

Despite the indexing implemented Systemwide on July 1, 2013, and subsequently on July 1, 2014, for SunPass® and TOLL-BY-PLATE customers, the System did not experience any impact on traffic. In fact, the continued improvement in the economy contributed to moderate traffic growth. A relatively small increase in toll rates resulting from indexing in these two fiscal years did not divert traffic from the System.

THE TURNPIKE SYSTEM

Existing Turnpike System

The Turnpike System consists of several components. The principal one, the 320-mile Mainline, extends in a north-south direction from I-75 at Wildwood in Sumter County to Florida City in southern Miami-Dade County, with an east-west segment intersecting at Orlando in Orange County. The Mainline consists of five different sub-components: SR-821, the Southern Coin System, the Ticket System, the Northern Coin System and the Beachline West Expressway.

In addition to the 320-mile Mainline, the System includes the 18-mile Seminole Expressway in Seminole County, the 15-mile Veterans Expressway in Hillsborough County, the 6-mile Southern Connector Extension in Orange and Osceola counties, the 25-mile Polk Parkway in Polk County, the 42-mile Suncoast Parkway in Hillsborough, Pasco and Hernando counties, the 23-mile Sawgrass Expressway in Broward County, the 11-mile Western Beltway, Part C, in Orange and Osceola counties, the 1-mile I-4 Connector in Hillsborough County, and the 22-mile Beachline East Expressway in Orange and Brevard counties which was acquired by the System on July 1, 2014.

Projects

Recently Completed Projects: The System recently completed the improvements at the I-4 / Mainline interchange in Orange County, construction of auxiliary lanes on SR-821 between NW 74th Street and NW 106th Street in Miami-Dade County, and canal protection improvements on the Mainline in Okeechobee County. Additionally, the System recently converted the Sawgrass Expressway in Broward County, the Veterans Expressway in Hillsborough County, and a portion of the Southern Coin section of the Mainline in Miami-Dade and Broward counties to AET.

Projects Currently Under Construction: The System is currently constructing auxiliary lanes on the Mainline between I-595 and Peters Road in Broward County, widening and adding express lanes to various segments of the Veterans Expressway in Hillsborough County, the Beachline West Expressway in Orange County, and SR-821 in Miami-Dade County, the First Coast

Expressway project in Clay and Duval counties, interchange improvements at Sunrise Boulevard on the Mainline in Broward County, a new interchange on the Mainline at milepost 279 near the City of Minneola in Lake County, a new interchange on the Mainline at SR-417 in Orange County, and infrastructure improvements at the Fort Pierce and Okahumpka service plazas along the Mainline.

Ongoing Maintenance and Other Improvements

The Enterprise continues to maintain the System at the high standards established by the Department, allowing for future expansion and capacity improvements. See "TURNPIKE SYSTEM FINANCIAL DATA - Discussion of Results of Operations and Management Analysis" below. The Turnpike's Five Year Work Program includes a multitude of capital projects as follows: widening of SR-821 from Bird Road to Miramar in Miami-Dade and Broward counties; widening of the Sawgrass Expressway from Sunrise Boulevard to Powerline Road in Broward County; widening of the Mainline from Atlantic Boulevard to Lake Worth Road in Broward and Palm Beach counties; widening of the Seminole Expressway from Aloma Avenue to SR-434 in Seminole County; widening of the Beachline West from I-4 to McCoy Road in Orange County; widening of the Mainline from US-192/441 to the Beachline West Expressway in Osceola and Orange counties and from State Road 50 to a new interchange at milepost 279 in Lake County; extension of the Suncoast Parkway from US-98 to SR-44 primarily in Citrus County; AET improvements on the remaining portion of the Southern Coin section of the Mainline in Broward and Palm Beach counties, the Suncoast Parkway in Pasco and Hernando counties, as well as the Ticket System (multiple counties); modification of the Golden Glades interchange on the Mainline in Miami-Dade County; modification to the Interstate 75 / Mainline interchange in Sumter County; and construction of a new tolled interchange at Sand Lake Road on the Mainline at milepost 257 in Orange County.

Project Development Process

The Florida Turnpike Enterprise Law requires that proposed System projects must be developed in accordance with the Florida Transportation Plan. Updated annually, the Florida Transportation Plan defines the State's transportation goals and objectives to be accomplished over a period of at least 20 years. System projects must also conform to the Department's tentative work program guidelines. The work program lists the Transportation projects planned for each of the next five fiscal years and, after review by the Florida Transportation Commission, forms the basis for the governor's budget recommendation to the Legislature.

In developing the tentative work program, the Department is required to program Turnpike Toll and bond financed projects such that the ratio of projects in Miami-Dade, Broward and Palm Beach counties to total System projects is at least 90% of the ratio of net toll revenues collected in those counties to total net toll revenues collected on the System.

Proposed System expansion projects must meet a statutory test for economic feasibility which requires the estimated net revenues of the project to be sufficient to pay at least (i) 50% of the debt service on any bonds issued to finance such project by the end of the 12^{th} year of operation and (ii) 100% of the debt service on such bonds by the end of the 30^{th} year of operation. Although the test was modified so that additional expansion transportation projects could be constructed, the test remains designed to guard against an expansion project being unable to support its own debt and is applied only to the portion of the project cost funded by bond proceeds. The feasibility test is not applied to non-expansion projects such as interchanges and widenings, which are subjected to established evaluation processes and strict needs tests.

The Florida Department of Environmental Protection reviews the environmental feasibility of proposed System expansion projects prior to their inclusion in the tentative work program. Projects which impact a local transportation system must be included in the transportation improvement plan of the affected metropolitan planning organization or county, as applicable.

Insurance on Turnpike System

The System has obtained comprehensive insurance coverage from a combination of the State Risk Management Trust Fund and the Department's Bridge, Property and Business Interruption Program. Primary insurance with the State Risk Management Trust Fund is provided through a self-insurance program of the Florida Department of Financial Services, Bureau of Property, which is offered to all state agencies and includes a private coinsurance rider to protect the State Risk Management Trust Fund against loss from major perils. Insurance under the State Risk Management Trust Fund is provided to cover physical loss to buildings and contents as a result of fire, flood, lightning, windstorm or hail, explosion and smoke. The State Risk Management Trust Fund provides a lower deductible than is provided with the Department's Bridge, Property and Business Interruption Program.

Additional insurance with the Department's Bridge, Property and Business Interruption Program is provided by a Florida Department of Management Services' state contract with insurance brokers that defines perils, hazards, and coverage for several toll road systems in Florida. Coverage is extended to major bridges, overpasses and underpasses, toll revenue producing buildings and structures, and use and occupancy on system operations. Use and occupancy (business interruption) coverage is subject to a seven day waiting period and must be directly related to the physical damage that creates the inability to collect Tolls. The waiving of Tolls for evacuation and recovery efforts is not covered under the policy.

As a component of the Department, the System participates in the Florida Casualty Insurance Risk Management Trust Fund, a self-insurance fund which provides insurance for State employee workers' compensation, general liability, fleet automotive liability, federal civil rights actions, and court-awarded attorney's fees. In addition, employees are covered by the State's Employee Health Insurance Fund.

The Resolution requires that insurance proceeds, other than use and occupancy insurance, be used to restore or replace damaged facilities, to redeem Bonds, or to reimburse the Department if it has advanced funds for restoration or replacement. Proceeds of use and occupancy insurance must be deposited in the Revenue Fund.

Competing Facilities

In addition to the System projects, other transportation improvements have the potential to affect future System traffic to varying degrees. For example, I-95 has been progressively widened in Miami-Dade, Broward and Palm Beach counties to ease congestion. Although most of this widening has been completed, there are other I-95 widening projects in various stages of development. These projects are not expected to have a significant adverse impact on System traffic.

The Department and local transit partners are implementing a network of Express Lanes on I-95 and other major roadways in South Florida. The first phase of 95 Express extends for seven miles and is already open to traffic. This phase includes two sub-phases: 1A and 1B. Sub-phase 1A, which began toll collection in December 2008, includes the seven-mile northbound direction only. Phase 1B began toll collection in January 2010, and includes the southbound direction from the Golden Glades interchange to just south of SR-836 and extends the northbound express lanes further to the south from SR-112 to I-395. The Department is currently extending the 95 Express Lanes by an additional 15 miles into Broward County. Known as phase 2, this project is expected to open in 2016. The Department is also implementing a third phase on I-95. Phase 3 from Stirling Road in Broward County to Linton Boulevard in Palm Beach County includes a plan to add new dual express lanes in segments. The first segment, 3A (Broward Boulevard to SW 10th Street in Broward County) will begin construction in early 2016. Future expansion projects after segment 3A are currently under development and include completion of the dual express lanes in each direction for the full length of the 95 Express Phase 3 limits. Tolls in these lanes are collected electronically using SunPass®, and are variably-priced based on congestion levels. Another major expansion project by FDOT is the 10-mile I-595 corridor that includes three tolled reversible express lanes, interchange improvements, auxiliary lanes, improvements to the I-595 connection with the System, and the implementation of bus rapid transit within the I-595 corridor which opened in March 2014. These projects are not expected to have a significant adverse impact on System traffic.

Another key infrastructure project in the central Florida area is a major improvement on I-4. Termed the I-4 Ultimate, this 21-mile project will add two new express lanes in each direction in the center of I-4 from west of Kirkman Road to east of SR-434 in Seminole County. Tolls will be collected electronically using SunPass® and will be variably-priced based on congestion levels. The first phase of construction started in early 2015. While this project when completed will ease congestion on I-4, it is not expected to adversely impact System facilities.

The Tri-County Commuter Rail system between Miami and West Palm Beach, which began operation in January 1989, provides a public transportation alternative to the Turnpike and I-95 in south Florida. To date, this service has not adversely affected System traffic and it is not anticipated to affect traffic in the future.

In December 2009, the Florida Legislature approved SunRail, a 61-mile commuter rail system in central Florida that will link DeLand and Poinciana. The section from DeBary in Volusia County to Sand Lake Road in Orange County opened in April 2014. The rail system is expected to have a minimal impact on System facilities.

Additionally, a subsidiary of Florida East Coast Industries Inc. has commenced construction of an intercity passenger rail service for business and leisure passengers. This rail project is a 235-mile service route that will run north-south from Miami to Cocoa, with new tracks that will connect to Orlando, and a possible future extension to Tampa and Jacksonville. The service between Miami and Orlando may be operational as early as 2017. The project is not expected to have a material impact on the System.

Finally, a private company is proposing a light rail system that will operate adjacent to the Beachline Expressway (SR-528). The proposed 14-mile route extends from International Drive (convention center) to the Orlando International Airport. The company is in discussion with the Florida Department of Transportation, the Greater Orlando Aviation Authority, Central Florida Expressway Authority, Orange County, City of Orlando and private land owners who own right-of-way along the 14-mile corridor. The company was awarded the opportunity to lease right-of-way from the Florida Department of Transportation. After all the agreements are finalized and the environmental and construction permits are approved, the rail system may be operational by 2017. This intracity connection provides another transportation choice but is not expected to have a material impact on the System.

TURNPIKE SYSTEM FINANCIAL DATA

The following tables and their components should be read in conjunction with Appendix C, the audited financial statements of the Turnpike System.

Historical Summary of Net Position Data

The following schedule summarizes the statement of net position data for the System. This schedule was derived from the financial statements included in the annual financial statements of the System as audited for June 30 of each fiscal year shown (the Fiscal Year 2015 and 2014 financial statements are included in their entirety as Appendix C).

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Historical Summary of Net Position Data
Turnpike System
As of June 30
(In Thousands)

	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Assets:					
Current Assets:					
Cash and Cash Equivalents	$ 573,609	$ 680,845	$ 679,346	$ 857,410	$ 854,693
Investments	37,444	127	-	-	-
Receivables					
Accounts	3,116	2,938	9,162	8,480	11,195
Interest	1,321	4,916	906	1,404	1,153
Due from Other Governments	16,747	19,790	25,268	17,542	25,740
Prepaid expenses	547	61	-	-	234
Inventory	3,583	4,551	1,735	2,511	1,550
Other Assets	473	-	1,855	6,904	3,934
Total Current Assets	636,840	713,228	718,272	894,251	898,499
Restricted Non-Current Assets:					
Unrestricted Investments	-	-	-	176	34,448
Restricted Cash and Cash Equivalents	50,686	119,068	69,594	70,949	37,265
Restricted Investments	206,263	249,927	213,526	191,729	186,314
Total Restricted Assets	256,949	368,995	283,120	262,854	223,579
Non-Depreciable Capital Assets:					
Construction in Progress	624,870	399,188	598,831	950,605	949,387
Land	863,893	863,355	866,624	892,855	903,572
Infrastructure-Highway System and Improvements	5,958,776	6,311,641	6,432,812	6,878,491	7,224,909
Buildings	-	-	48,981	60,367	60,367
Total Non-Depreciable Capital Assets	7,447,539	7,574,184	7,947,248	8,782,318	9,138,235
Depreciable Capital Assets:					
Building and Improvements	262,745	263,058	247,870	247,177	240,381
Furniture and Equipment	136,623	152,345	151,261	178,682	198,943
Intangible Assets	16,787	39,952	41,941	44,776	51,951
Less: Accumulated Depreciation and Amortization	(198,582)	(224,878)	(217,777)	(237,642)	(244,290)
Total Depreciable Capital Assets, net	217,573	230,477	223,295	232,993	246,985
Fiscal Charges, net	13,654	13,322	12,818	-	-
Other Assets	1,582	1,577	-	-	-
Service Concessionaire arrangement receivable	-	-	82,308	76,751	71,467
Total Noncurrent Assets	7,937,297	8,188,555	8,548,789	9,354,916	9,714,714
Total Assets	8,574,137	8,901,783	9,267,061	10,249,167	10,613,213
Deferred outflows of resources	-	-	40,102	40,542	36,119
Total Assets and Deferred Outflows of Resources	$ 8,574,137	$ 8,901,783	$ 9,307,163	$ 10,289,709	$ 10,649,332
Liabilities, Deferred Inflows of Resources and Net Position					
Liabilities:					
Current Liabilities:					
Construction Contracts and Retainage Payable	$ 113,757	$ 120,077	$ 36,199	$ 154,314	$ 72,623
Current Portion of Bonds Payable	103,460	110,185	117,220	119,240	127,045
Due to Florida Department of Transportation	38,866	42,663	32,814	31,320	37,849
Due to Other Governments	172	72	106	88	71
Deposits Payable	200	200	200	229	225
Unearned Revenue	2,261	605	249	275	2,325
Total Current Liabilities	258,716	273,802	186,788	305,466	240,138
Noncurrent Liabilities:					
Long-Term Portion of Bonds Payable, net	2,731,768	2,784,892	2,761,634	2,795,715	2,767,374
Advances Payable to Florida Department of Transportation	155,828	148,898	139,121	125,879	110,662
Unearned Revenue from Other Governments	699	649	600	550	500
Other Long-Term Liabilities	4,018	1,566	-	52,725	19,575
Total Noncurrent Liabilities	2,892,313	2,936,005	2,901,355	2,974,869	2,898,111
Total Liabilities	$ 3,151,029	$ 3,209,807	$ 3,088,143	$ 3,280,335	$ 3,138,249
Deferred Inflows of Resources	-	-	140,259	145,120	137,108
Net Position:					
Net Investment in Capital Assets	$ 4,791,948	$ 5,051,519	$ 5,339,106	$ 6,110,327	$ 6,496,129
Restricted for Debt Service	139,183	133,109	138,716	108,317	90,754
Restricted for Renewal and Replacement	25,756	33,119	10,830	12,608	19,597
Unrestricted	466,221	474,229	590,109	633,002	767,495
Total Net Position	5,423,108	5,691,976	6,078,761	6,864,254	7,373,975
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 8,574,137	$ 8,901,783	$ 9,307,163	$ 10,289,709	$ 10,649,332

Source: Florida's Turnpike System financial statements as audited for Fiscal Years 2011 through 2015.

Historical Summary of Revenues, Expenses and Changes in Net Position

The following schedule summarizes the revenues, expenses and changes in net position for the System. These schedules were derived from the financial statements included in the annual financial statements of the System as audited for June 30 of each year shown.

Historical Summary of Revenues, Expenses and Changes in Net Position
Turnpike System
(In Thousands)

	Fiscal Year Ended June 30				
	2011	2012	2013	2014	2015
Operating Revenues:					
Toll facilities	$600,079	$608,812	$755,542	$796,301	$865,950
Toll Administrative Charges[2]	-	-	-	8,495	15,334
Concessions	8,382	7,169	7,515	7,139	7,050
Other	3,485	4,220	4,928	4,934	6,255
Total Operating Revenues	611,946	620,201	767,985	816,869	894,589
Operating Expenses:					
Operations and maintenance	176,758	171,028	156,185	164,191	175,769
Business development and marketing	3,302	2,676	1,203	1,647	1,391
Pollution remediation	(1,030)	-	-	-	547
Renewals and replacements	34,502	44,064	81,912	62,684	59,249
Depreciation and amortization	19,110	31,038	35,165	35,419	34,951
Total Operating Expenses	232,642	248,806	274,465	263,941	271,907
Operating Income	379,304	371,395	493,520	552,928	622,682
Nonoperating Revenues (Expenses):					
Investment earnings	13,750	24,121	3,327	21,547	7,560
Interest Subsidy	5,943	5,943	5,685	5,515	5,509
Interest expense	(110,437)	(125,821)	(109,188)	(91,539)	(80,854)
Other, net	(5,314)	(3,416)	(7,783)	(17,104)	(12,706)
Total Nonoperating Expenses, net	(96,058)	(99,173)	(107,959)	(81,581)	(80,491)
Income Before Contributions for Capital Projects and Contributions to Other Governments	283,246	272,222	385,561	471,347	542,191
Contributions for Capital Projects	23,681	2,274	1,224	314,146 [1]	7,449
Contributions to Other Governments	(5,925)	(5,628)	-	-	(39,919)
Increase in Net Position	301,002	268,868	386,785	785,493	509,721
Net Position:					
Beginning of year	5,122,106	5,423,108	5,691,976	6,078,761	6,864,254
End of year	$5,423,108	$5,691,976	$6,078,761	$6,864,254	$7,373,975

Source: Florida's Turnpike System financial statements as audited for Fiscal Years 2011 through 2015.
[1] Primarily reflects contributions for construction of the I-4 Connector that opened January 2014.
[2] For Fiscal Years 2011, 2012 and 2013, Toll Administrative Charges were netted against Operations and Maintenance Expenses.

Discussion of Results of Operations and Management Analysis

The System earned nearly $866 million in toll revenues during Fiscal Year 2015 representing an increase of approximately 9% from Fiscal Year 2014 toll revenues of $796 million. The increase was attributable to growth in toll transactions on the System, the indexing of toll rates that went into effect on July 1, 2014, a full year of revenues for the I-4 Connector, and the acquisition of the Beachline East Expressway on July 1, 2014.

In accordance with Section 338.231(3)(b), Florida Statutes, the System collects Toll Administrative Charges on plate-based video bills. Due to the growth in toll transactions and the conversion of the Sawgrass Expressway and Veterans Expressway to All-Electronic Tolling, Toll Administrative Charges grew from $8.5 million for Fiscal Year 2014 to $15.3 million for Fiscal Year 2015. Such amounts are designed to offset the related operating costs.

Fiscal Year 2015 was marked by strong use of the SunPass® electronic toll collection system. With the ability to process nearly four times the volume of vehicles through a dedicated lane as compared to an automatic or manual lane, SunPass® has increased processing throughput resulting in significant time savings for System patrons. For Fiscal Year 2015, SunPass® transactions averaged 81% of total toll transactions on the Turnpike System similar to the prior year. To date, approximately twelve million SunPass® transponders have been activated by customers.

Fiscal Year 2015 Operations and Maintenance ("O&M") expenses of $175.8 million increased by approximately 6 percent over Fiscal Year 2014 expenses of $164.2 million. The increase was primarily due to growth in system toll transactions, the addition of the Beachline East Expressway, and the impact of the first full year of traffic on the I-4 Connector.

With regard to the System's maintenance program, the infrastructure remains in excellent condition. The State Maintenance Engineer for the Department separately evaluates the maintenance condition of Department facilities. A rating of 80 is considered satisfactory with a rating of 100 being the highest possible. In Fiscal Year 2015, the Department's rating for the System was 88.

Historical Summary of Revenues, Expenses and Debt Service Coverage

The following schedule summarizes the operating revenue and expense for the System. For comparative purposes, debt service coverage is shown based both on Net Revenue, in accordance with the flow of funds pursuant to the Resolution, and on Gross Revenue, consistent with the Department's Covenant to Pay Costs of Operation and Maintenance. See "FLOW OF FUNDS" above.

Historical Summary of Revenue and Expense and Debt Service Coverage
Turnpike System
(In Thousands)

	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
Gross Revenue[1]					
Tolls	$600,079	$608,812	$755,542	$796,301	$865,950
Toll Administrative Charges[5]	-	-	-	8,495	15,334
Concession	8,382	7,169	7,515	7,139	7,050
Miscellaneous Revenue	3,485	4,220	4,928	4,934	6,255
Total	611,946	620,201	767,985	816,869	894,589
Operations and Maintenance Expenses[1]	(180,060)	(173,704)	(157,388)	(165,838)	(177,160)
Net Revenue	$431,886	$446,497	$610,597	$651,031	$717,429
Annual Debt Service[2]	$237,118	$243,239	$243,618	$239,537	$253,090
Net Revenue[3] Annual Debt Service Coverage	1.82x	1.84x	2.51x	2.72x	2.83x
Gross Revenue[4] Annual Debt Service Coverage	2.58x	2.55x	3.15x	3.41x	3.53x
Maximum Annual Debt Service	$237,118	$243,576	$245,549	$255,462	$264,585
Net Revenue[3] Max Annual Debt Service Coverage	1.82x	1.83x	2.49x	2.55x	2.71x
Gross Revenue[4] Max Annual Debt Service Coverage	2.58x	2.55x	3.13x	3.20x	3.38x

1 Historical Revenues and Operations and Maintenance Expenses are as shown in Florida's Turnpike System Financial Statements for Fiscal Years 2011 through 2015. Operations and Maintenance expenses include Business Development and Marketing expense and exclude Renewal and Replacement costs and Depreciation.
2 Annual debt service for Fiscal Years 2011 through 2015 is shown net of the federal subsidy on the Series 2009B Build America Bonds, which is approximately $5.9 million annually for Fiscal Years 2011 and 2012, $5.7 million for Fiscal Year 2013, and $5.5 million for Fiscal Years 2014 and 2015.
3 After payment of Cost of Operation and Cost of Maintenance, as provided in the Resolution.
4 In accordance with the Department's Covenant to pay costs of operation and maintenance from the STTF.
5 For Fiscal Years 2011, 2012 and 2013, Toll Administrative Charges were netted against Operations and Maintenance Expenses.

Projected Revenue, Expense and Debt Service Coverage

The following tables of projected revenue, expense and debt service coverage were prepared by the System for internal purposes. The accompanying prospective financial information was not prepared with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the System's management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments, and presents, to the best of management's knowledge and belief, the expected course of action and the expected future financial performance of the System. However, these projections should not be relied upon as being necessarily indicative of future results, and readers of this Official Statement are cautioned not to place undue reliance on the prospective financial information.

Neither the System's independent auditors, nor any other independent accountants, have compiled, examined or performed any procedures with respect to the projected financial information contained in these tables, nor have they expressed any opinion or form of assurance on such projections or their achievability, and assume no responsibility for, and disclaim any association with the projected financial information.

Net Revenue projections for the System in the following table are based upon the projections for revenue and operation and maintenance expense. These estimates include various underlying trends and conditions which have been affected by the recent economic recession. See "Appendix A - Traffic Engineer's Letter" for a detailed discussion of the revenue projection assumptions. For comparative purposes, Debt Service Coverage is shown based both on Net Revenue, in accordance with the flow of funds pursuant to the Resolution, and on Gross Revenue consistent with the Department's Covenant to Pay Costs of Operation and Maintenance. See "FLOW OF FUNDS" above.

Forecast Turnpike System Net Revenues
(In Thousands)

	Gross Revenue[1]					
Fiscal Year	**Tolls**	**Concession**	**Toll Administrative Charges***	**Total**	**Operating and Maintenance Expenses[2]**	**Net Revenue**
2016	$884,117	$7,179	$14,077	$905,373	$190,496	$714,877
2017	903,164	7,256	14,359	924,779	201,042	723,737
2018	957,417	7,435	14,646	979,498	206,844	772,654
2019	971,124	7,472	14,939	993,535	207,704	785,831
2020	987,447	7,548	15,238	1,010,233	206,487	803,746
2021	1,018,174	7,690	15,543	1,041,407	211,332	830,075
2022	1,051,667	7,834	15,854	1,075,355	215,696	859,659
2023	1,086,667	7,981	16,171	1,110,819	220,144	890,675
2024	1,117,515	8,131	16,494	1,142,140	224,663	917,477
2025	1,155,095	8,283	16,824	1,180,202	229,287	950,915
2026	1,188,677	8,283	17,160	1,214,276	233,817	980,459

[1] Projected revenues are as shown in Appendix A, "Traffic and Earnings Report" prepared by URS Corporation. **No assurance can be given that there will not be material differences between such projections and actual results.**

[2] Operating and Maintenance Expense projections taken from Appendix A, "The Traffic and Earnings Report".

* Toll Administrative Charges are estimated by the Turnpike Finance Office and are shown separately. Such revenue does not offset Operations and Maintenance Expenses as in prior Traffic and Earnings Reports. Operations and Maintenance Expense includes Business Development and Marketing Expenses.

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Projected Revenue, Expense and Debt Service Coverage
Turnpike System
(In Thousands)

	Fiscal Years Ending June 30				
Gross Revenue [1]	**2016**	**2017**	**2018**	**2019**	**2020**
Tolls	$884,117	$903,164	$957,417	$971,124	$987,447
Toll Administrative Charges	14,077	14,359	14,646	14,939	15,238
Concession	7,179	7,256	7,435	7,472	7,548
Total	905,373	924,779	979,498	993,535	1,010,233
Operations and Maintenance Expenses [2]	(190,496)	(201,042)	(206,844)	(207,704)	(206,487)
Net Revenue	$714,877	$723,737	$772,654	$785,831	$803,746
Annual Debt Service[3]	$260,057	$260,254	$261,153	$261,621	$245,124
Net Revenue[4] Annual Debt Service Coverage	2.75x	2.78x	2.96x	3.00x	3.28x
Gross Revenue[5] Annual Debt Service Coverage	3.48x	3.55x	3.75x	3.80x	4.12x
Maximum Annual Debt Service [6]	$261,621	$261,621	$261,621	$261,621	$245,124
Net Revenue[4] Max Annual Debt Service Coverage	2.73x	2.77x	2.95x	3.00x	3.28x
Gross Revenue[5] Max Annual Debt Service Coverage	3.46x	3.53x	3.74x	3.80x	4.12x

[1] The revenue projections are as shown in Appendix A, "Traffic and Earnings Report." **No assurance can be given that there will not be material differences between such projections and actual results.**

[2] Operating Maintenance Expense projections provided in Appendix A, "Traffic and Earnings Report." Operating and Maintenance Expense includes Business Development and Marketing expense and excludes Renewal and Replacement costs and Depreciation.

[3] Annual debt service is shown net of the Refunded Bonds which will be economically but not legally defeased on the date of closing and net of the federal subsidy on the previously issued Series 2009B Build America Bonds which is estimated to be approximately $5.5 million annually over the period.

[4] After payment of Cost of Operation and Cost of Maintenance, as provided in the Resolution.

[5] In accordance with the Department's Covenant to pay costs of operation and maintenance from State Transportation Trust Fund.

[6] Maximum Annual Debt Service occurs in Fiscal Year 2019.

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The Department does not generally publish its business plans and strategies for the System or make external disclosures of its anticipated financial position or results of operations. Accordingly, the Department does not intend to update or otherwise revise the prospective financial information to reflect circumstances existing since its preparation or to reflect the occurrence of unanticipated events even in the event that any or all of the underlying assumptions are shown to be in error. Furthermore, the Department does not intend to update or revise the prospective financial information to reflect changes in general economic or industry conditions occurring after the date hereof.

SCHEDULE OF DEBT SERVICE

The table below shows the debt service on the Outstanding Bonds, the debt service on the 2016A Bonds and the total debt service. Payments due on July 1 are deemed to accrue in the preceding fiscal year.

Fiscal Year Ending June 30	Outstanding Bonds Debt Service[1]	2016A Debt Service Principal	2016A Debt Service Interest	2016A Debt Service Total	Total Debt Service
2016	$257,427,133	-	$2,629,646	$2,629,646	$260,056,779
2017	246,308,888	$6,550,000	7,395,263	13,945,263	260,254,151
2018	247,210,538	6,875,000	7,067,763	13,942,763	261,153,301
2019	247,676,788	7,220,000	6,724,013	13,944,013	261,620,801
2020	231,180,788	7,580,000	6,363,013	13,943,013	245,123,801
2021	231,164,506	7,965,000	5,984,013	13,949,013	245,113,519
2022	204,520,269	8,360,000	5,585,763	13,945,763	218,466,032
2023	195,982,345	8,775,000	5,167,763	13,942,763	209,925,107
2024	195,057,476	9,215,000	4,729,013	13,944,013	209,001,488
2025	194,657,403	9,680,000	4,268,263	13,948,263	208,605,665
2026	173,918,063	10,160,000	3,784,263	13,944,263	187,862,326
2027	173,644,891	-	3,276,263	3,276,263	176,921,154
2028	146,796,195	-	3,276,263	3,276,263	150,072,457
2029	140,750,802	-	3,276,263	3,276,263	144,027,064
2030	134,183,191	11,640,000	3,276,263	14,916,263	149,099,453
2031	131,471,454	12,110,000	2,810,663	14,920,663	146,392,117
2032	131,456,892	12,590,000	2,326,263	14,916,263	146,373,155
2033	131,446,259	12,970,000	1,948,563	14,918,563	146,364,822
2034	120,492,788	13,355,000	1,559,463	14,914,463	135,407,251
2035	104,970,746	13,895,000	1,025,263	14,920,263	119,891,009
2036	104,955,779	14,445,000	469,463	14,914,463	119,870,241
2037	88,127,403	-	-	-	88,127,403
2038	75,567,387	-	-	-	75,567,387
2039	75,468,743	-	-	-	75,468,743
2040	56,053,791	-	-	-	56,053,791
2041	40,318,150	-	-	-	40,318,150
2042	33,546,750	-	-	-	33,546,750
2043	27,239,675	-	-	-	27,239,675
2044	16,818,200	-	-	-	16,818,200
2045	10,041,200	-	-	-	10,041,200
	$4,168,454,491	$173,385,000	$82,943,496	$256,328,496	$4,424,782,987

[1] Excludes annual debt service of between $14.5 million and $15.5 million in Fiscal Years 2017 through 2036 on the Refunded Bonds and the estimated federal subsidy payment on the Series 2009B Build America Bonds. The Refunded Bonds will be economically but not legally defeased on the date of closing and expected to be called for redemption on July 1, 2016.

Note: Numbers may not add due to rounding.

PROVISIONS OF STATE LAW

Bonds Legal Investment for Fiduciaries

The State Bond Act provides that all bonds issued by the Division of Bond Finance are legal investments for state, county, municipal or other public funds, and for banks, savings banks, insurance companies, executors, administrators, trustees, and all other fiduciaries and also are securities eligible as collateral deposits for all state, county, municipal, or other public funds.

Negotiability

The 2016A Bonds will have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code - Investment Securities Law of the State.

TAX MATTERS

The 2016A Bonds

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the Division of Bond Finance, the Board of Administration and the Department must continue to meet after the issuance of the 2016A Bonds in order that interest on the 2016A Bonds not be included in gross income for federal income tax purposes. The failure by the Division of Bond Finance, the Board of Administration or the Department to meet these requirements may cause interest on the 2016A Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Division of Bond Finance, the Board of Administration and the Department have covenanted in the Resolution to comply with the requirements of the Code in order to maintain the exclusion of interest on the 2016A Bonds from gross income for federal income tax purposes.

In the opinion of Bond Counsel, assuming continuing compliance by the Division of Bond Finance, the Board of Administration and the Department with the tax covenant referred to above, under existing statutes, regulations, rulings and court decisions interest on the 2016A Bonds is excluded from gross income for federal income tax purposes. Interest on the 2016A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, however, interest on the 2016A Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations. Bond Counsel is further of the opinion that the 2016A Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein.

Except as described herein, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the 2016A Bonds. Prospective purchasers of 2016A Bonds should be aware that the ownership of 2016A Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry 2016A Bonds or, in the case of a financial institution, that portion of the owner's interest expense allocable to interest on a 2016A Bond, (ii) the reduction of loss reserve deduction for property and casualty insurance companies by 15% of certain items, including interest on the 2016A Bonds, (iii) the inclusion of interest on the 2016A Bonds in the effectively connected earnings and profits (with adjustments) of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of interest on the 2016A Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the 2016A Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits.

Original Issue Premium and Discount

The 2016A Bonds maturing on July 1 in the years 2017 through 2025 (the "Noncallable Premium Bonds") and the 2016A Bonds maturing on July 1 in the years 2026, 2030 through 2031 and 2034 through 2035 (the "Callable Premium Bonds") were sold at a price in excess of the amount payable at maturity in the case of the Noncallable Premium Bonds or their earlier call date in the case of the Callable Premium Bonds. Under the Code, the difference between the amount payable at maturity of the Noncallable Premium Bonds and the tax basis to the purchaser and the difference between the amount payable at the call date of the Callable Premium Bonds that minimizes the yield to a purchaser of a Callable Premium Bond and the tax basis to the purchaser (other than a purchaser who holds a Noncallable or Callable Premium Bond as inventory, stock in trade or for sale to customers in the ordinary course of business) is "bond premium". Bond premium is amortized for federal income tax purposes over the term of a Noncallable Premium Bond and over the period to the call date of a Callable Premium Bond that minimizes the yield to the purchaser of the Callable Premium Bond. A purchaser of a Noncallable or Callable Premium Bond is required to decrease his adjusted basis in the Premium Bond by the amount of amortizable bond premium attributable to each taxable year he holds the Premium Bond. The amount of amortizable bond premium attributable to each taxable year is determined at a constant interest rate compounded actuarially. The amortizable bond premium attributable to a taxable year is not deductible for federal income tax purposes. Purchasers of the Noncallable or Callable Premium Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the treatment of bond premium upon sale, redemption or other disposition of Noncallable or Callable Premium Bonds and with respect to the state and local consequences of owning and disposing of Noncallable or Callable Premium Bonds.

Under the Code, the difference between the principal amount of the 2016A Bonds maturing July 1 in the years 2032, 2033 and 2036 (the "Discount Bonds") and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount. Original issue discount represents interest which is excluded from gross income to the same extent, and subject to the same considerations discussed above, as other interest on the 2016A Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded actuarially. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof as set forth on the cover page of the Official Statement for the Bonds will be treated as receiving an amount of interest excludable from gross income equal to the original issue discount accruing during the period he holds the Discount Bond, and will increase his adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Discount Bonds, which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

Information Reporting and Backup Withholding. Interest paid on tax-exempt bonds such as the 2016A Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2016A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of 2016A Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the 2016A Bonds and proceeds from the sale of 2016A Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of 2016A Bonds. This withholding generally applies if the owner of 2016A Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the 2016A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

State Taxes

The 2016A Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein.

Florida laws governing the imposition of estate taxes do not provide for an exclusion of state or local bonds from the calculation of the value of the gross estate for tax purposes. Florida's estate tax is generally calculated on the basis of the otherwise unused portion of the federal credit allowed for state estate taxes. Under Chapter 198, Florida Statutes, all values for state estate tax purposes are as finally determined for federal estate tax purposes. Since state and local bonds are included in the valuation of the gross estate for federal tax purposes, such obligations would be included in such calculation for Florida estate tax purposes. Prospective owners of the 2016A Bonds should consult their own attorneys and advisors for the treatment of the ownership of the 2016A Bonds for estate tax purposes.

The 2016A Bonds and the income thereon are subject to the tax imposed by Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations and other specified entities.

INDEPENDENT AUDITORS

The financial statements of Florida's Turnpike System as of and for the year ended June 30, 2015, included in Appendix C of this Official Statement have been audited by RSM US LLP, independent auditors, as stated in their report dated November 6, 2015 appearing therein. Their opinion was unmodified with respect thereto. RSM US LLP, the System's independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report.

MISCELLANEOUS

Investment of Funds

All State funds are invested by either the State's Chief Financial Officer or the Board of Administration.

Funds Held Pursuant to the Resolution - The Resolution directs the manner in which funds held in the various funds and accounts for the Bonds may be invested. The Board of Administration manages the funds created pursuant to the Resolution, except for the Turnpike Plan Construction Fund, the Renewal and Replacement Fund and the General Reserve Fund, which are held in the State Treasury. Moneys in the funds and accounts may generally be invested and reinvested in Permitted Investments as defined in the Resolution, except that the Renewal and Replacement Fund and the General Reserve Fund may be invested as provided by law. All investments must mature not later than the dates on which moneys are needed for their authorized purposes. Income and interest received upon any investments of the moneys is deposited in the Revenue Fund and used in the same manner and order of priority as other moneys on deposit therein, unless otherwise provided by resolution; provided that investment earnings on moneys in the Rebate Fund and the Turnpike Plan Construction Fund are deposited therein, respectively.

Investment by the Chief Financial Officer - Funds held in the State Treasury are invested by internal and external investment managers. As of June 30, 2015, the ratio was approximately 48% internally managed funds, 44% externally managed funds, 2% Certificates of Deposit and 6% in an externally managed Security Lending program. The total portfolio market value on June 30, 2015, was $23,562,958,727.65.

Under State law, the Treasury is charged with investing funds of each State agency and the judicial branch. As of June 30, 2015, $15.872 billion of the investments in the Treasury consisted of accounts held by State agencies that are required by law to maintain their investments in the Treasury; additionally, $6.163 billion as of this date consisted of moneys held by certain boards, associations, or entities created by the State Constitution or by State law that are not required to maintain their investments with the Treasury and are permitted to withdraw these funds from the Treasury.

As provided by State law, the Treasury must be able to timely meet all disbursement needs of the State. Accordingly, the Treasury allocates its investments to provide for estimated disbursements plus a cushion for liquidity in instances of greater-than-expected disbursement demand.

To this end, a portion of Treasury's investments are managed for short-term liquidity and preservation of principal. The remainder is managed to obtain maximum yield, given the safety parameters of State law and Treasury's Comprehensive Investment Policy. Investments managed for short-term liquidity and preservation of principal are managed "internally" by Treasury personnel. The majority of investments managed for a maximum return are managed by "external" investment managers not employed by the State.

The Externally Managed Investment Program provides long-term value while limiting risk appropriately and provides a backup source of liquidity. External investment strategy focuses on medium-term and long-term fixed income securities, rather than money market instruments, in order to take advantage of higher returns historically achieved by such securities. Portfolio managers are hired to actively manage funds. These funds may be invested in U.S. Treasury government agency obligations, investment grade corporate debt, municipal debt, mortgage backed securities, asset backed securities, and U.S. dollar denominated investment-grade foreign bonds that are registered with the Securities and Exchange Commission. The managers may also use leveraging techniques such as forward purchase commitments, covered options, and interest rate futures.

Investment by the Board of Administration - The Board of Administration manages investment of assets on behalf of the members of the Florida Retirement System (the "FRS") Defined Benefit Plan. It also acts as sinking fund trustee for most State bond issues and oversees the management of a short-term investment pool for local governments and smaller trust accounts on behalf of third party beneficiaries.

The Board of Administration adopts specific investment policy guidelines for the management of its funds which reflect the long-term risk, yield, and diversification requirements necessary to meet its fiduciary obligations. As of June 30, 2015, the Board of Administration directed the investment/administration of 33 funds in 452 portfolios.

As of June 30, 2015 the total market value of the FRS (Defined Benefit) Trust Fund was $147,972,946,328.94. The Board of Administration pursues an investment strategy which allocates assets to different investment types. The long-term objective is to meet liability needs as determined by actuarial assumptions. Asset allocation levels are determined by the liquidity and cash flow requirements of the FRS, absolute and relative valuations of the asset class investments, and opportunities within those asset classes. Funds are invested internally and externally under a Defined Benefit Plan Investment Policy Statement.

The Board of Administration uses a variety of derivative products as part of its overall investment strategy. These products are used to manage risk or to execute strategies more efficiently or more cost effectively than could be done in the cash markets. They are not used to speculate in the expectation of earning extremely high returns. Any of the products used must be within investment policy guidelines designed to control the overall risk of the portfolio.

The Board of Administration invests assets in 32 designated funds other than the FRS (Defined Benefit) Trust Fund. As of June 30, 2015, the total market value of these funds equaled $31,994,734,874.22. Each fund is independently managed by the Board of Administration in accordance with the applicable documents, legal requirements and investment plan. Liquidity and preservation of capital are preeminent investment objectives for most of these funds, so investments for these are restricted to high quality money market instruments (e.g., cash, short-term treasury securities, certificates of deposit, banker's acceptances, and commercial paper). The term of these investments is generally short, but may vary depending upon the requirements of each trust and its investment plan.

Investment of bond sinking funds is controlled by the resolution authorizing issuance of a particular series of bonds. The Board of Administration's investment policy with respect to sinking funds is that only U.S. Treasury securities, and repurchase agreements backed thereby, be used.

Bond Ratings

Moody’s Investors Service and Fitch Ratings (herein referred to collectively as “Rating Agencies”), have assigned their municipal bond ratings of Aa3 and AA-, respectively to the 2016A Bonds. Such ratings reflect only the respective views of such Rating Agencies at the time such ratings were issued, and an explanation of the significance of such ratings may be obtained from any of the respective rating agencies.

No rating was requested from Standard & Poor's Ratings Services due to its proposed fee structure for such rating. The decision to proceed without a rating from Standard & Poor's Ratings Services was not related to any credit issues or the rating which the 2016A Bonds might have been assigned.

The Division of Bond Finance and the Department furnished to such Rating Agencies certain information and material in respect to the State and the 2016A Bonds. Generally, Rating Agencies base their ratings on such information and materials and on investigations, studies and assumptions made by the Rating Agencies. There is no assurance that such ratings will be maintained for any given period of time or that they may not be lowered, suspended or withdrawn entirely by the Rating Agencies, or any of them, if in their or its judgment, circumstances warrant. Any such downward change in, suspension of or withdrawal of such ratings may have an adverse effect on the market price of the 2016A Bonds.

Certain companies provide either bond insurance or reserve account surety bonds on various series of Outstanding Bonds. The Rating Agencies regularly evaluate the claims-paying ability of financial guarantors. The results of these evaluations may include ratings affirmations, ratings changes, or changes in rating outlook. MBIA Insurance Corporation (“MBIA”) is currently rated “B” by S&P with a stable outlook and “B2” by Moody’s with a negative outlook. Fitch has withdrawn its ratings for Ambac Assurance Corporation (Ambac), Financial Guaranty Insurance Company (FGIC), and MBIA; Moody’s and S&P have withdrawn their ratings for FGIC and Ambac. National Public Finance Guarantee Corporation (“National”) is currently rated “AA-” by S&P with a stable outlook and “A3” by Moody’s with a negative outlook. MBIA has entered into a reinsurance agreement with National whereby National has reinsured all US public finance transactions of MBIA. Potential investors are directed to the Rating Agencies for additional information on their ongoing evaluations of the financial guaranty industry and individual financial guarantors.

Verification of Mathematical Calculations

The arithmetical accuracy of the mathematical computations supporting the adequacy of the funds deposited pursuant to the Escrow Deposit Agreement and interest earnings thereon to pay principal of, redemption premium and interest on the Refunded Bonds, and the arithmetical accuracy of the mathematical computations relating to the investment of funds in the Escrow Deposit Trust Fund, supporting the conclusion that the 2016A Bonds will not be “arbitrage bonds” under the Internal Revenue Code of 1986, will be verified by Causey Demgen & Moore, P.C., Certified Public Accountants, as a condition of the delivery of the 2016A Bonds. The Refunded Bonds will be economically, but not legally, defeased. See “THE REFUNDING PROGRAM,” above.

Litigation

There is no litigation pending, or to the knowledge of the Department or the Division of Bond Finance, threatened, which if successful would have the effect of restraining or enjoining the issuance or delivery of the 2016A Bonds or questioning or affecting the validity of the 2016A Bonds or the proceedings and authority under which the 2016A Bonds are to be issued. The Department and the Division of Bond Finance from time to time engage in certain routine litigation the outcome of which would not be expected to have any material adverse effect on the issuance and delivery of the 2016A Bonds or the Turnpike System.

Legal Matters

The legal opinion of Greenberg Traurig, P.A., Miami, Florida, approving certain legal matters, will be provided on the date of delivery of the 2016A Bonds, as well as a certificate, executed by appropriate State officials, to the effect that to the best of their knowledge the Official Statement, as of its date and as of the date of delivery of the 2016A Bonds, does not contain an untrue statement of a material fact or omit to state a material fact which should be included herein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading. A proposed form of the legal opinion of Bond Counsel is attached hereto as Appendix G.

Continuing Disclosure

The Department will undertake, for the benefit of the beneficial owners and the Registered Owners of the 2016A Bonds, to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain material events. Such financial information and operating data will be transmitted to the Municipal Securities Rulemaking Board (the "MSRB") using its Electronic Municipal Market Access System (EMMA). Any notice of material events will also be transmitted to the MSRB using EMMA. The form of the undertaking is set forth in Appendix H, "Form of Continuing Disclosure Agreement". This undertaking is being made in order to assist the underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission.

Neither the Department nor the Division of Bond Finance has failed, in the previous five years, to comply in all material aspects with any prior disclosure undertakings.

Underwriting

Bank of America Merrill Lynch (the "Underwriter") has agreed to purchase the 2016A Bonds at an aggregate purchase price of $192,286,645.60 (which represents the par amount of the 2016A Bonds plus a net original issue premium of $19,661,281.70 and minus the Underwriter's discount of $759,636.10). The Underwriter may offer and sell the 2016A Bonds to certain dealers (including dealers depositing bonds into investment trusts, including trusts managed by the Underwriter) at prices lower than the offering prices. The offering prices or yields on the 2016A Bonds set forth on the inside front cover may be changed after the initial offering by the Underwriter.

Execution of Official Statement

The execution and delivery of this Official Statement have been duly authorized by the Department and the Division of Bond Finance.

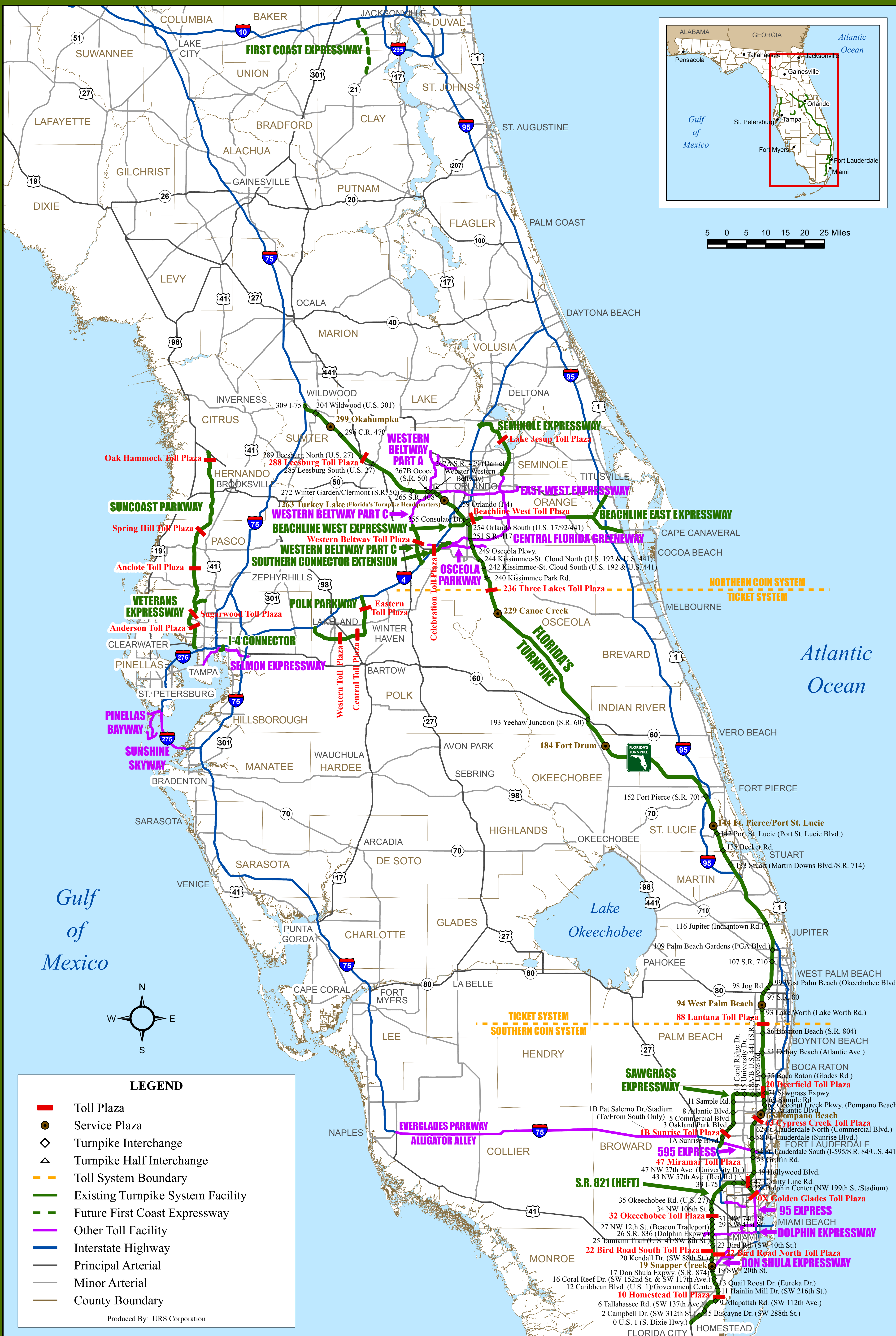
FLORIDA DEPARTMENT OF TRANSPORTATION

JIM BOXOLD
Secretary

DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA on behalf of the STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

RICK SCOTT
Governor, as Chairman
of the Governing Board

J. BEN WATKINS III
Director
Division of Bond Finance



Map of Central and Southern Florida Showing
THE FLORIDA TURNPIKE SYSTEM

Sources: Florida Department of Transportation 2015; NAVTEQ 2014

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APPENDIX A

TRAFFIC AND EARNINGS REPORT

FOR

FLORIDA'S TURNPIKE SYSTEM

In Connection With The

STATE OF FLORIDA

Department of Transportation

Turnpike Revenue Refunding Bonds, Series 2016A

December 2015

Prepared for the

Florida Department of Transportation

By

URS Corporation

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URS

December 17, 2015

Ms. Diane Gutierrez-Scaccetti
Executive Director and Chief Executive Officer – Florida's Turnpike Enterprise
Milepost 263, Florida's Turnpike, Bldg 5315, Turkey Lake Service Plaza
Ocoee, FL 34761

Dear Ms. Gutierrez-Scaccetti:

As requested, we have developed projections of toll traffic, revenues and expenses for Florida's Turnpike System [(1)] and prepared this Traffic and Earnings (T&E) Report in support of the State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2016A (the "2016A Bonds"). This bond sale will provide partial refunding for the 2006A Bonds.

1. INTRODUCTION – FLORIDA'S TRANSPORTATION INFRASTRUCTURE

In 1988 the Florida Transportation Commission (FTC) approved a proposed financing plan for Turnpike System improvements and expansion projects. Subsequently, a program of new projects was authorized for Florida's Turnpike by the Florida Legislature. To finance these projects, the Division of Bond Finance of the State Board of Administration of Florida issued, on behalf of and in the name of the Florida Department of Transportation (FDOT), Turnpike Revenue Bonds beginning in 1989. **Table 1** provides a history of all the bond issuances and a brief explanation of their individual purpose.

Table 1
Turnpike Revenue Bond History
Since 1989

Turnpike Revenue Bond Series	**Purpose**
1989A	Improvements to Turnpike System including new interchanges, widening, and the upgrade of toll collection equipment and safety enhancements.
1991A and 1992A	Construction of the Seminole Expressway-Project 1 in the Orlando Area and the Veterans Expressway in the Tampa Area.
1993A and 1997A	Refinance portions of the 1989, 1991 and 1992 Bonds.
1995A	Construction of the Polk Parkway between I-4 west of Lakeland and US 92 on the east side of Lakeland.
1998A	Complete construction of the Polk Parkway between US 92 to a connection with I-4 northeast of Lakeland. Also funded acquisition of right-of-way and initial construction of Suncoast Parkway 1.
1998B	Complete construction of the Suncoast Parkway 1.
1999A	Reimburse certain prior expenditures for the Suncoast Parkway 1 and fund improvements to the existing Turnpike System.
2000A	Fund widening improvements on existing system and Suncoast Parkway costs related to toll equipment and reimbursement of preliminary engineering costs.
2000B	Fund existing system widening, interchange modifications and right-of-way acquisition, bridge replacement and to complete the defeasance of the Broward County Expressway Authority Bonds ("Sawgrass Expressway Bonds").
2003A and B	Refinance portions of the 1993A and 1995 Bonds.
2003C	Fund system improvements and a portion of the Daniel Webster Western Beltway - Part C expansion project.

[(1)] Interchangeably referred to in this report as Florida's Turnpike, Turnpike, and System.

2004A	Continue construction of the Daniel Webster Western Beltway - Part C, several widening projects and SR 408 interchange modification.
2005A	Refinance portions of the 2000A Bonds.
2006A	Complete construction of the Daniel Webster Western Beltway - Part C, fund several widening projects, open road tolling capacity improvements, new interchanges, interchange modifications and various Intelligent Transportation System (ITS) improvements. Also refund a portion of the 1998B Bonds.
2007A	Continue construction of several widening projects, open road tolling capacity improvements, new interchanges, interchange modifications, various ITS improvements, Beachline West toll plaza express lanes, construct a new Traffic Management Center and widening of the Mainline in Orange County.
2008A	Continue financing ongoing projects including widening projects, open road tolling and traffic management improvements, new interchanges and capacity improvements. Also used for new interchange on the Suncoast Parkway, Polk Parkway SunPass® lanes, and a widening of the Mainline in Orange County. Also used to refund the 1997A Bonds.
2009A and B	Continue construction of several widenings, interchanges, toll plaza renovations and traffic management improvements, fund new projects including widening and ITS improvements on the Beachline West, open road tolling improvements on the Seminole Expressway, canal protection on the Sawgrass Expressway, widening of the Mainline in Orange and Broward Counties, a new interchange and widening at Pace Road on the Polk Parkway, and electronic tolling improvements on SR 821 (HEFT).
2010A and B	Continue financing ongoing projects including several widening projects, capacity improvements, open road tolling improvements, a new interchange, new projects including widening of the Mainline in Broward County, canal protection on the Mainline in Indian River County and partial funding of the I-4 Connector in Tampa. Several completed projects were also reimbursed from the proceeds. Also used to refund a portion of the 1998A, 1999A, and 2000B Bonds.
2011A	Fund ongoing projects including widening projects on the Mainline in Orange and Broward counties, widening and completion of an interchange on the Polk Parkway, open road tolling improvement on the Seminole Expressway, a canal protection on the Mainline in Indian River County, continuation of canal protection on the Mainline in Osceola County, a ramp bridge improvement on the Mainline in Palm Beach County (Indiantown Road), and reconstruction of service plazas along the Mainline. Also used to refund a portion of the 2003C Bonds.
2012A	Construct the I-4 Connector, fund initial widening of the Veterans Expressway from Memorial Highway to Gunn Highway, a canal protection project on the Mainline in Lake County, a ramp bridge improvement on the Mainline in Palm Beach County (PGA Boulevard) and refund a portion of the 1998A and 1999A Bonds.
2013A and B	Refinance all of the outstanding 2003A and 2003B Bonds.
2013C	Fund widening of Veterans Expressway in Hillsborough County from Memorial Highway to Gunn Highway, widening SR 821 (HEFT) in Miami-Dade County from Hainlin Mill Drive (SW 216th Street) to south of Killian Parkway with express lanes, a Canal Protection Project in Sumter County between MP 298 and MP 309, and construction of First Coast Expressway, a Turnpike expansion project in Clay and Duval Counties from Blanding Boulevard to Interstate 10.
2014A	Finance continuation of capital improvements to the Turnpike System, including widening the Veterans Expressway in Hillsborough County, construction of the First Coast Expressway in Clay and Duval counties, widening (including express lanes) of SR 821 (HEFT) in Miami-Dade County, canal protection in Okeechobee County from MP 181 to 189, and refund all outstanding FDOT Turnpike Revenue Bonds, Series 2004A.
2015A	Finance continuation of widening (including express lanes) of SR 821 (HEFT) from Hainlin Mill Drive (SW 216th Street) to SR 836 in Miami-Dade County, widening (including express lanes) of Veterans Expressway from Memorial Highway to Gunn Highway in Hillsborough County, and construction of the First Coast Expressway in Clay and Duval counties.
2015B	Refinance portions of the 2007A Bonds.

SunPass® is a registered trademark of the Florida Department of Transportation.

The centerfold map of this Official Statement shows the transportation network of central and southern Florida and the eight service plazas of Florida's Turnpike, with its interconnected system of highways serving the major cities in the region. As indicated on the map, the highway network consists of a combination of toll roads (the Turnpike System highlighted in green and other toll facilities shown in purple), other limited-access expressways (principally the Interstate Highway System), and an extensive system of state highways connecting all the major cities and recreational areas. Due to space constraints, the map does not show the interchanges on expansion projects (except for Sawgrass Expressway).

1.1 Florida's Turnpike System

Florida's Turnpike System consists of several components. The Mainline extends in a north-south direction from I-75 at Wildwood in Sumter County to Florida City in southern Miami-Dade County, with an east-west segment that provides a travel connection between the Mainline and the metro area of Orlando in Orange County. Within the Mainline are five sub-components: SR 821, Southern Coin System, Ticket System, Northern Coin System and Beachline West Expressway.

The Turnpike System also includes the Sawgrass Expressway in Broward County, Seminole Expressway in Seminole County, Veterans Expressway and I-4 Connector in Hillsborough County, Southern Connector Extension in Orange and Osceola counties, Polk Parkway in Polk County, Suncoast Parkway in Hillsborough, Pasco and Hernando counties, Western Beltway, Part C in Orange and Osceola counties, and Beachline East Expressway in Orange and Brevard counties. In addition, a new expansion project, the First Coast Expressway, is currently under construction with joint funding from District Two. This 15-mile project is a four-lane, divided, limited access toll facility in Duval and Clay counties in the greater Jacksonville area which will connect Blanding Boulevard (SR 21) to I-10 with seven interchanges and five mainline gantries. This facility is scheduled to open to traffic in the latter half of FY 2017.

1.1.1 Mainline

The Mainline of Florida's Turnpike System is 320 miles long. It consists of the 265-mile expressway between Wildwood/I-75 in central Florida and Miami (Golden Glades), the 47-mile SR 821 (HEFT) in Miami-Dade County and the eight-mile Beachline West in Orlando. The interchange numbering system, based on mileposts (MP), starts at "0" in Florida City and ends with the I-75 junction at MP 309. As shown on the map, the Turnpike Mainline serves all major east coast communities between Miami and Fort Pierce. North of Fort Pierce, the Mainline turns inland passing south and west of Orlando in the vicinity of Walt Disney World, and joins I-75 north of Wildwood. Opened in stages between 1957 and 1974, the north-south portion of the Turnpike Mainline currently has access at 68 interchanges.

The SR 821 (HEFT) portion of the Mainline extends from the junction at Miramar west and then south to US 1 at Florida City, the gateway to the Florida Keys. While forming a beltway around Miami and other older coastal cities, such as Hialeah and Coral Gables, county development has, since its opening to traffic, extended westward to and beyond SR 821 (HEFT). The road has become an urban commuting facility as well as a long-distance intercity highway serving commercial and recreational traffic. SR 821 was the first facility to be converted to All-Electronic Tolling (AET) in February 2011. A portion of 2013C, 2014A and 2015A Bond proceeds are being used to widen both directions of the SR 821 (HEFT) from Hainlin Mill Drive to SR 836. This same characteristic applies to the Turnpike Mainline throughout Miami-Dade, Broward and Palm Beach counties. The conversion of Hollywood Boulevard and Griffin Road ramps in August 2015, marked the completed AET conversion of the southern section of the Southern Coin System from Golden Glades to I-595 (except Dolphin Center Interchange). The next phase is the remaining section of the Southern Coin System which will be converted to AET in FY 2019 followed by the Ticket System in FY 2020.

Fuel and restaurant facilities are provided at all eight conveniently spaced service plazas albeit the Snapper Creek Service plaza provides limited food service. The Mainline interchanges and service areas and the principal cities served by the Turnpike Mainline (excluding the Beachline West Expressway) are shown in **Table 2**, listed from south to north.

The eight-mile Beachline West Expressway (designated SR 528), opened in 1973, extends from I-4 just east of Walt Disney World to the vicinity of the Orlando International Airport, where it connects directly to the Central Florida Expressway Authority (CFX), formerly Orlando-Orange County Expressway (OOCEA) Beachline Expressway. The CFX facility provides a connection to Orlando International Airport and, via the continuation of SR 528, to Cape Canaveral and the Kennedy Space Center. The Beachline West Expressway has five intermediate entrances and exits, including an interchange for Sea World. At its midpoint, it connects with the rest of the Turnpike Mainline and US 17/92/441 at the Orlando-South interchange at MP 254.

Table 2
Mainline Interchanges and Service Areas

Milepost No.	Designation	Area Served
1-19	11 SR 821 (HEFT) Interchanges	Southwest Miami-Dade County
❖	***Snapper Creek Service Plaza***	-
20-47	11 SR 821 (HEFT) Interchanges	West/North Miami-Dade County
0X	Golden Glades	Miami, Metropolitan Miami-Dade County
3X	Dolphin Center	Pro Player Stadium, North Miami-Dade County
47	SR 821 (HEFT) Junction/Miramar	Miramar, West/South Miami-Dade County
47	NW 27th Avenue	Miramar, Carol City
47	County Line Road	Miramar, East Miami-Dade County
49	Hollywood Boulevard	Hollywood, Hallandale
53	Griffin Road	Dania, Davie
54	I-595/SR 84	Fort Lauderdale, Port Everglades
58	Sunrise Boulevard	Fort Lauderdale, Sunrise, Plantation
62	Commercial Boulevard	Fort Lauderdale, Tamarac
❖	***Pompano Service Plaza***	-
66	Atlantic Boulevard	Pompano Beach, Margate, Coconut Creek
67	Coconut Creek Parkway	Pompano Beach, Margate, Coconut Creek
69	Sample Road	Coral Springs
71	Sawgrass Expressway	Deerfield Beach, Coral Springs
75	Boca Raton	Boca Raton
81	Delray Beach	Delray Beach
86	Boynton Beach	Boynton Beach
93	Lake Worth	Lake Worth
❖	***West Palm Service Plaza***	-
97	SR 80	West Palm Beach
*98	Jog Road	West Palm Beach
99	West Palm Beach (Okeechobee Boulevard)	West Palm Beach
107	SR 710	West Palm Beach
109	PGA Boulevard	Palm Beach Gardens
116	Jupiter	Jupiter
133	Stuart	Stuart
138	Becker Road	Stuart
142	Port St. Lucie	Port St. Lucie
❖	***Fort Pierce Service Plaza***	-
152	Fort Pierce	Fort Pierce, I-95 North
❖	***Fort Drum Service Plaza***	-
193	Yeehaw Junction	Tampa via SR 60
❖	***Canoe Creek Service Plaza***	-
**240	Kissimmee Park Road	Kissimmee, Walt Disney World
***242	Kissimmee/St. Cloud (South)	Kissimmee, Walt Disney World
***244	Kissimmee/St. Cloud (North)	Kissimmee, Walt Disney World
249	Osceola Parkway	Kissimmee, Walt Disney World
*251	SR 417	East Orlando Region
254	Orlando-South/Beachline Expressway	Orlando, Cape Canaveral, Walt Disney World
*255	Consulate Drive	Orlando
259	I-4/Orlando	Orlando, Walt Disney World
❖	***Turkey Lake Service Plaza***	-
265	Holland East-West Expressway	Orlando
267A	SR 429	Ocoee, Winter Garden, Apopka
267B	Orlando-West/Ocoee	Orlando, Ocoee, Winter Garden, Apopka
272	SR 50/Clermont	Clermont, Lake County
***285	Leesburg (US 27 South)	Leesburg, Clermont, Lake County
***289	Leesburg (US 27 North)	Leesburg, Tavares, Lake County
296	CR 470	Lake and Sumter Counties
❖	***Okahumpka Service Plaza***	-
304	Wildwood	Wildwood
309	I-75	Ocala and North

* Partial interchange to and from the south only.
** Partial interchange to and from the north only.
*** Split interchange ramps, the total of which serve all traffic movements.

The current year and five-year Capital Plan, inclusive of the widenings under construction, which will increase capacity and access to the Mainline are shown in **Table 3**.

Table 3
Mainline Capacity Improvements

Segment	Widening	From	To	Direction
Beachline West	2 to 4 Lanes. Includes Express Lanes (Each Direction)	I-4 (Milepost 0)	Turnpike Mainline (Milepost 4)	Eastbound and Westbound
	3 to 4 Lanes. Includes Express Lanes (Each Direction)	Turnpike Mainline (Milepost 4)	McCoy Road (Milepost 8)	
Northern Coin	2 to 4 Lanes. Includes Express Lanes (Each Direction)	US 192/441 (Milepost 242)	Beachline West (Milepost 254)	Northbound and Southbound
	2 to 4 Lanes. Includes Express Lanes (Each Direction)	SR 50 (Milepost 272)	Minneola (Milepost 279)	
Southern Coin	3 to 4 Lanes. Includes Express Lanes (Each Direction)	Atlantic Blvd. (Milepost 66)	Boynton Beach Blvd. (Milepost 86)	Northbound and Southbound
	2 to 3 Lanes. Includes Express Lanes (Each Direction)	Lantana Toll Plaza (Milepost 88)	Lake Worth Road (Milepost 93)	
SR 821 (HEFT)	2 to 3 Lanes. Includes Express Lanes (Each Direction)	SW 288th Street (Milepost 5)	SW 216th Street (Milepost 12)	Northbound and Southbound
	4 to 8 Lanes. Includes Express Lanes (Each Direction)	SW 216th Street (Milepost 12)	North of Eureka Dr. (Milepost 13)	
	6 to 8 Lanes. Includes Express Lanes (Each Direction)	North of Eureka Dr. (Milepost 13)	South of Killian Pkwy. (Milepost 19)	
	3 to 5 Lanes. Includes Express Lanes (Each Direction)	South of Killian Pkwy. (Milepost 19)	East of I-75 (Milepost 39)	
	2 to 4 Lanes. Includes Express Lanes (Each Direction)	East of I-75 (Milepost 39)	Miramar (Milepost 47)	

In addition to widening projects, various other improvements, such as new interchanges and modifications, and plaza conversions to SunPass® dedicated lanes, are under construction or planned. New interchanges, widening and various operating improvement projects are deemed viable and needed transportation projects that will enable the System to accommodate future growth in ridership.

1.1.2 Sawgrass Expressway

Originally constructed by the Broward County Expressway Authority and opened to traffic in 1986, the Sawgrass Expressway was authorized by Section 338.2275(4), Florida Statutes (1990) to be acquired by the FDOT, and is now operated under the management of the Florida's Turnpike Enterprise.

As previously mentioned, Turnpike Revenue Bonds, Series 2000B were issued in FY 2001 and a portion of the proceeds were used to defease the remaining outstanding Broward County Expressway Authority Bonds thereby eliminating the need for a separate accounting of the revenues, operation and maintenance expenses, and debt service requirements associated with the Sawgrass Expressway. As such, this information is consolidated with data from Florida's Turnpike operations in this report.

The Sawgrass Expressway extends westward from Powerline Road to the Turnpike at MP 71 and then southward to the junction of I-75/595, a distance of 23 miles. I-75 connects with SR 821 (HEFT) further south in Miami-Dade County. With nine intermediate interchanges, the Sawgrass Expressway serves Broward County communities (e.g., Coral Springs, Tamarac, Sunrise, Plantation, and Weston) as well as the developing areas in western Broward County. It is also a feeder route from these communities to the Gulf Coast via I-75 north (Alligator Alley), Miami via I-75 south, and Key West via I-75 and SR 821 (HEFT). The Sawgrass Expressway provides access to the BB&T Center.

During the 1990's, the Sawgrass Expressway experienced significant traffic growth. As such, the Turnpike widened the southern section from Sunrise Boulevard to Atlantic Boulevard from four to six lanes, a portion of which was funded by the 2003C Bond proceeds. Additionally, the Turnpike also widened the remainder of this facility from Atlantic Boulevard to the Mainline. A portion of the 2004A, 2006A, 2007A, and 2008A Bond proceeds were used to fund the widening of the northern end of this facility from Coral Ridge Drive to the Mainline. In addition to this northern end segment, the 2006A, 2007A, 2008A, 2009A and 2010B Bond proceeds were used to fund the widening of the middle section from Atlantic Boulevard to Coral Ridge Drive. Additional projects have been programmed to widen the Sawgrass Expressway to ten lanes between Sunrise Boulevard and SR 7, and to eight lanes between SR 7 and Powerline Road. In April 2014, this facility was converted to All-Electronic Tolling (AET). As such, only SunPass® or TOLL-BY-PLATE are accepted for toll payment.

1.1.3 Seminole Expressway

The Seminole Expressway (designated SR 417) is an 18-mile extension of the Central Florida GreeneWay (a major four-lane divided highway) from the Orange County line to a connection with I-4 west of Sanford. The southerly half-mile of the facility, which opened in FY 1989, was acquired from the Seminole County Expressway Authority in April 1990. The next 11.5 miles north of the four-lane facility opened to traffic in stages between January and June 1994 and includes a two-mile bridge over Lake Jesup, which previously had been an impediment to mobility in central Seminole County. The Turnpike constructed this portion of the facility with proceeds from the 1991 Bonds. In September 2002, the six-mile extension of the Seminole Expressway north to its terminus with I-4 was completed. This portion of the facility was constructed through a combination of federal funds, state funds, right-of-way bond funds and a federally-funded State Infrastructure Bank loan.

From south to north, there are seven intermediate interchanges on the facility at SR 426/Aloma Avenue, Red Bug Lake Road, SR 434, CR 427/Sanford Avenue/Lake Mary Boulevard, US 17/92, CR 46A, and Rinehart Road. With these interchanges, the Seminole Expressway serves the fastest growing areas of the county by connecting them directly to Sanford, Orlando, and the regional highway network. The Turnpike is partnering with CFX to widen the Seminole Expressway between the Orange/Seminole County line and Aloma Avenue from 4 to 6 lanes (one express lane in each direction) as CFX also widens a portion of SR 417 in Orange County. Additionally, the Turnpike will be widening the Seminole Expressway between Aloma Avenue and SR 434 (MP 44) from four to eight lanes (two express lane in each direction).

1.1.4 Veterans Expressway

The Veterans Expressway extends 15 miles from Independence Parkway (near SR 60/Courtney Campbell Causeway west of Tampa International Airport) to SR 597/Dale Mabry Highway in northern Hillsborough County. A portion of the 1991 Bonds and all of the 1992 Bonds were used to finance this four-lane facility (designated SR 589), which opened to traffic in October 1994 as planned. The facility is fed on the south end by the two-mile expressway connecting with I-275 in the commercially developed Westshore area of Hillsborough County. The Veterans Expressway provides an alternate to the congested Dale Mabry Highway and the north-south section of I-275. In order to provide better access to/from the facility, a portion of the 2004 Bonds were used to widen the segment of SR 60 leading to the Veterans Expressway from I-275.

The former Eisenhower Boulevard was upgraded to expressway standards with frontage roads. This section is the southern two miles of the facility, between Courtney Campbell Causeway and Hillsborough Avenue (on the west side of Tampa International Airport.) Beyond Hillsborough Avenue, the remaining 13 miles are within new right-of-way north to Van Dyke Road and then easterly to Dale Mabry Highway. Between Courtney Campbell Causeway and Dale Mabry Highway, intermediate interchanges are provided at Independence Parkway, Memorial Highway, Hillsborough Avenue, Waters Avenue, Anderson Road, Linebaugh Avenue, Wilsky Boulevard, Gunn Highway, Ehrlich Road, Hutchison Road and Van Dyke Road, along with a connection to the Suncoast Parkway (see **Section 1.1.7**). A portion of the 2012A, 2013C, 2014A and 2015A Bond proceeds are being used to widen the Veterans Expressway in both directions (including express lanes) from Memorial Highway to Gunn Highway. Additionally, the Turnpike is widening in both directions (including express lanes) the section between Gunn Highway and Van Dyke Road from four to eight lanes. As with the Sawgrass Expressway, this facility was converted to All-Electronic Tolling in phases starting from June 2014 through September 2014. As such, only SunPass® or TOLL-BY-PLATE are now accepted for toll payment.

1.1.5 Southern Connector Extension

The Southern Connector Extension is a six-mile, four-lane expressway that was jointly funded by the Turnpike from general funds and other public and private sector partners, including Osceola and Orange counties and the Transportation Development Group Trust. Consequently, no additional bonds were sold to finance this facility. Construction of the Southern Connector Extension was completed in FY 1996.

This facility connects the Central Florida GreeneWay, designated SR 417, to I-4 in Osceola County. There are interchanges with US 192 via Celebration Avenue and Osceola Parkway. In addition to providing an alternate to congested I-4 in the Walt Disney World area, the Southern Connector Extension provides direct access to World Drive and to Disney's Celebration City.

1.1.6 Polk Parkway

The Polk Parkway (designated SR 570) is a 25-mile limited-access expressway in Polk County. The facility, which was completed in December 1999, provides a beltway around the southern and eastern perimeters of the City of Lakeland. The heavier traffic volumes on the western and central sections of the facility require four lanes. Two lanes were deemed sufficient in the early years for the lighter traffic volumes on the eastern side of Lakeland.

The Polk Parkway has interchanges at I-4/west, Old Tampa Highway (CR 542), Airport Road (SR 572), Waring Road Extension, Harden Boulevard, South Florida Avenue (SR 37), Lakeland Highlands Road, US 98, SR 540, US 92, CR 546 and I-4/east. There are mainline toll plazas east of South Florida Avenue, east of US 98 and north of US 92. A portion of the 2011A Bond proceeds were used to build a new interchange at Pace Road, opening to traffic in November 2011. A portion of the proceeds were also used to widen this facility from Pace Road to the I-4 interchange from two lanes to four.

1.1.7 Suncoast Parkway

The Suncoast Parkway (also designated SR 589) is a 42-mile, four-lane, limited-access expressway extending north from the Veterans Expressway near Van Dyke Road in Hillsborough County through Pasco County to US 98 in northern Hernando County. The Suncoast Parkway provides an alternate to congested US 19, US 41 and I-75 in this corridor. The facility opened from the Veterans Expressway to SR 50 in February 2001, and to US 98 in August 2001. The Parkway has intermediate interchanges at Van Dyke Road, Lutz-Lake Fern Road, SR 54, SR 52, County Line Road (CR 578), Spring Hill Drive, SR 50 and US 98. There are three barrier toll plazas and four sets of ramp toll plazas. Conversion of the Suncoast Parkway to AET is expected in FY 2017 and FY 2018, complementing the Veterans Expressway which was converted previously. As such, only SunPass® or TOLL-BY-PLATE will be accepted for toll payment.

1.1.8 Daniel Webster Western Beltway, Part C

The Daniel Webster Western Beltway, Part C is a 22-mile, four lane facility (designated SR 429) and was constructed through a joint partnership between the Turnpike and the CFX. The Turnpike owns and operates the southernmost 11 miles of this facility, which extends from I-4 in Osceola County to Seidel

Road in Orange County. It is comprised of approximately 5 miles from Seidel Road to US 192 which opened to traffic in December 2005. The remaining 6 miles to I-4 opened to traffic in December 2006. A portion of the 2006A bond proceeds were used to complete construction of this facility. This joint Turnpike/CFX toll facility provides an alternate north-south route between US 441 (Orange Blossom Trail) northwest of Apopka to the Turnpike Mainline in Ocoee (west of Orlando) and continues to I-4 south of Walt Disney World. The Turnpike section of the roadway includes interchanges at Seidel Road, Disney World/Hartzog Road, US 192, Sinclair Road and I-4.

1.1.9 I-4 Connector

The I-4 Connector, opened to traffic in January 2014, is the newest-built addition to the Turnpike's expansion facilities. This 1-mile, AET elevated facility connects Interstate 4 and the Lee Roy Selmon Crosstown Expressway in Hillsborough County providing a limited access alternate route to and from Tampa. Built through a partnership with the Florida Department of Transportation District Seven and the Turnpike, this facility features a complex set of elevated directional ramps with three distinct movements. The two main movements are referred to as the "S" move and the "Z" move, named for the characteristic shapes of the ramps. The "S" move provides I-4 traffic to and from the east a connection to and from the west on the Selmon Expressway, while the "Z" move provides I-4 traffic to and from the west a connection to and from the east on the Selmon Expressway. The interchange also provides truck access to the Port of Tampa via ramps to and from the arterial street leading into the Port south of the Selmon Expressway, which is referred to as the "T" move.

1.1.10 Beachine East Expressway

On July 1, 2014, the Turnpike purchased the eastern end of the SR 528, Beachline East Expressway, a 22-mile facility, from the Florida Department of Transportation. The Beachline East extends east from SR 520 in Orange County for 6 miles into Brevard County where it splits into two branches. The 7-mile northeast branch becomes SR 407 and extends to a connection with SR 405, while the 9-mile southeast branch continues as SR 528 to a connection with the Bennett Causeway at US 1. This facility connects the John F. Kennedy Space Center and the aerospace industry to Orlando and serves as a regional connector to Florida's east coast. Tolls are collected at the Dallas Mainline Plaza on behalf of the Turnpike on CFX owned section of SR 528, and at the ramps for movements to and from the east at SR 520. This is the second expansion project acquired by the Turnpike.

1.2 Other Transportation Facilities

In addition to the Turnpike System, FDOT operates, directly or through lease-purchase agreements or other agreements with local expressway authorities, numerous other toll facilities throughout the state. The Department-operated facilities that do not connect to the Turnpike are the Pinellas Bayway System and Sunshine Skyway Bridge. The Department-operated facilities that connect to the Turnpike are the Alligator Alley, 95 Express and 595 Express. The I-75/Alligator Alley connects to the southern portion of the Sawgrass Expressway in Broward County. The 95 Express connects to the beginning of the Southern Coin System in Miami-Dade County, while the 595 Express connects to the Turnpike Mainline at Ft. Lauderdale in Broward County. These five facilities are shown on the centerfold map in purple.

Additionally, the mid-section of the Beachline Expressway, Holland East-West Expressway, Central Florida GreeneWay, and Western Beltway in Orange County, which connect with the Turnpike, are operated by CFX. Likewise, the Dolphin Expressway and Don Shula Expressway in Miami-Dade County, which also connect with the Turnpike, are both operated by the Miami-Dade Expressway Authority (MDX). These facilities are also shown on the centerfold map in purple.

Three of Florida's four major interstate highways connect with the Turnpike:

- I-75 feeds traffic into the Turnpike's northern end via a high-speed direct interchange (MP 309) north of Wildwood. Turnpike traffic to and from I-75 is generated from north Florida, the Florida "panhandle" and Gulf states via I-10, Atlanta, and the Midwest states as far north as Michigan and Canada. I-75 then proceeds southwesterly, serving Florida's southern Gulf coast before rejoining (via Alligator Alley) SR 821 (HEFT) in Miami-Dade County at MP 39.

- I-95 brings traffic from as far north as Canada and the New England states into the Turnpike's Ticket System at SR 70 near Fort Pierce in St. Lucie County. From this interchange I-95 parallels the Turnpike for a distance of 109 miles in southeast Florida, serving the older ocean-front communities throughout Broward and Miami Dade Counties. In addition to its role as the first long-distance highway facility serving Florida's southeast coast, I-95 and the Turnpike has evolved into a major commuter road for the other communities to its west, such as Margate, Plantation, Sunrise, Tamarac, Coral Springs and Wellington. Additional new communities served by the Turnpike include Acreage and Royal Palm Beach which are unincorporated areas of Palm Beach County.

- I-4 traverses Florida between I-95 in Daytona Beach and I-75/275 in Tampa in a northeast to southwest direction, connecting with the Southern Connector Extension in Polk County, the Turnpike Mainline at MP 259, the Beachline West Expressway between Orlando and Walt Disney World, the Polk Parkway, the Daniel Webster Western Beltway, Part C, and the Seminole Expressway to the west of Sanford. A major improvement project named "I-4 Ultimate" started construction in early 2015. This project adds new capacity using express lanes to the 21-mile long section between Kirkman Road in Orange County and SR 434 in Seminole County. Other roadway improvements and interchange upgrades are also planned for this section.

The other major highways in central and south Florida are shown on the centerfold map. These include, among others, US 1, which parallels I-95, US 27 from Miami up through the middle of the State to Tallahassee and into Georgia, US 41 generally paralleling I-75, and US 19 from St. Petersburg and Clearwater northward through Levy County. The major east-west routes serving as feeder routes to the Turnpike are US 41 (Naples-Miami), SR 80/US 441 (Fort Myers-West Palm Beach), SR 70 (Sarasota-Fort Pierce), SR 60 (Clearwater-Vero Beach) and SR 50 (Weeki Wachee-Titusville). These cross-state routes connect with the Turnpike at Miami (MP 25 via US 41), West Palm Beach (MP 97 via SR 80), Fort Pierce (MP 152 via SR 70), Yeehaw Junction (MP 193 via SR 60), and Orlando-West and Clermont (MP 267 and 272 via SR 50).

International airports in the vicinity of the Turnpike System include Miami, Fort Lauderdale, West Palm Beach, Orlando, Sanford and Tampa. In addition, extensive bus service is provided throughout the state. Of Florida's 14 Deep-water Seaports ranking third annually in cargo tonnage handled and cruise ship passengers within the Atlantic and Gulf States, eight are in the vicinity of the Turnpike System and include Tampa, St. Petersburg, Miami, Palm Beach, Fort Pierce, Key West, Everglades, and Canaveral.

The South Florida Regional Transportation Authority's Tri-County Commuter Rail operates local service between Miami-Dade County and Palm Beach County. This service was instituted in 1989 to help relieve congestion on parallel I-95. In 2014, ridership grew by 2.3 percent over 2013, reaching approximately 4.5 million riders exceeding the previous record of 4.3 million that occurred in 2008, when gas prices were at their highest. There has been no noticeable change in traffic on the Turnpike since the inception of the Tri-Rail service.

Additional intercity passenger rail service is available through the Central and South Florida Amtrak facilities in the vicinity of the Turnpike System. Amtrak stations are located in Miami, Hollywood, Ft. Lauderdale, Deerfield Beach, Delray Beach, West Palm Beach, Okeechobee, Sebring, Winter Haven, Lakeland, Kissimmee, Orlando, Winter Park, Sanford, Deland, Tampa, St. Petersburg, Wildwood, Palatka, and Waldo (Gainesville area). Intercity rail service is provided by Amtrak, on a twice-a-day schedule, to and from Miami, Fort Lauderdale and West Palm Beach, via Orlando, and once-a-day via Tampa, from Jacksonville, the Carolinas and the northeast. The Amtrak service between Miami and Orlando, with its frequent stops makes the trip a five-hour journey.

All Aboard Florida (AAF), an entirely owned company of Florida East Coast Industries (FECI) is developing a privately operated intercity passenger rail service branded as *“Brightline”*. The new passenger rail will provide service along the existing 195-mile Florida East Coast Corridor between Miami and the Space Coast (Cocoa), as well as 40 additional route miles of new track along the Beachline Expressway into Central Florida. AAF has a signed agreement with FDOT authorizing the use of the Beachline Expressway right-of-way for this project. This will facilitate the proposed railway that will run between Cocoa Beach and the Orlando International Airport.

Stations currently under construction are in the downtowns of Miami, Ft. Lauderdale, and West Palm Beach. Construction of the West Palm Beach station began in November 2014 with the construction of both the Miami and Ft. Lauderdale stations commencing in May 2015. Currently in the planning stage is the South Terminal at the Orlando International Airport. The passenger service will offer frequent, regularly scheduled service throughout the day with a travel time for a one-way trip between Miami and Orlando of about three hours. Although the final ticket price is yet to be determined, it is expected to be competitive with other travel options along the routes served.

AAF has had an investment grade financial viability study completed along with an independent peer review of the ridership and revenue forecasting methods. One conclusion of their analysis is that the proposed passenger rail service will not affect freight capacity in the rail corridor. Their analysis also estimates the net difference between Turnpike toll revenues lost from auto diversion to AAF rail service and new Turnpike toll revenues generated by auto access to the rail stations, to be negligible. In addition, the Turnpike estimated the impact of AAF on its facilities to be minimal. Further impact analysis will be merited once the planning level AAF fares, alignment, and service characteristics are finalized.

SunRail is a 61-mile planned commuter rail project traversing four counties in Central Florida (Volusia, Seminole, Orange and Osceola). Phase One, a 32-mile segment between DeBary in Volusia County and Southeast Orlando in Orange County that include 12 stations, began operations in April 2014. A future 29-mile extension (Phase Two) will expand the rail system north to Deland and south through the City of Kissimmee in Osceola County to the Poinciana area adding five additional rail stations. In September 2015, a federal grant was approved for the 17-mile southern extension to the Poinciana area, including four stations. This section is scheduled to open in December 2017. Based on a review of the current planned north-south rail alignment, and the station locations for SunRail as compared to the northwest to southeast alignment of the Turnpike Mainline through Central Florida, it is determined that the geographic area served by the two different transportation modes is sufficiently separated to result in negligible traffic impacts along the Turnpike Mainline.

Additionally, American Maglev Technology, Inc. is proposing a 14-mile light-rail system along the Beachline Expressway (SR 528) corridor, extending from the Convention Center (International Drive) to the Orlando International Airport. EMMI LLC, a subsidiary of American Maglev Technology Inc., is in discussion with the Florida Department of Transportation, the Greater Orlando Aviation Authority, Central Florida Expressway Authority, Orange County, City of Orlando and private land owners who own right-of-way along the 14-mile corridor. The Florida Department of Transportation, on May 19, 2014 awarded EMMI the opportunity to lease right-of-way from the Department. Should all agreements be finalized, EMMI would need to secure multiple environmental and construction permits before starting construction. This light rail project plans to include six stations along the route with a projected opening date in 2017. Preliminary plans include a main route with station stops at the airport’s new transportation hub, the Florida Mall, and the Convention Center, plus a possible SunRail station. An additional circulator route near the convention center could include three more International Drive stops at Rosen Centre Hotel, Hyatt Regency Orlando, and Pointe Orlando/Rosen Plaza Hotel. A preliminary estimate of the possible cost for a one-way ticket from the airport to the convention center is $16.00. This intracity connection would provide another transportation choice, particularly to the tourists and conventioneers, but is not expected to have a material impact on the Turnpike System.

2. TOLL COLLECTION AND HISTORICAL TRAFFIC, REVENUE AND EXPENSES

Florida's Turnpike System utilizes several methods of toll collection and typically collects a higher toll rate on the expansion projects. The Turnpike has the authority to raise tolls through administrative rulemaking under Chapter 120, Florida Statutes. The procedure includes a rule development phase which involves a published notice and an optional rule development workshop; a rulemaking phase which involves a published notice and an optional rulemaking hearing unless requested; and the filing of the proposed rule with the Secretary of State, with an effective date at least 20 days after filing. In addition, the Turnpike has Legislative authority to index tolls based on the Consumer Price index (CPI).

2.1 Existing Turnpike System

The barrier/ramp (coin) system is used on all existing Turnpike segments and expansion projects other than the segment between Boynton Beach and Kissimmee on the Mainline, which uses a ticket system of toll collection.

Under legislative mandate to equalize the per-mile toll rates on the Turnpike System and to partially fund the Turnpike improvement and expansion programs, tolls were increased and/or modified on the Mainline in 1989, 1991, 1993, and 1995. The combined impact of these toll adjustments (referred to as Stages I, II, III-A, and III-B) was a doubling of the average toll rate per mile from three cents to six cents. Subsequent to July 1995, toll rates remained unchanged until March 2004.

In March 2004, tolls were increased on the Mainline, Sawgrass Expressway, Seminole Expressway, Veterans Expressway and Southern Connector Extension. This toll rate increase was for cash customers only, at approximately 25 percent rounded to the quarter. The toll for SunPass® customers remained the same, effectively giving these customers a discount and contributing to an increase in SunPass® participation levels. For example, the two-axle toll at the Golden Glades barrier plaza increased from 75 cents to $1.00, representing the 25 percent increase rounded to the quarter (i.e., effectively a 33 percent increase). However, SunPass® customers at this location continue to pay a 75 cent toll. A toll rate increase was not implemented on the Polk Parkway and Suncoast Parkway expansion projects in order to allow traffic to continue to ramp-up on these newer facilities.

Additionally, a ten percent SunPass® frequent-user discount had also been in effect on all sections of the Turnpike since the implementation of SunPass®. The discount was prompted by legislation directing the Department to perform a pilot project when the SunPass® program was implemented, offering at least a ten percent discount to Turnpike commuters who used SunPass® on the Turnpike. The Department determined that the pilot project discount would be offered as a ten percent volume-based retroactive discount to all patrons, regardless of vehicle classification (i.e., number or axles), who paid tolls with SunPass® 40 or more times a month per transponder. The discount was registered on the patron's account at the beginning of each calendar month for all transactions incurred during the previous month. Given the reduced toll rates for SunPass® transactions as compared to cash transactions, beginning with the toll increase in March 2004, this ten percent discount program was discontinued on all sections of the Turnpike System.

In 2007, the Legislature amended Section 338.165, Florida Statutes, to require the Turnpike System and other FDOT-owned facilities to index toll rates on existing toll facilities to the annual Consumer Price Index (CPI) or similar inflation indicator effective as of July 1, 2007. Toll rate adjustments for inflation may be made no more frequently than once a year and must be made no less frequently than once every five years as necessary to accommodate cash toll rate schedules. Toll rates may be increased beyond these limits as directed by bond documents, covenants, or governing body authorization or pursuant to Department administrative rule. Pursuant to this requirement, the Turnpike examined a variety of inflation measures including the Consumer Price Index (CPI), the Producer Price Index (PPI), and the Gross Domestic Product (GDP) by state. The Turnpike selected CPI because it is simple, directly linked to consumer behavior, and flexible enough to indicate regional and national patterns.

The Statutes required the indexing of tolls to occur on or before June 30, 2012. Pursuant to this requirement, on June 24, 2012, cash tolls were indexed using the percentage change between CPI for the five years ending December 31, 2010 and 2005, which is 11.7 percent. The cash rate was then adjusted up to the next higher quarter for collection efficiency. The SunPass® toll rates were set a quarter less than the adjusted cash toll rates, while the TOLL-BY-PLATE, license plate image based tolling System on SR 821 (HEFT) where cash is not accepted, toll rates were increased to be equal to the adjusted cash toll rates. The Turnpike used the most recent five years for which CPI was reported to reflect the period of time between the passage of legislation in 2007 and the public involvement process in 2011 (2011 CPI was not yet available at that time).

For subsequent years, the SunPass® and TOLL-BY-PLATE toll rates are adjusted annually based on year-over-year actual change in CPI and rounded to the nearest penny. The cash toll rate will be adjusted every five years by the change in CPI over the previous 5 years and adjusted to the next higher quarter. The second toll rate indexing was implemented on July 1, 2013 affecting SunPass® and TOLL-BY-PLATE rates only and reflects an adjustment of 2.1 percent based on the year-over-year actual change in CPI for 2012. The most recent toll rate indexing of 1.6 percent for SunPass® and TOLL-BY-PLATE customers was implemented on July 1, 2015 and similarly, the previous index was 1.5 percent on July 1, 2014. These changes along with other historical toll modifications are shown in **Table 4**.

In addition to these toll rate adjustments, and to fully comply with the 1988 Florida Legislature's intent of equalizing the toll structure, plans were developed to add toll collection to certain interchanges on SR 821 (HEFT), thereby eliminating toll-free movements. This was referred to as the SR 821 (HEFT) Close-up Project. As a result, the tolling of three interchanges (Coral Reef Drive, Allapattah Road and Biscayne Drive) was completed in November of 1996. In addition, in June 2001, new ramps and tolls were added to the Campbell Drive interchange, and in June 2002, ramp tolls were added to the Okeechobee Road interchange. Another similar project, completed in FY 2001, was the relocation of the Tamiami Toll Plaza to a location between the Bird Road interchange (MP 23) and the North Kendall Drive interchange (MP 20) and the corresponding subsequent tolling of the ramps to and from the north at Bird Road. The main purpose of this project was to increase the capacity and level of service at the Tamiami Toll Plaza (renamed Bird Road Toll Plaza). The project also eliminated the toll-free movements for southbound entry and northbound exit at Bird Road.

In another effort to equalize the toll structure within each vehicle class, the Turnpike changed the toll formula at the Beachline West Toll Plaza in July 1995 and the Northern Coin System, upon conversion in August 1995, to the "N minus 1" toll calculation methodology. Using this method, the truck toll equals the passenger car toll multiplied by the number of axles minus one. This structure, which is consistently applied on all coin segments of the Mainline and all expansion projects, is deemed equitable and has the advantage of making toll collection easier to control and audit. As a result of this conversion, the toll for 3+ axle vehicles increased. In the future, it is the Turnpike's intent that all new facilities open with the "N minus 1" toll schedule. For the Ticket System, however, the toll remains on a straight per-axle basis.

To facilitate access to the Turnpike Mainline, two new interchanges were added to the Northern Coin System (CR 470 in January 2005 and Kissimmee Park Road in January 2007), three new interchanges were added to the Ticket System (SR 710 in July 2006, Becker Road in May 2007 and Jog Road in September 2007), and one new interchange was added to SR 821-HEFT (NW 74th Street in April 2010). Turnpike policy provides that all new interchanges will utilize electronic toll collection only (no cash). As such, all of these new interchanges do not accept cash (except for CR 470 designed prior to the new policy). The CR 470 interchange (MP 296) helps relieve congestion at the nearby US 27 interchange. The

Kissimmee Park Road interchange (MP 240) is a partial interchange with tolled ramps to and from the north that provide additional access for the City of St. Cloud and helps relieve congestion at US 192. A $3 million capital contribution by the city, through a partnership agreement with the Turnpike, brought this project to construction. The SR 710 interchange (MP 107) in Palm Beach County relieves congestion at PGA Boulevard to the north and Okeechobee Boulevard to the south. The Becker Road interchange (MP 138) was designed and constructed by the City of Port St. Lucie to provide additional access prompted by new developments in the area. Jog Road (MP 98) in Palm Beach County on the Ticket System is a partial interchange with tolled ramps to/from the south that helps relieve congestion at Okeechobee Boulevard to the north and SR 80 to the south. NW 74th Street (MP 31) in Miami-Dade County on SR 821 (HEFT) is a new Turnpike interchange that provides access to the SR 821 (HEFT)from the City of Doral, and relieves congestion at NW 41st Street to the south and NW 106th Street to the north.

Two new toll free ramps at SR 417 from Turnpike northbound to Central Florida Expressway (CFX) SR 417 northbound and from SR 417 southbound to Turnpike southbound opened to traffic in January 2015. These ramps provide direct access between these two major roadways for the first time. These CFX built ramps improve access to the Orlando International Airport (OIA) and the Lake Nona area "Medical City" for residents of southern Orange and Osceola counties. The Turnpike is currently constructing the tolled ramps that will make this a full interchange.

Another new interchange on the Turnpike Mainline is the Minneola Interchange, scheduled to open in FY 2018. It will be located north of SR 50 and south of US 27 in Lake County. The new interchange is expected to improve safety and provide relief on sections of SR 50 and US 27, as well as increase access to the Mainline within a 13-mile segment between existing interchanges.

Table 4
Toll Increases and Toll Modifications

Toll Stage	Date of Implementation	Approx. Toll Increase	Turnpike Section	Remarks and Other Toll Changes
I	February 1989	75%	SR 821 (HEFT)	—
		150%	Beachline West	—
	April 1989	40%	Mainline	Ticket System
	August 1990	-	Mainline	Golden Glades – Lantana (Southern Coin Conversion)
II	July 1991	30%	Mainline	Lantana – Wildwood (Ticket System)
III-A	July 1993	50%	Mainline	Golden Glades – Lantana (Southern Coin System)
		30%	Mainline	Lantana – Wildwood (Ticket System)
III-B	July 1995	50%	SR 821 (HEFT)	Delayed from July 1993 due to legislative action (due to Hurricane Andrew)
Post Stage III	July 1995	—	Beachline West	Beachline West ("N minus 1" truck tolls)
	August 1995	—	Mainline	Kissimmee – Wildwood (Northern Coin Conversion) Osceola Parkway interchange
	January 1996	—	Mainline	One-year Demonstration Project: reduced tolls for large trucks only (5 or more axles) on the Southern Coin System and Ticket System (Lantana to Fort Pierce)
	November 1996	—	SR 821 (HEFT)	Ramp tolls added at the Biscayne Drive, Allapattah Road and Coral Reef Drive interchanges
	December 1996	—	Mainline	Reinstatement of normal tolls for large trucks following the Demonstration Project
	May 1999	—	Turnpike System	A ten percent discount offered to frequent SunPass® users
	July 1999	—	SR 821 (HEFT)	Ramp tolls added at the Bird Road interchange after relocation of the Tamiami Plaza
	June 2001	—	SR 821 (HEFT)	Ramp and tolls added at Campbell Drive interchange
	June 2002	—	SR 821 (HEFT)	Ramp tolls added to Okeechobee Road (US 27) interchange
	September 2002	—	Ticket	New interchange at SR 80
	March 2004	25%	Turnpike System (excluding Polk and Suncoast)	Cash customers only (rounded to the quarter). No increase for SunPass® users
	March 2004	—	Turnpike System	Removal of ten percent SunPass® frequent-user discount
	January 2005	—	Northern Coin	New interchange at CR 470
	July 2006	—	Ticket	New interchange at SR 710 (SunPass®-only interchange)
	January 2007	—	Northern Coin	New interchange at Kissimmee Park Road (SunPass®-only partial interchange)
	May 2007	—	Ticket System	New interchange at Becker Road (SunPass®-only interchange)
	September 2007	—	Ticket System	New interchange at Jog Road (SunPass®-only partial interchange)
	April 2010	—	SR 821 (HEFT)	New interchange at NW 74th Street (SunPass®-only interchange)
	February 2011	—	SR 821 (HEFT)	Conversion to All-Electronic Tolling (TOLL-BY-PLATE rates $0.25 higher than SunPass® rates at 9 toll plazas)
	June 2012	34%	Turnpike System	Increase in cash, TOLL-BY-PLATE and SunPass® toll rates as required by the Legislature. Cash and TOLL-BY-PLATE toll rates indexed by 11.7% rounded to the next higher quarter. SunPass® toll rates set $0.25 less than adjusted cash toll rates. With this methodology, no increase in SunPass® toll rates on Suncoast Parkway, Polk Parkway and Western Beltway, Part C
	July 2013	2.1%	Turnpike System	No adjustment in cash tolls. TOLL-BY-PLATE and SunPass® toll rates indexed by 2.1% rounded to the nearest penny as required by the Legislature
	July 2014	1.5%	Turnpike System	No adjustment in cash tolls. TOLL-BY-PLATE and SunPass® toll rates indexed by 1.5% rounded to the nearest penny as required by the Legislature
	July 2015	1.6%	Turnpike System	No adjustment in cash tolls. TOLL-BY-PLATE and SunPass® toll rates indexed by 1.6% rounded to the nearest penny as required by the Legislature

Table 5 compares the various sections of Florida's Turnpike System with other Florida toll roads and with a cross-section of toll roads nationwide (the facilities in the table are listed in descending order based on per-mile rate). The toll rates below for the Turnpike facilities reflect the most recent toll rate adjustment, which went into effect on July 1, 2015. The toll levels on the Turnpike's seven expansion projects are higher than the Mainline and Sawgrass Expressway, as originally planned.

Table 5
Comparative Passenger Car Tolls

Toll Facility	Full-Length Distance (miles)	Passenger Car Toll (A)	Per-Mile Rate (cents)
Florida's Turnpike/I-4 Connector (B)	**1**	**$0.52-$1.04**	**52.0 – 104.0**
Delaware Turnpike	11	4.00	36.4
Miami Gratigny Parkway	5	1.00	20.0
Tampa Lee Roy Selmon Crosstown Expressway	15	2.76	18.4
Miami Airport Expressway (C)	4	0.70	17.5
CFX East-West Expressway	22	3.82	17.4
Miami Dolphin Expressway (C)	14	2.40	17.1
Sam Houston Tollway (D)	70	12.00	17.1
Miami Snapper Creek Expressway	3	0.50	16.7
Dallas North Tollway	32	5.15	16.1
Miami Don Shula Expressway	7	1.00	14.3
CFX Central Florida GreeneWay	33	4.38	13.3
Florida's Turnpike/Southern Connector Extension	**6**	**0.79**	**13.2**
Hardy Toll Road (Texas)	23	3.00	13.0
Florida's Turnpike/Polk Parkway	**25**	**3.18**	**12.7**
Florida's Turnpike/Veterans Expressway	**15**	**1.85**	**12.3**
Central Florida Expressway Authority (CFX) Apopka Expressway	9	1.09	12.1
CFX Beachline Main and Airport Sections	23	2.72	11.8
New Jersey Turnpike (E)	118	13.85	11.7
Florida's Turnpike/Seminole Expressway	**18**	**2.10**	**11.7**
Florida's Turnpike/Daniel Webster Western Beltway, Part C	**11**	**1.06**	**9.6**
Florida's Turnpike/Sawgrass Expressway	**23**	**2.12**	**9.2**
New Hampshire Turnpike (Blue Star) (F)	16	1.40	8.8
Pennsylvania Turnpike (Mainline Only) (G)	359	30.78	8.6
Atlantic City Expressway	44	3.75	8.5
Florida's Turnpike/Suncoast Parkway	**42**	**3.18**	**7.6**
Florida's Turnpike (H)	**320**	**22.26**	**7.0**
Maryland JFK Memorial Highway (I)	50	3.00	6.0
Maine Turnpike	109	6.45	5.9
Ohio Turnpike and Infrastructure Commission	241	11.75	4.9
Garden State Parkway (J)	173	8.25	4.8
New York Thruway (Mainline Section 1)	390	17.43	4.5
West Virginia Turnpike (K)	88	3.90	4.4
Kansas Turnpike (L)	236	10.20	4.3
Massachusetts Turnpike (Western Turnpike – Interchanges 1 – 14)	120	4.70	3.9
Alligator Alley	78	2.90	3.7
Indiana Toll Road	157	4.65	3.0

Notes: (A) Electronic toll collection rates unless otherwise indicated, cash toll amounts may be higher.
(B) I-4 Connector is an elevated one-mile facility with higher toll rates that opened to traffic in January 2014.
(C) Effective November 15, 2014, tolls are collected in both directions.
(D) Includes the Houston Ship Channel Bridge toll of $1.50.
(E) Peak period and weekend toll rates. Length reflects travel from exit 1 to exit 18.
(F) Toll discount available only to New Hampshire E-Z Pass holders. Others pay $2.00 toll.
(G) Ticket system plus one-way toll collection at Gateway mainline toll plaza. Toll shown reflects roundtrip toll divided by 2.
(H) Florida City to Wildwood/I-75 (includes Beachline West and Golden Glades).
(I) Toll shown for Maryland E-Z Pass holders reduced July 1, 2015 and reflects roundtrip toll divided by 2. Others pay $4.00.
(J) One-way toll collection at select mainline plazas. Toll shown reflects roundtrip toll divided by 2.
(K) Toll discount available only to West Virginia E-Z Pass holders. Others pay $6.00 toll.
(L) Includes 15 percent K-TAG discount.

2.1.1 Mainline/SR 821 (HEFT) – Florida City-Miramar

Starting at the south end of the Mainline at Florida City, tolls are collected with across-the-road toll gantries designated at Homestead, Bird Road and Okeechobee; a connection to the Golden Glades-Wildwood segment through the Miramar Plaza (MP 47); and ramp tolls at Campbell Drive, Biscayne Drive, Allapattah Road, Coral Reef Drive, SW 120 Street, Kendall Drive, Bird Road/SW 40 Street, US 41, NW 12 Street, NW 41 Street, NW 74 Street, NW 106 Street, Okeechobee Road, NW 57 Avenue, and NW 27 Avenue. As previously mentioned, a toll rate adjustment was implemented in FY 2016 on SR 821 (HEFT). **Table 6** shows the SR 821 (HEFT) tolls currently in effect by vehicle classification and payment method.

Table 6
Mainline/SR 821 (HEFT) Tolls
by Vehicle Class

No. of Axles	Barriers	Ramps: Allapattah Rd NW 27th Ave NW 74th St	Ramps: Campbell Dr, Coral Reef Dr, NW 12th St, US 41, NW 41st St, Okeechobee Rd, NW 57th Ave, Biscayne Dr, SW 120th St, N. Kendall Dr, SW 40th St, NW 106th St
SunPass®			
2	$1.06	$0.79	$0.53
3	2.12	1.58	1.06
4	3.18	2.37	1.59
5	4.24	3.16	2.12
add'l	1.06	0.79	0.53
TOLL-BY-PLATE			
2	$1.32	$1.06	$0.79
3	2.64	2.12	1.58
4	3.96	3.18	2.37
5	5.28	4.24	3.16
add'l	1.32	1.06	0.79

On the northern half of SR 821 (HEFT), between the Bird Road Toll Plaza and the Mainline, the combination of barrier and ramp tolls comprise essentially a closed system, with no toll-free use of the Turnpike. The southern half of SR 821 (HEFT) presently permits some toll-free usage for local, short-distance movements on the north side of the Homestead Toll Plaza, which has been the case ever since the facility opened in 1974. As previously mentioned, the tolling of the ramps (to/from north) at the Bird Road interchange and the relocation of the Bird Road Toll Plaza south of Bird Road has significantly decreased the toll-free movements.

The SR 821 (HEFT) is the first facility on Florida's Turnpike to be converted to All-Electronic Tolling (AET) beginning on February 19, 2011. As such, cash toll payments are not accepted on this facility. Customers must pay their tolls electronically using a SunPass® transponder or through the TOLL-BY-PLATE program, which is based on the identification of the registered owner of the vehicle after a license plate image is captured in the lane. TOLL-BY-PLATE customers have the option to establish a video account with prepaid tolls, or pay upon receiving a monthly invoice reflecting the TOLL-BY-PLATE rates, which are higher than SunPass® toll rates. TOLL-BY-PLATE customers without a prepaid balance are assessed a flat administrative charge of $2.50 on their monthly invoice to recover the cost of administering this payment option. The TOLL-BY-PLATE administrative charge is authorized by Florida Statute 338.231 (3) (b) that became effective on July 1, 2009. The Statute authorizes the Turnpike to fix, adjust, charge and collect such amounts needed to recover the cost associated with administering various toll collection payment methods, including video billing.

FY 2015 marked the fourth full year of AET conversion on SR 821 (HEFT). Traffic on SR 821 (HEFT) grew approximately 5.8 percent, while the revenue increased 5.6 percent compared to the preceding fiscal year. This revenue increase is attributed to normal traffic growth and the impact of annual toll rate indexing of SunPass® and TOLL-BY-PLATE rates in FY 2014 and FY2015 of 1.5 percent and 1.6 percent, respectively. The effect of the AET conversion on SR 821 (HEFT) continues to be positive with no adverse impact on net toll revenue collections.

2.1.2 Mainline/Southern Coin System – Golden Glades/Miramar-Boynton Beach

The section of the Turnpike Mainline between Golden Glades and Boynton Beach (Lantana) was converted from the ticket to the coin method of toll collection in August 1990 to better integrate the Turnpike into the urban highway network of Miami-Dade, Broward and Palm Beach counties; to improve operating conditions at the ticket plazas; and to provide free-flow conditions at the I-595 interchange (MP 54), where, under coin toll collection, no ramp tolls are required. Under this system, the Golden Glades Toll Plaza (MP 0X) and SR 821 (HEFT)/Miramar Toll Plaza (MP 47) were converted to coin operation. In addition, a new barrier plaza was constructed at Cypress Creek, midway between the interchanges at Commercial Boulevard (MP 62) and Coconut Creek Parkway (MP 67); and a new southern ticket terminus plaza was constructed at Lantana, "sealing off" the Ticket System north of that point. All of the intermediate interchanges between Golden Glades and Lantana were converted to ramp coin operation. The Southern Coin System is a completely closed toll system; i.e., no one can use it without paying a toll.

In January 2014, the Golden Glades Toll Plaza, the southernmost tolling location on this facility, was converted to AET. Then, in August 2015, Hollywood Boulevard and Griffin Road ramps were converted to AET. With the exception of the Dolphin Center interchange, the southern section of the Southern Coin System from Golden Glades to I-595 has now been converted to AET. The next phase is the remaining section of the Southern Coin System which will be converted to AET in FY 2019. By vehicle classification and payment method, the Southern Coin System current tolls implemented on July 1, 2015 (as shown in **Table 7**) correspond to those listed in **Table 6** for SR 821 (HEFT), and thereby provide a degree of toll uniformity, as follows:

Table 7
Mainline/Southern Coin System Tolls by Vehicle Class

No. of Axles	Barriers*	Ramps: Dolphin Center, County Line Rd*, Commercial Blvd., Boynton Beach	Ramps: Hollywood Blvd**, Sunrise Blvd, Pompano Beach, Delray Beach	Ramps: Griffin Rd**, Sample Rd, Boca Raton
SunPass®				
2	$1.06	$0.79	$0.53	$0.26
3	2.12	1.58	1.06	0.52
4	3.18	2.37	1.59	0.78
5	4.24	3.16	2.12	1.04
add'l	1.06	0.79	0.53	0.26
Cash/TOLL-BY-PLATE				
2	$1.25/$1.32	$1.00/$1.06	$0.75/$0.79	$0.50/$0.53
3	2.50/2.64	2.00/2.12	1.50/1.58	1.00/1.06
4	3.75/3.96	3.00/3.18	2.25/2.37	1.50/1.59
5	5.00/5.28	4.00/4.24	3.00/3.16	2.00/2.12
add'l	1.25/1.32	1.00/1.06	0.75/0.79	0.50/0.53

* Miramar Mainline and County Line Road plazas included in conversion to All-Electronic Tolling on February 19, 2011. Golden Glades Mainline Plaza converted to All-Electronic Tolling on January 26, 2014.

** Hollywood Boulevard and Griffin Road ramps converted to All-Electronic Tolling on August 28, 2015.

2.1.3 Mainline/Ticket System – Boynton Beach-Kissimmee

Tolls on the Mainline/Ticket System just north of the Boynton Beach interchange (MP 86) and just south of the Kissimmee South interchange (MP 242) are collected through the use of entry-exit tickets (except for SunPass® customers), whereby each motorist who enters the Ticket System at the Lantana or Three Lakes (south of Kissimmee) Toll Plazas, or any of the interchanges in between, is given a toll card with the encoded vehicle class and interchange designation. When leaving the Turnpike, the motorist surrenders the card and pays a toll proportional to the distance traveled (at 6.5 or 8.3 cents-per-mile for SunPass® or cash customers, respectively) and vehicle classification (with tolls for vehicles with more than two-axles proportional to the two-axle rate). The Ticket System, most suitable for long-distance intercity toll roads, requires that the non-SunPass® motorist stop twice: once to pick up a ticket and once to pay the toll. Conversion of the Ticket System to AET is scheduled to be completed in FY 2020.

The Ticket System has two Mainline toll plazas and 12 tolled interchanges. The current full-length two-axle toll between the north ramps at the Boynton Beach interchange and the south ramps at the Kissimmee South interchange is $12.90 for cash customers ($10.09 for SunPass® customers). However, the amount shown on the ticket card and collected from the cash customer is $15.40 ($12.21 for SunPass®), because tolls collected on the Ticket System include an adjustment ($2.50 for two-axle cash customers and $2.11 for SunPass® customers) for vehicles traveling to and from the Ticket System into the Northern and Southern Coin Systems. Although collected on the Ticket System, this adjustment allows customers to extend their trips north of Three Lakes Toll Plaza to Ocoee on the Northern Coin System, or south of Lantana Toll Plaza to Sawgrass Expressway without stopping again to pay an additional toll. **Table 8** presents the internal toll adjustments collected at the Ticket System barrier plazas and how the toll revenues are allocated to the Northern Coin and Southern Coin Systems.

Table 8
Toll Adjustment

Ticket Terminus	Toll by Number of Axles				Addl. Axle
	2	3	4	5	
SunPass®					
Three Lakes Plaza*	$1.32	$1.98	$2.64	$3.30	$0.66
Lantana Plaza**	0.79	1.20	1.60	2.00	0.40
Cash					
Three Lakes Plaza*	$1.50	$2.25	$3.00	$3.75	$0.75
Lantana Plaza**	1.00	1.50	2.00	2.50	0.50

* Northern Coin System adjustment collected on the Ticket System.
** Southern Coin System adjustment collected on the Ticket System.

2.1.4 Mainline/Northern Coin System – Kissimmee-Wildwood

Having converted the Golden Glades-Boynton Beach section of the Mainline from the ticket to the coin method of toll collection in 1990, the Department initiated plans in 1991 to convert the northern section of the Turnpike, from Kissimmee to Wildwood, from ticket to coin tolls to better integrate the Turnpike into the expanding Orlando regional area (designated the Northern Improvement Project). The conversion was made in August 1995 and the old ticket plaza in Wildwood was replaced with a Mainline toll plaza at Leesburg (MP 288). The Three Lakes Plaza (MP 236) “seals off” the Ticket System south of that point.

The Northern Improvement Project permitted the Turnpike/Holland East-West Expressway interchange (MP 265) to operate under free-flow conditions and enabled the Department to open the northerly ramps at the SR 50/Clermont interchange (MP 272). With the opening of the Western Beltway interchange (MP 267A) in Orange County, free-flow traffic movements are also provided to and from the Beltway.

The Northern Coin System is 67 miles in length, with its current full-length toll at $4.22 or $4.50 for SunPass® or cash customers, respectively (Leesburg barrier toll of $2.90 or $3.00 plus a toll adjustment of

$1.32 or $1.50, respectively, collected at the Three Lakes Plaza). By vehicle classification and payment method, the current tolls on the Northern Coin System (shown in **Table 9**) are classified by the same toll multiples as those on SR 821 (HEFT) and Southern Coin System of the Mainline.

Table 9
Mainline/Northern Coin System Tolls
by Vehicle Class

No. of Axles	Leesburg Barrier	Ramps					
		US 192/Kissimmee US 27/Leesburg	Kissimmee Park Rd*	Osceola Parkway CR 470	US 441/Orlando	Consulate Dr.**	I-4/Orlando SR 50/Clermont
SunPass®							
2	$2.90	$1.32	$1.32	$1.06	$0.79	$0.79	$0.53
3	5.80	2.64	2.64	2.12	1.58	1.58	1.06
4	8.70	3.96	3.96	3.18	2.37	2.37	1.59
5	11.60	5.28	5.28	4.24	3.16	3.16	2.12
add'l	2.90	1.32	1.32	1.06	0.79	0.79	0.53
Cash							
2	$3.00	$1.50	N/A	$1.25	$1.00	N/A	$0.75
3	6.00	3.00	N/A	2.50	2.00	N/A	1.50
4	9.00	4.50	N/A	3.75	3.00	N/A	2.25
5	12.00	6.00	N/A	5.00	4.00	N/A	3.00
add'l	3.00	1.50	N/A	1.25	1.00	N/A	0.75

* Kissimmee Park Road is a SunPass®-only partial interchange tolled to and from the north.
** Consulate Drive is a tolled SunPass®-only partial interchange serving southbound traffic only.

2.1.5 Mainline/Beachline West Expressway – Orlando

In an effort to spur tourism and promote central Florida's beaches, the Bee Line Expressway was designated the Beachline Expressway effective July 2005. Tolls on the Beachline West Expressway are collected at a single barrier (coin) toll plaza located between the Turnpike Mainline and Orlando International Airport, where the facility feeds (west of the Airport) into the Beachline Expressway operated by the CFX. The current $0.79 passenger car toll for SunPass® customers ($1.00 for cash customers), covers the entire eight-mile length of the facility. There are no ramp toll plazas at the four intermediate interchanges between the Turnpike Mainline and I-4. This permits toll-free use of the Beachline West Expressway for local movements in this area, a condition that has existed since the facility opened in 1974.

As mentioned previously, the Department adjusted the truck tolls on the Beachline West Expressway during July 1995 (i.e., conversion to "N minus 1") to bring them up to the same toll multiples as those on the coin sections of the Mainline and all expansion projects. **Table 10** shows the Beachline West Expressway tolls currently in effect by vehicle classification.

Table 10
Mainline/Beachline West Expressway Tolls
by Vehicle Class

No. of Axles	Barrier
SunPass®	
2	$0.79
3	1.58
4	2.37
5	3.16
add'l	0.79
Cash	
2	$1.00
3	2.00
4	3.00
5	4.00
add'l	1.00

2.1.6 Total Mainline – Traffic and Revenue

Total Mainline traffic and toll revenues over the past ten years are shown in **Table 11**. The table also summarizes SunPass® participation since FY 2006.

Table 11
Mainline Traffic Transactions and Toll Revenue
FY 2006-2015

	Traffic Transactions			Toll Revenue		
Fiscal Year	**Transactions (000)**	**Percent Change**	**SunPass® Participation**	**Amount (000)**	**Percent Change**	**Average Toll**
2006	447,905	+5.6%	54.0%	$467,807	+6.7%	$1.044
2007	463,642	+3.5	60.9	487,686	+4.2	1.052
2008	441,380	-4.8	65.1	461,567	-5.4	1.046
2009	415,942	-5.8	67.8	428,124	-7.2	1.029
2010	422,237	+1.5	70.5	432,970	+1.1	1.025
2011	431,586	+2.2	76.3	434,230	+0.3	1.006
2012	440,023	+2.0	80.7	439,961	+1.3	1.000
2013	442,857	+0.6	81.5	550,715	+25.2*	1.244
2014	459,759	+3.8	81.7	581,632	+5.6**	1.265
2015	493,114	+7.3	81.4	624,033	+7.3**	1.265

* Includes the impact of SunPass®, TOLL-BY-PLATE and cash toll rate increase.
** Includes the impact of SunPass® and TOLL-BY-PLATE annual toll rate index.

A significant increase in toll revenue in FY 2006 is partly attributed to the toll rate increase and discontinuation of the SunPass® discount that impacted toll revenue starting in March 2004. The traffic growth between FY 2005 and FY 2006 of 5.6 percent omits the 23 days of toll suspension to aid in the evacuation and recovery of repeated hurricanes. In FY 2007, traffic, population and tourism exceeded prior year levels. However, the diminished traffic growth in FY 2007 is attributed to the beginning of a marked downturn in Florida's housing sector and declining growth in tourism and population.
In FY 2008, for the first time in decades, the Mainline experienced a decline in both traffic and toll revenue. Primary attributing factors for the decline include rising unemployment caused by the continued economic slowdown, as well as the significant rise in fuel prices that resulted in lower than anticipated vehicle traffic. In FY 2009, traffic and toll revenue continued to decrease as a result of the persistent economic recession. In addition, the continued decline in home values, consumer confidence and consumer spending led to a significant decrease in both passenger and truck traffic on the Turnpike.
In FY 2010 and FY 2011, traffic and toll revenue increased slightly as the Turnpike began to experience the early signs of slow recovery following the recession. In FY 2012, the Turnpike experienced an increase in both traffic and toll revenue due to the continued economic recovery, as well as the toll rate increase that impacted toll revenue during the last week of June 2012. The SunPass®, TOLL-BY-PLATE and Cash toll rate CPI index adjustment implemented in June 2012 is reflected in the 25.2 percent increase in toll revenue in FY 2013. The continued overall improvement in the economy contributed to nearly four percent traffic growth in FY 2014. This normal growth combined with the annual CPI index on SunPass® and TOLL-BY-PLATE toll rates led to 5.6 percent revenue increase. In FY 2015, with the continued improvement of the economy and stronger tourism within the three major metropolitan areas of Miami-Dade, Orlando and Tampa regions, both traffic and toll revenue increased by 7.3 percent. As mentioned earlier, the CPI index adjustment to both SunPass® and TOLL-BY-PLATE toll rates of 2.1 percent, 1.5 percent and 1.6 percent was applied in FY 2013, FY 2014 and FY 2015 respectively. Overall, the Mainline continues to provide significant financial strength for the Turnpike System, representing 72 percent of total gross toll revenues in FY 2015.

The deployment of SunPass® enables higher traffic capacity and ensures further growth. When the toll rate increase was implemented in FY 2004, cash customers were offered a choice to convert to SunPass® and avoid a toll rate increase. This incentive significantly boosted SunPass® participation. Today, approximately 81 percent of motorists chose to pay with SunPass® on the Mainline compared to 76 percent just five years ago. This substantial increase is largely attributed to conversion of SR 821 (HEFT) to AET (first full year in FY 2012) followed by AET conversion of Golden Glades Toll Plaza in mid FY 2014, as well as the effective customer-centric programs that promote the benefits of SunPass®. The SunPass® participation is expected to continue to grow as more facilities are converted to AET.

Other events contributing to traffic growth include the opening of additional interchanges. These Mainline interchanges, as shown in **Table 12**, have made the Turnpike more accessible, particularly for local users. The table lists these interchanges starting in 1990 in order to be consistent with the year when the Florida legislature authorized the Turnpike's Expansion projects.

Table 12
Mainline Interchanges
Opened Since 1990

Interchange			
MP	Location	County	Opened
43	NW 57th Avenue	Miami-Dade	August 1990
29	NW 41st Street	Miami-Dade	April 1993
86	Boynton Beach Boulevard	Broward	April 1993
19	SW 120th Street	Miami-Dade	May 1993
272	SR 50	Orange	May 1993
47	SR 821 (SR 821 (HEFT))/Miramar Junction*	Broward	February 1994
66	Atlantic Boulevard	Broward	March 1995
249	Osceola Parkway	Osceola	August 1995
34	NW 106th Street	Miami-Dade	April 1996
267A	SR 429	Orange	October 2001
97	SR 80	Palm Beach	September 2002
255	Consulate Drive	Orange	July 2004
296	CR 470	Lake	January 2005
107	SR 710	Palm Beach	July 2006
240	Kissimmee Park Road	Osceola	January 2007
138	Becker Road	St. Lucie	May 2007
98	Jog Road	Palm Beach	September 2007
31	NW 74th Street	Miami-Dade	April 2010
251	SR 417	Orange	January 2015

* Additional ramps allowing traffic to use the Turnpike between Golden Glades and SR 821.

The Mainline serves the full range of vehicles, from passenger cars (local/short-distance and recreational/long-distance) to commercial vehicles up to the largest tractor-trailer combinations. As depicted in **Table 13**, FY 2015 data indicates that nearly five percent of the traffic on the Mainline consisted of vehicles with three or more axles, while these vehicles generated about 16 percent of the Mainline toll revenues.

Table 13
FY 2015 Mainline Traffic Transactions and Toll Revenue by Vehicle Class

	Traffic		Toll Revenue		
No. of Axles	Transactions (000)	Percent	Amount (000)	Percent	Average Toll
2	470,402	95.4%	$523,963	83.9%	$1.114
3	6,884	1.4	14,184	2.3	2.060
4	4,896	1.0	16,023	2.6	3.273
5+	10,932	2.2	69,863	11.2	6.391
Total	493,114	100.0%	$624,033	100.0%	$1.265

In its early days, the Turnpike served primarily long-distance traffic with an increase in traffic in the winter months. With the increase in Florida's year-round population, the Turnpike currently serves a combination of commuters, recreational travel, and commercial vehicles. Due to this change in the types of traffic, there is only a slight increase in traffic in the winter months and the overall monthly traffic does not vary greatly from month to month. As observed in previous years, the high month on the Mainline System tends to be March at about 8 percent above the average month, and the low month is usually September, at approximately 7 percent below the average.

2.1.7 Sawgrass Expressway

Tolls on the 23-mile Sawgrass Expressway are collected at two mainline barriers (Sunrise and Deerfield) and at seven pairs of ramp toll locations. **Table 14** presents the current Sawgrass Expressway tolls at the nine toll locations.

At the two barriers, the Sawgrass Expressway tolls are classified by the same toll multiples as those on the Mainline/Southern Coin section of the Turnpike to which it connects, but the ramp tolls are not stratified by vehicle class due to their general unattended toll operation. On April 19, 2014, the Sawgrass Expressway became the second facility after SR 821 (HEFT) to be converted to All-Electronic Tolling. As such, customers now must pay their tolls electronically using a SunPass® transponder or the TOLL-BY-PLATE billing program. Similar to the Mainline, a toll rate increase in FY 2012 was implemented for both cash and SunPass® customers. In addition, SunPass® toll rates were indexed on July 1, 2013, followed by the annual indexing of SunPass® and TOLL-BY-PLATE toll rates on July 1 of both 2014 and 2015. FY 2015 marks the first full year of AET conversion on the Sawgrass Expressway.

Table 14
Sawgrass Expressway Tolls
by Vehicle Class

		Ramps			
No. of Axles	**Barriers**	**Oakland Park Blvd Lyons Rd**	**Commercial Blvd US 441/SR 7 Atlantic Blvd**	**Pat Salerno Dr.**	**Sample Rd University Dr**
SunPass®					
2	$1.06	$0.79	$0.53	$1.06	$0.26
3	2.12	0.79	0.53	2.12	0.26
4	3.18	0.79	0.53	3.18	0.26
5	4.24	0.79	0.53	4.24	0.26
add'l	1.06	-	-	1.06	-
TOLL-BY-PLATE					
2	$1.32	$1.06	$0.79	$1.32	$0.53
3	2.64	1.06	0.79	2.64	0.53
4	3.96	1.06	0.79	3.96	0.53
5	5.28	1.06	0.79	5.28	0.53
add'l	1.32	-	-	1.32	-

Historical traffic and toll revenue for the Sawgrass Expressway is shown in **Table 15**. The substantial growth rates reflect the intensification of land development westward toward the Expressway. Similar to the Mainline, the diminished growth in FY 2007 is attributed to a marked downturn in Florida's housing sector, declining growth in tourism and population, and an increase in motor fuel prices. The decline in both traffic and toll revenue in FY 2008 is primarily attributable to rising unemployment caused by the continued economic slowdown, as well as rising fuel prices. In FY 2009, traffic and toll revenue continued to decline as a result of the persistent economic recession and due to temporary construction activities related to the conversion of both barrier toll plazas to Open Road Tolling (ORT). The increase in both traffic and toll revenue in FY 2010 and FY 2011 is attributed to the early signs of slow recovery following the recession. In FY 2012, both traffic and toll revenue increased due to the continued economic recovery, as well as the toll rate increase that impacted toll revenue during the last week of June 2012. The SunPass® and cash toll rate CPI index adjustment implemented in June 2012 is reflected in the 29.6 percent increase in toll revenue in FY 2013. The continued improvement in the economy resulted in over six percent traffic growth in FY 2015. This normal growth and the annual CPI index on SunPass® and TOLL-BY-PLATE toll rates led to over four percent revenue increase.

Table 15
Sawgrass Expressway Traffic Transactions and Toll Revenue
FY 2006-2015

	Traffic			Toll Revenue		
Fiscal Year	Transactions (000)	Percent Change	SunPass® Participation	Amount (000)	Percent Change	Average Toll
2006	69,610	+7.2%	63.6%	$50,419	+7.0%	$0.724
2007	71,164	+2.2	70.7	52,538	+4.2	0.738
2008	69,503	-2.3	72.5	50,902	-3.1	0.732
2009	67,810	-2.4	76.8	48,121	-5.5	0.710
2010	69,662	+2.7	79.9	49,702	+3.3	0.714
2011	70,584	+1.3	82.8	50,314	+1.2	0.713
2012	72,179	+2.3	84.6	51,360	+2.1	0.712
2013	72,195	0.0	86.3	66,579	+29.6*	0.922
2014	75,121	4.1	87.0	69,768	+4.8**	0.929
2015	79,746	6.2	88.2	72,614	+4.1**	0.911

* Includes the impact of SunPass® and cash toll rate increase.
** Includes the impact of SunPass® and TOLL-BY-PLATE annual toll rate index.

2.1.8 Seminole Expressway

As an integral part of the Central Florida GreeneWay, the Seminole Expressway was planned as an extension of the CFX toll system already in place in Orange County. Like the coin system components of the Turnpike Mainline and CFX's Holland East-West Expressway and Central Florida GreeneWay, the Seminole Expressway operates under a closed barrier/ramp (coin) toll collection system.

One barrier plaza is located north of the Lake Jesup Bridge. Ramp toll plazas are also located on the southerly ramps at SR 426/Aloma Avenue, Red Bug Lake Road and SR 434, all south of Lake Jesup. After the extension of the Expressway north to its terminus with I-4, completed in September 2002, ramp toll plazas were also completed on the northerly ramps at CR 427, US 17/92 and CR 46A. The passenger car toll at the Lake Jesup Plaza is $2.10 for SunPass® customers ($2.25 for cash customers), representing a toll rate of 11.7 cents-per-mile (12.5 cents-per-mile for cash customers) for the 18 miles between the Orange County line and I-4. As an expansion project, these tolls are above the per-mile toll rates charged to SunPass® and cash customers on the Mainline.

In **Table 16**, the current Seminole Expressway tolls are presented by vehicle class and payment method, with the same toll multiples as those on the other coin sections of the Turnpike System.

Table 16
Seminole Expressway Tolls by Vehicle Class

No. of Axles	Lake Jesup Barrier	Ramps: SR 434	Ramps: Red Bug Lake Rd CR 427 US 17/92	Ramps: SR 426/ Aloma Ave CR 46A
SunPass®				
2	$2.10	$0.79	$0.53	$0.26
3	4.20	1.58	1.06	0.52
4	6.30	2.37	1.59	0.78
5	8.40	3.16	2.12	1.04
add'l	2.10	0.79	0.53	0.26
Cash				
2	$2.25	$1.00	$0.75	$0.50
3	4.50	2.00	1.50	1.00
4	6.75	3.00	2.25	1.50
5	9.00	4.00	3.00	2.00
add'l	2.25	1.00	0.75	0.50

The southerly half-mile, from the Orange County line to SR 426 (where it connects with the CFX section of the Central Florida GreeneWay) was acquired from the Seminole County Expressway Authority in 1990. The Seminole Expressway, from SR 426/Aloma Avenue to US 17/92 south of Sanford was opened to traffic in stages between January and June 1994. Finally, in September 2002 the facility was extended six miles to its northern terminus with I-4. Seminole Expressway traffic and toll revenues for the past ten years are depicted in **Table 17**.

Table 17
Seminole Expressway Traffic Transactions and Toll Revenue FY 2006-2015

Fiscal Year	Traffic: Transactions (000)	Traffic: Percent Change	Traffic: ETC Participation	Toll Revenue: Amount (000)	Toll Revenue: Percent Change	Average Toll
2006*	34,408	+6.8%	63.8%	$34,542	+10.6%	$1.004
2007	35,908	+4.4	67.6	36,539	+5.8	1.018
2008	35,719	-0.5	69.4	36,138	-1.1	1.012
2009	32,765	-8.3	70.4	32,488	-10.1	0.992
2010	31,168	-4.9	72.3	30,882	-4.9	0.991
2011	31,117	-0.2	74.4	30,763	-0.4	0.989
2012	31,265	+0.5	75.6	31,457	+2.3	1.006
2013	30,819	-1.4	80.0	38,473	+22.3**	1.248
2014	32,436	+5.2	81.0	40,919	+6.4***	1.262
2015	35,373	+9.1	81.4	45,243	+10.6***	1.279

* Traffic and toll revenue reflects ramp-up.
** Includes the impact of SunPass® and cash toll rate increase.
*** Includes the impact of SunPass® annual toll rate index.

The significant increase noted in traffic and toll revenue in FY 2006 on the Seminole Expressway is due to the continuing effects of ramp-up, land development in the corridor, and the completion of the six-mile extension in September 2002. Similar to the Mainline, the diminished growth in FY 2007 is attributed to a marked downturn in Florida's housing sector, declining growth in tourism and population, and an increase in motor fuel prices. In FY 2008, the Seminole Expressway experienced a decline in traffic and toll revenue as a result of the continuing impact of the economic slowdown in the state of Florida and the resulting decline in truck traffic across the entire facility. In FY 2009, traffic and toll revenue continued to significantly decline as a result of the persistent economic recession. In FY 2010 and FY 2011, the facility experienced a further decline in traffic and toll revenue as a result of the continuing effects of the economic recession which particularly impacted the bedroom communities of Orlando that use this facility for commuting. In FY 2012 the facility experienced a slight increase in traffic and a larger increase in toll revenue due to the recovery following the economic recession, as well as the toll rate adjustment that impacted revenue during the last week of June 2012. Traffic declined by 1.4 percent in FY 2013 with a corresponding 22.3 percent increase in toll revenue reflecting the full effect of the June 24, 2012 rate adjustment. The traffic growth of 5.2 and 9.1 percent, respectively, in FY 2014 and FY 2015 with a corresponding revenue increase of 6.4 and 10.6 percent reflects continued economic recovery in the area after a prolonged lag and strong continued growth of tourism. Electronic toll collection on the Seminole Expressway is compatible with the other facilities in Central Florida such as the CFX's E-PASS™. Due to the interoperability of E-PASS™ and SunPass®, since FY 2001, both types of customers can use any Turnpike facility. As such, the ETC participation of over 81 percent in FY 2015 consists of E-PASS™ and SunPass® customers.

2.1.9 Veterans Expressway

Toll collection on the Veterans Expressway started as a coin system, with two mainline toll plazas and five pairs of ramp toll plazas. With the exception of the toll-free outlets at Independence Parkway and Memorial Highway, the toll plan was designed so that all users of the Veterans Expressway pay a toll. The Veterans Expressway became the third facility after SR 821 (HEFT) and the Sawgrass Expressway to be converted to All-Electronic Tolling in phases, starting from June 2014 (FY 2014) to September 2014 (FY 2015). For the full-length, 15-mile trip, the $1.85 passenger car toll for SunPass® customers ($2.38 for TOLL-BY-PLATE customers) results in an average rate of 12.3 cents-per-mile (15.9 cents-per-mile for TOLL-BY-PLATE customers), which, as an expansion project, is higher than the system-wide average (approximately seven and nine cents-per-mile for SunPass® and cash/TOLL-BY-PLATE customers, respectively). **Table 18** lists the respective current tolls by vehicle class and payment method:

Table 18
Veterans Expressway Tolls
by Vehicle Class

	Barriers		Ramps		
No. of Axles	Anderson	Sugarwood	Wilsky Blvd Waters Ave Hutchison Rd	Anderson Road	Gunn Hwy Hillsborough Ave
SunPass®					
2	$1.06	$0.79	$0.53	$1.06	$0.26
3	2.12	1.58	1.06	2.12	0.52
4	3.18	2.37	1.59	3.18	0.78
5	4.24	3.16	2.12	4.24	1.04
add'l	1.06	0.79	0.53	1.06	0.26
TOLL-BY-PLATE					
2	$1.32	$1.06	$0.79	$1.32	$0.53
3	2.64	2.12	1.58	2.64	1.06
4	3.96	3.18	2.37	3.96	1.59
5	5.28	4.24	3.16	5.28	2.12
add'l	1.32	1.06	0.79	1.32	0.53

As shown in **Table 19,** the significant traffic and toll revenue increase of 12 percent in FY 2006 represents the continued residential and commercial development in the surrounding counties. The increase in traffic and toll revenues on the Veterans Expressway in FY 2007 is also due to the continuing effects of ramp-up and land development throughout the corridor. This significant increase in traffic and toll revenue which started in FY 2005, is largely driven by the continued impact from the opening of the contiguous Suncoast Parkway in February 2001. Due to the Suncoast Parkway's connection with the Veterans Expressway, traffic and toll revenue on the Veterans Expressway has increased as customers in Hillsborough, Pasco, Hernando and Citrus counties now have access to a 57-mile connected facility. The decline in both traffic and toll revenue in FY 2008 is due to the notable slowdown in the economy and the impact of rising fuel prices. In FY 2009, traffic and toll revenue continued to decline as a result of the persistent economic recession. The increase in both traffic and toll revenue in FY 2010 and FY 2011 was attributable to the early signs of slow recovery following the recession. The facility experienced an increase in toll revenue in FY 2013 due to the toll rate increase. The decline in traffic and revenue in FY 2014 was attributable to construction activities related to lane widening on this facility. The revenue was also impacted by the delay in collection from TOLL-BY-PLATE customers resulting from the All-Electronic toll conversion as stated above. During FY 2015 most of the construction activities were nearing completion and FY 2015 marks the first full year of AET conversion which is reflected in the increase in traffic of over 6 percent and 3 percent in toll revenue.

Table 19
Veterans Expressway Traffic Transactions and Toll Revenue
FY 2006-2015

Fiscal Year	Traffic			Toll Revenue		Average Toll
	Transactions (000)	Percent Change	SunPass® Participation	Amount (000)	Percent Change	
2006	49,322	+11.9%	57.9%	$33,086	+12.1%	$0.671
2007	51,896	+5.2	62.8	34,354	+3.8	0.662
2008	50,586	-2.5	65.5	33,089	-3.7	0.654
2009	47,876	-5.4	68.4	30,980	-6.4	0.647
2010	49,555	+3.5	70.7	31,692	+2.3	0.640
2011	50,933	+2.8	72.9	32,466	+2.4	0.637
2012	51,288	+0.7	74.3	32,757	+0.9	0.639
2013	49,542	-3.4	78.5	41,616	+27.0*	0.840
2014	48,345	-2.4	79.2	39,925	-4.1**	0.826
2015	51,412	+6.3	84.4	41,111	+3.0***	0.800

* Includes the impact of SunPass® and cash toll rate increase.
** Includes the impact of SunPass® and TOLL-BY-PLATE annual toll rate index offset by construction activities.
*** Includes the impact of SunPass® and TOLL-BY-PLATE annual toll rate index and the first complete year under All-Electronic Tolling.

2.1.10 Southern Connector Extension

The Southern Connector Extension, a six mile facility, also uses the barrier/ramp (coin) method of toll collection. An across-the-road plaza is located at the southwestern end of the facility between the US 192 interchange and I-4. With a barrier toll of $0.79 for passenger cars with SunPass® and $1.00 for cash customers, the average per-mile rate is 13.2 cents and 16.7 cents, respectively. Like the Seminole and Veterans Expressways, this toll rate is higher than the Mainline, but consistent with nearby CFX toll rates. The tolls at the intermediate interchanges at Osceola Parkway and US 192 are $0.53 for SunPass® customers or $0.75 for cash customers. As noted in **Table 20**, by vehicle classification, the Southern Connector Extension tolls are classified by the same toll multiples as those on the other coin sections of the Turnpike System.

The Southern Connector Extension was opened to traffic in June 1996. SunPass® was implemented on the Southern Connector Extension in FY 2001 allowing for the previously mentioned interoperability between E-PASS™ and SunPass®. This interoperability permitted toll collection on the Southern Connector Extension to be compatible with the rest of the toll facilities in Central Florida.

Table 20
Southern Connector Extension Tolls
by Vehicle Class

No. of Axles	Barrier	Osceola Parkway US 192
SunPass®		
2	$0.79	$0.53
3	1.58	1.06
4	2.37	1.59
5	3.16	2.12
add'l	0.79	0.53
Cash		
2	$1.00	$0.75
3	2.00	1.50
4	3.00	2.25
5	4.00	3.00
add'l	1.00	0.75

As shown in **Table 21**, the significant increases in transactions and toll revenue seen in FY 2006 and FY 2007 are primarily due to the continued rebound in tourism following the terrorist attacks of September 11, 2001. The Southern Connector Extension is particularly influenced by tourists visiting various theme parks in the Orlando area. The continued impact of the economic slowdown resulted in the diminished growth in traffic and the slight decline in toll revenue during FY 2008. In FY 2009 and FY 2010, traffic and toll revenue continued to decline as a result of the persistent economic recession in the Central Florida area. In addition, the toll rate increase in April 2009 on CFX's eastern section of this facility also negatively impacted traffic. The increase in both traffic and toll revenue in FY 2011 and FY 2012 are attributed to the early signs of slow recovery following the recession. In FY 2013, the facility experienced a significant increase in toll revenue due to the SunPass® and cash toll rate increase. The significant traffic growth in FY 2014 and FY 2015 is due to the continued improvement in the economy and the resulting increase in tourists, record attendance at Central Florida attractions and new hotels in the corridor. This growth in traffic combined with the annual indexing of SunPass® toll rates resulted in 16 percent increase in revenue over FY 2014 which itself had strong growth over the previous year (over 10 percent).

Table 21
Southern Connector Extension Traffic Transactions and Toll Revenue
FY 2006-2015

	Traffic			Toll Revenue		
Fiscal Year	Transactions (000)	Percent Change	ETC Participation	Amount (000)	Percent Change	Average Toll
2006	9,019	+7.5%	53.3%	$4,854	+8.1%	$0.538
2007	9,599	+6.4	58.9	5,148	+6.1	0.536
2008	9,760	+1.7	61.5	5,130	-0.3	0.526
2009	8,743	-10.4	63.7	4,443	-13.4	0.508
2010	8,138	-6.9	67.4	4,148	-6.6	0.510
2011	8,319	+2.2	69.7	4,201	+1.3	0.505
2012	8,499	+2.2	71.7	4,343	+3.4	0.511
2013	8,773	+3.2	75.1	6,794	+56.4*	0.774
2014	9,599	+9.4	76.6	7,517	+10.6**	0.783
2015	11,059	+15.2	77.5	8,746	+16.3**	0.791

* Includes the impact of SunPass® and cash toll rate increase.
** Includes the impact of SunPass® annual toll rate index.

As shown in the table above, E-PASS™ and SunPass® participation exceeded 77 percent during FY 2015 compared to 81 percent on the Seminole Expressway (**Table 17**). This noticeable difference exists because the Seminole Expressway serves the bedroom communities of Oviedo, Lake Mary and

Sanford; thus, commuter travel is higher. On the other hand, the Southern Connector Extension serves a higher proportion of tourist/recreational trips between the Orlando International Airport and the theme park attractions.

2.1.11 Polk Parkway

As an expansion project not contiguous to the other parts of the Turnpike System or to facilities of other toll agencies, the toll collection plan for the Polk Parkway was established under coin operation with three mainline plazas spaced at approximately equal intervals along the 25-mile facility.

The current mainline barrier tolls for passenger cars are $1.06 for SunPass® and a $1.25 cash toll, resulting in an average toll rate of 12.7 and 15.0 cents-per-mile respectively, again, higher than the Turnpike Mainline's per-mile rate. Lower SunPass® and cash tolls are charged at the eight intermediate interchanges to "close-up" the toll system so that all users of the Polk Parkway pay a toll. In FY 2012, a new SunPass®-only interchange opened at Pace Road. This interchange provides access from the Polk Parkway to a new University of South Florida campus in the City of Lakeland.

By vehicle classification, the Polk Parkway tolls are similar to the other coin sections of the Turnpike System. **Table 22** shows the current tolls implemented at the three barriers and eight interchanges of the Polk Parkway.

Table 22
Polk Parkway Tolls
by Vehicle Class

No. of Axles	Western Central Eastern Barriers	Ramps: Waring Rd Harden Blvd South Florida Ave SR 540	Ramps: Airport Rd Lakeland-Highlands Rd CR 546 Pace Rd*
SunPass®			
2	$1.06	$0.53	$0.26
3	2.12	1.06	0.52
4	3.18	1.59	0.78
5	4.24	2.12	1.04
add'l	1.06	0.53	0.26
Cash			
2	$1.25	$0.75	$0.50
3	2.50	1.50	1.00
4	3.75	2.25	1.50
5	5.00	3.00	2.00
add'l	1.25	0.75	0.50

* Pace Road is a SunPass®-only interchange. As such, cash rates do not apply.

Due to the relatively recent opening of the Polk Parkway, this expansion project did not participate in the FY 2004 toll increase, thereby encouraging traffic to continue to ramp-up in the early years. However, in conjunction with the rest of the Turnpike System, the ten percent discount given to frequent SunPass® customers was discontinued in March 2004. The Polk Parkway had a toll rate increase (effective June 24, 2012), and the three annual SunPass® rate index adjustments effective July 1, 2013, 2014 and 2015. The toll rates in **Table 22** reflect the most recent adjustment of July 2015.

Historical traffic and toll revenue for the Polk Parkway is shown in **Table 23**. Reflecting the ramp-up period and similar to the other expansion projects, traffic and toll revenue, along with SunPass® participation, increased significantly on the Polk Parkway in FY 2006 and FY 2007. To foster this growth, the March 2004 cash toll increase was not implemented on the Polk Parkway. However, in conjunction with the rest of the Turnpike System, the ten percent discount given to frequent SunPass® customers was discontinued.

Similar to the Mainline, the diminished growth in FY 2008 is attributed to the beginning of a downturn in the economy. The severity of the economic downturn increased during FY 2009 prompting a decline in both traffic and toll revenues. In FY 2010, the facility experienced a slight decline in traffic and toll revenue as a result of the continuing effects of the economic recession. The increase in both traffic and toll revenue in FY 2011 and FY 2012 is attributed to the early signs of slow recovery following the recession. In FY 2013, the facility experienced a decrease of 3.8 percent in traffic in part due to the resurfacing project on the Polk Parkway between the Western Mainline Toll Plaza and I-4, between Mileposts 8 and 24, and the cash toll rate increase which resulted in an increase in toll revenue of almost 5 percent (no increase for SunPass® toll rates) that took place in late June 2012. The continued improvement in the economy, opening of several distribution centers clustered in the area, and the annual indexing of SunPass® toll rates contributed to both traffic and toll revenue increase for two consecutive years in FY 2014 and FY 2015.

Table 23
Polk Parkway Traffic Transactions and Toll Revenue
FY 2006-2015

	Traffic			Toll Revenue		
Fiscal Year	**Transactions (000)**	**Percent Change**	**SunPass® Participation**	**Amount (000)**	**Percent Change**	**Average Toll**
2006*	25,340	+10.8%	42.9%	$21,198	+14.6%	$0.837
2007	27,239	+7.5	47.8	22,572	+6.5	0.829
2008	27,330	+0.3	52.0	22,450	-0.5	0.821
2009	26,344	-3.6	55.5	21,496	-4.2	0.816
2010	26,209	-0.5	58.9	21,391	-0.5	0.816
2011	26,608	+1.5	61.4	21,775	+1.8	0.818
2012	27,395	+3.0	63.7	22,615	+3.9	0.826
2013	26,350	-3.8	70.1	23,649	+4.6**	0.897
2014	27,495	+4.3	72.2	24,590	+4.0***	0.894
2015	30,103	+9.5	74.8	27,713	+12.7***	0.921

* Traffic and toll revenue reflects ramp-up.
** Includes the impact of cash toll rate increase.
*** Includes the impact of SunPass® annual toll rate index.

2.1.12 Suncoast Parkway

Three mainline toll plazas and four sets of ramp toll plazas are located on the 42-mile Suncoast Parkway. In addition, a new non-tolled interchange at Lutz-Lake Fern Road was completed in FY 2010. Although this is a non-tolled interchange, the nature of the coin system requires the customer to pay a toll at another location. Consistent with most of the Turnpike's existing system and all other expansion projects, toll collection on the Suncoast Parkway is a barrier/ramp (coin) system that also deploys SunPass®.

By vehicle classification, the Suncoast Parkway tolls are classified by the toll multiples common to the other coin sections of the Turnpike System. **Table 24** shows the current tolls implemented on July 1, 2015 at the three barriers and four interchanges of the Suncoast Parkway.

Table 24
Suncoast Parkway Tolls
by Vehicle Class

No. of Axles	Barriers Anclote Spring Hill Oak Hammock	Ramps Van Dyke Rd, SR 54, CR 578, SR 50
SunPass®		
2	$1.06	$0.26
3	2.12	0.52
4	3.18	0.78
5	4.24	1.04
add'l	1.06	0.26
Cash		
2	$1.25	$0.50
3	2.50	1.00
4	3.75	1.50
5	5.00	2.00
add'l	1.25	0.50

Similar to the Polk Parkway, due to the relatively recent opening of the Suncoast Parkway, this expansion project did not participate in the FY 2004 toll increase, thereby encouraging traffic to ramp-up in the early years. However, in conjunction with the rest of the Turnpike System, the ten percent discount given to frequent SunPass® customers was discontinued in March 2004. Cash toll rates for the Suncoast Parkway were adjusted in June 2012 (no increase for SunPass® toll rates). Subsequently, SunPass® toll rates were indexed on July 1, 2013, 2014, and 2015 as statutorily required. Additionally, the Suncoast Parkway conversion to AET is expected to be completed by FY 2018.

The first phase of the Suncoast Parkway, a 32-mile section from the Veterans Expressway near Van Dyke Road to SR 50 opened to traffic on February 4, 2001, two months ahead of schedule. In the second phase, the remaining ten-mile section of the facility from SR 50 to US 98 opened on August 11, 2001. Historical growth in traffic and toll revenue since FY 2006 is shown in **Table 25**. Similar to the Mainline, the diminished growth in FY 2008 is attributed to the beginning of the downturn in Florida's housing sector, declining growth in tourism and population, and an increase in motor fuel prices. In FY 2009, traffic growth and toll revenues declined, both as a result of the deteriorating economy and rising fuel prices. The increase in both traffic and toll revenue in FY 2010 and FY 2011 is attributed to the early signs of slow recovery following the recession. However, the economic slowdown and persistent high unemployment rates particularly in Hernando and Pasco counties adversely impacted traffic and toll revenue in both FY 2012 and FY 2013. Traffic on the facility was also negatively impacted in FY 2013 by the widening of a section of a competing route (US 41) in Pasco County. The increase of 2.8 percent in toll revenues for FY 2013 reflects the cash toll rate increase in late June 2012; SunPass® toll rates were not increased. On July 1, 2014, and 2015 SunPass® toll rates were indexed annually as statutorily required. Although this facility was impacted by the construction activities on the contiguous Veterans Expressway, the continued improvement in the economy, completion of residential and commercial developments in the area, and the annual index of SunPass® toll rates contributed to both traffic and revenue increases in FY 2015 (nine percent in traffic and over seven percent in toll revenue).

Table 25
Suncoast Parkway Traffic Transactions and Toll Revenue
FY 2006-2015

Fiscal Year	Traffic			Toll Revenue		Average Toll
	Transactions (000)	Percent Change	SunPass® Participation	Amount (000)	Percent Change	
2006	24,897	+17.9%	55.7%	$19,962	+17.9%	$0.802
2007	27,909	+12.1	61.9	21,743	+8.9	0.779
2008	28,114	+0.7	64.8	21,424	-1.5	0.762
2009	26,442	-5.9	67.1	20,157	-5.9	0.762
2010	27,346	+3.4	69.6	20,621	+2.3	0.754
2011	28,151	+2.9	72.1	21,233	+3.0	0.754
2012	27,593	-2.0	73.8	20,769	-2.2	0.753
2013	26,394	-4.3	77.8	21,349	+2.8*	0.809
2014	26,805	+1.6	79.1	22,011	+3.1**	0.821
2015	29,217	+9.0	81.2	23,682	+7.6**	0.811

* Includes the impact of cash toll rate increase.
** Includes the impact of SunPass® annual toll rate index.

2.1.13 Daniel Webster Western Beltway, Part C

The Western Beltway, Part C (also designated SR 429, Daniel Webster Western Beltway) is a 22-mile, four-lane, limited-access toll facility constructed through a partnership between the Turnpike and CFX. The Turnpike owns and operates the southernmost 11 miles of the facility extending from I-4 in Osceola County to Seidel Road in Orange County. In December 2005, approximately five miles of this facility between Seidel Road and US 192 opened to traffic. The remaining six miles from US 192 to I-4 opened to traffic in December 2006. This facility, which adjoins the existing SR 429 owned and operated by CFX, provides motorists an alternate north/south route between the Turnpike Mainline at Ocoee and I-4 south of Walt Disney World. Furthermore, it offers much needed relief on I-4, particularly during morning and evening peak hours.

The Turnpike-owned portion of the Western Beltway has one barrier toll plaza and four intermediate interchanges at Seidel Road (opened April 2006), Disney World/Hartzog Road (also known as Western Way, opened April 2006), US 192 (to and from the north, opened December 2005; to and from the south, opened December 2006) and Sinclair Road (opened March 2007). Toll plazas are not located at Disney World/Hartzog Road, but just south of that location at the mainline plaza.

By vehicle classification, the Western Beltway, Part C tolls are classified by the toll multiples common to the other coin sections of the Turnpike System. In **Table 26**, the current tolls implemented at the one barrier plaza and three interchanges effective July 1, 2015 are presented.

Table 26
Daniel Webster Western Beltway, Part C Tolls by Vehicle Class

No. of Axles	Mainline Barrier	Ramps: Seidel Road US 192	Ramps: Sinclair Road
SunPass®			
2	$1.06	$0.53	$0.26
3	2.12	1.06	0.52
4	3.18	1.59	0.78
5	4.24	2.12	1.04
add'l	1.06	0.53	0.26
Cash			
2	$1.25	$0.75	$0.50
3	2.50	1.50	1.00
4	3.75	2.25	1.50
5	5.00	3.00	2.00
add'l	1.25	0.75	0.50

Table 27 presents ten years of historical traffic and toll revenue data for the Daniel Webster Western Beltway, Part C since the opening of the first 5-mile segment of the Western Beltway in December 2005. As expected, FY 2007 transactions and toll revenues were significantly higher due to the phased opening of the facility. Additionally, the growth in FY 2008 was primarily attributable to the fact that FY 2008 represented the first full year of operation. In FY 2009, the decline in traffic at the mainline plaza was offset by an increase at toll ramps which led to flat traffic growth on the facility. However, toll revenues continued to decline as a result of the persistent economic recession. In FY 2010, the facility experienced an increase in traffic and toll revenue. As previously mentioned, the facilities in the Central Florida region were more adversely impacted than other regions by the economic recession. However, the effects of the recession on the Western Beltway were offset by the continued ramp-up on this newer facility. The increase in both traffic and toll revenue in FY 2011 is attributed to the early signs of slow recovery following the recession. In both FY 2012 and FY 2013, the facility experienced an increase in both traffic and toll revenue due to the continued economic recovery, as well as the cash toll rate increase (no increase for SunPass® toll rates) that impacted revenue during the last week of June 2012 and FY 2013. The continued economic recovery and a significant residential and commercial development throughout the Western Beltway corridor resulted in notable traffic and toll revenue growth in FY 2014 continuing with double-digit growth in FY 2015. This traffic growth combined with the annual indexing of SunPass® toll rates contributed to a significant revenue increase of 21.5 percent in FY 2015.

Table 27
Daniel Webster Western Beltway, Part C Traffic Transactions and Toll Revenue
FY 2006-2015

Fiscal Year	Traffic			Toll Revenue		Average Toll
	Transactions (000)	Percent Change	SunPass® Participation	Amount (000)	Percent Change	
2006*	867	-	61.4%	$978	-	$1.128
2007**	3,128	+260.8%	58.5	3,363	+243.9%	1.075
2008	4,928	+57.5	57.6	4,871	+44.8	0.988
2009	4,938	+0.2	58.3	4,719	-3.1	0.956
2010	5,112	+3.5	60.1	4,767	+1.0	0.933
2011	5,559	+8.7	61.7	5,097	+6.9	0.917
2012	6,037	+8.6	63.8	5,550	+8.9	0.919
2013	6,337	+5.0	69.5	6,367	+14.7***	1.005
2014	7,209	+13.8	70.7	7,289	+14.5****	1.011
2015	8,688	+20.5	71.4	8,853	+21.5****	1.019

* In December 2005 (FY 2006) 5 of the 11 miles of the Turnpike facility from Seidel Road to US 192 opened to traffic.
** In December 2006 (FY 2007) the remaining 6 miles from US 192 to I-4 opened to traffic.
*** Includes the impact of cash toll rate increase.
**** Includes the impact of SunPass® annual toll rate index.

2.1.14 I-4 Connector

The I-4 Connector is an elevated SunPass®-only connection between Interstate 4 and the Lee Roy Selmon Crosstown Expressway near Hillsborough County that provides a limited-access alternative route to and from downtown Tampa. This toll facility opened to traffic toll-free on January 6, 2014, with toll collection commencing January 12th as the newest Turnpike expansion project through a partnership with the Florida Department of Transportation District Seven. District Seven was responsible for the design, construction, and maintenance of the facility, while the Turnpike assisted with the design and installation of the toll equipment.

The I-4 Connector is essentially a complex set of elevated directional ramps, accommodating selected traffic movements between I-4, the Selmon Expressway, and local arterial road access to and from the Port of Tampa. The two main movements are referred to as the “S” move and the “Z” move, named for the characteristic shapes of the ramps. The “S” move provides I-4 traffic to and from the east a connection to and from the west on the Selmon Expressway, while the “Z” move provides I-4 traffic to and from the west a connection to and from the east on the Selmon Expressway. The interchange also provides a connection into the Port of Tampa, offering better flow of truck traffic access to the Port of Tampa via the ramps to and from the arterial street leading into the Port south of the Selmon Expressway, which is referred to as the “T” move.

Toll collection on the I-4 Connector is All-Electronic, using pre-paid SunPass® or TOLL-BY-PLATE (video tolling option). As shown in **Table 28**, the current 2-axle SunPass® toll rates are $1.04 for the “S” move, $0.52 for the “Z” move, and $1.04 for the “T” move. Current SunPass® and TOLL-BY-PLATE rates are calculated using the N-1 methodology (where “N” is the number of axles) for the “S” and the “Z” move. In this method, multi-axle toll equals the 2-axle toll rate multiplied by the number of axles minus one. For the “T” move, SunPass® tolls are fixed at $1.04 and TOLL-BY-PLATE rates are fixed at $1.29 for all axle classes.

Table 28
I-4 Connector Tolls by Vehicle Class

Plaza	SunPass® 2-Axle	SunPass® 3-Axle	SunPass® 4-Axle	SunPass® 5-Axle	SunPass® Add'l Axles	TOLL-BY-PLATE 2-Axle	TOLL-BY-PLATE 3-Axle	TOLL-BY-PLATE 4-Axle	TOLL-BY-PLATE 5-Axle	TOLL-BY-PLATE Add'l Axles
"S" Move	$1.04	$2.08	$3.12	$4.16	$1.04	$1.29	$2.58	$3.87	$5.16	$1.29
"Z" Move	0.52	1.04	1.56	2.08	0.52	0.77	1.54	2.31	3.08	0.77
"T" Move	1.04	1.04	1.04	1.04	-	1.29	1.29	1.29	1.29	-

Table 29 presents the total monthly transactions for all the movements and the corresponding total toll revenue since the opening of the I-4 Connector in January 2014. This new facility contributed nearly three million dollars in additional revenue since its partial year opening (January through June 2014) and reached nearly nine million dollars in the first full year of operation in FY 2015. The traffic and toll revenue will significantly increase as the facility continues to ramp up.

Table 29
I-4 Connector, Traffic Transactions and Revenue by Month
FY 2015 and FY 2014 Comparison

Month	Traffic: Transactions (000) FY 2015	Traffic: Transactions (000) FY 2014	Traffic: Percent Change	Traffic: FY 2015 SunPass® Participation	Toll Revenue: Amount (000) FY 2015	Toll Revenue: Amount (000) FY 2014	Toll Revenue: Percent Change
July	768	-	NA	77.6%	$570	-	NA
August	804	-	NA	77.4	591	-	NA
September	846	-	NA	77.0	617	-	NA
October	951	-	NA	76.7	698	-	NA
November	889	-	NA	76.4	647	-	NA
December	993	-	NA	75.5	719	-	NA
January*	1,027	405	153.6%	76.1	749	$232	222.8%
February	1,024	562	82.2	75.7	748	398	87.9
March	1,195	669	78.6	75.5	875	475	84.2
April	1,170	703	66.4	76.0	844	494	70.9
May	1,225	744	64.7	75.6	876	534	64.0
June	1,202	732	64.2	75.6	840	517	62.5
6-Month	6,843	3,815	79.4	75.8	4,932	2,650	86.1
Total	12,094	3,815	NA	76.2	$8,774	$2,650	NA

* I-4 Connector opened to traffic on January 6, 2014 and the toll collection started on January 12, 2014.

2.1.15 Beachline East Expressway

The Beachline East Expressway is a 22-mile toll facility that extends east from SR 520 in Orange County for six miles into Brevard County, where it splits into two branches. The 9-mile southeast branch continues as SR 528 and connects with the Bennett Causeway at US 1. The 7-mile northeast branch becomes SR 407 and extends to connect with SR 405. The facility opened to traffic in February 1974.

On July 1, 2014, the Turnpike purchased the eastern end of the SR 528, Beachline East Expressway, from the Florida Department of Transportation. This facility connects the John F. Kennedy Space Center and the aerospace industry to Orlando and serves as a regional connector to Florida's east coast.

To enhance customer experience and save operational costs, tolls are collected (currently $0.26 SunPass® and $0.50 cash for all axle classes) at the Dallas Mainline Plaza on behalf of the Turnpike on the CFX owned section of SR 528, and at the ramps for movements to and from the east at SR 520, (currently, \$0.26 SunPass® and \$0.50 cash for all axle classes).

Table 30 presents the total monthly transactions and the corresponding revenues for FY 2015. This newly acquired facility is the second expansion project acquired by the Turnpike. During FY 2015, the Beachline East Expressway contributed approximately five million dollars in additional revenue since its purchase.

Table 30
Beachline East Expressway, Traffic Transactions and Revenue by Month
FY 2015

Month	Traffic Transactions (000)	Revenue (000)
July	1,462	\$452
August	1,410	428
September	1,206	359
October	1,353	403
November	1,217	382
December	1,423	432
January	1,363	412
February	1,323	402
March	1,698	522
April	1,539	469
May	1,587	473
June	1,498	447
Total	17,079	\$5,181

The Beachline East Expressway was acquired from the Department on July 1, 2014. Transactions and Revenues reflect tolls collected at SR 520 ramps and Central Florida Expressway Authority owned Dallas Mainline Toll Plaza.

2.1.16 Total Traffic Transactions and Toll Revenue

Total traffic for the Turnpike System by facility for the past ten years is summarized in **Table 31**. Detailed explanations of historic traffic impacts have been discussed previously beginning in **Section 2.1.6** of this report.

Table 31
Turnpike System Traffic Transactions
FY 2006-2015

Fiscal Year	Traffic Transactions (000)										
	Mainline	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Connector Extension	Polk Parkway	Suncoast Parkway	Western Beltway, Part C*	I-4** Connector	Beachline*** East Expressway	Total
2006	447,905	69,610	34,408	49,322	9,019	25,340	24,897	867	-	-	661,368
2007	463,642	71,164	35,908	51,896	9,599	27,239	27,909	3,128	-	-	690,485
2008	441,380	69,503	35,719	50,586	9,760	27,330	28,114	4,928	-	-	667,320
2009	415,942	67,810	32,765	47,876	8,743	26,344	26,442	4,938	-	-	630,860
2010	422,237	69,662	31,168	49,555	8,138	26,209	27,346	5,112	-	-	639,427
2011	431,586	70,584	31,117	50,933	8,319	26,608	28,151	5,559	-	-	652,857
2012	440,023	72,179	31,265	51,288	8,499	27,395	27,593	6,037	-	-	664,279
2013	442,857	72,195	30,819	49,542	8,773	26,350	26,394	6,337	-	-	663,267
2014	459,759	75,121	32,436	48,345	9,599	27,495	26,805	7,209	3,815	-	690,584
2015	493,114	79,746	35,373	51,412	11,059	30,103	29,217	8,688	12,094	17,079	767,885

* In December 2005 (FY 2006) 5 of the 11 miles of the Turnpike facility from Seidel Road to US 192 opened to traffic. In December 2006 (FY 2007) the remaining 6 miles from US 192 to I-4 opened to traffic.
** Opened to traffic on January 6, 2014, and the toll collection started on January 12, 2014.
*** The Beachline East Expressway was acquired on July 1, 2014.

Total toll revenue for the Turnpike System for the past ten years are summarized in **Table 32**.

Table 32
Turnpike System Toll Revenue
FY 2006-2015

Fiscal Year	Toll Revenue (000)										
	Mainline	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Connector Extension	Polk Parkway	Suncoast Parkway	Western Beltway, Part C*	I-4** Connector	Beachline*** East Expressway	Total
2006	$467,807	$50,419	$34,542	$33,086	$4,854	$21,198	$19,962	$978	-	-	$632,846
2007	487,686	52,538	36,539	34,354	5,148	22,572	21,743	3,363	-	-	663,943
2008	461,567	50,902	36,138	33,089	5,130	22,450	21,424	4,871	-	-	635,571
2009	428,124	48,121	32,488	30,980	4,443	21,496	20,157	4,719	-	-	590,528
2010	432,970	49,702	30,882	31,692	4,148	21,391	20,621	4,767	-	-	596,173
2011	434,230	50,314	30,763	32,466	4,201	21,775	21,233	5,097	-	-	600,079
2012	439,961	51,360	31,457	32,757	4,343	22,615	20,769	5,550	-	-	608,812
2013	550,715	66,579	38,473	41,616	6,794	23,649	21,349	6,367	-	-	755,542
2014	581,632	69,768	40,919	39,925	7,517	24,590	22,011	7,289	$2,650	-	796,301
2015	624,033	72,614	45,243	41,111	8,746	27,713	23,682	8,853	8,774	$5,181	865,950

* In December 2005 (FY 2006) 5 of the 11 miles of the Turnpike facility from Seidel Road to US 192 opened to traffic. In December 2006 (FY 2007) the remaining 6 miles from US 192 to I-4 opened to traffic.
** Opened to traffic on January 6, 2014, and the toll collection started on January 12, 2014.
*** The Beachline East Expressway was acquired on July 1, 2014.

During the early 1990s, virtually all of the Turnpike System toll revenue was collected on the Mainline. However, with the diversification of the Turnpike System through the opening or acquisition of expansion projects, the Mainline now accounts for approximately 72 percent of the total toll revenue. The slight decrease from 73 percent in FY 2014 reflects a complete year of operation and ramp-up of the I-4 Connector and the addition of the Beachline East Expressway. As expansion projects continue to be added to the system and their respective toll revenues ramp up, the expansion project toll revenues, as a percentage of the total system, have continued to increase.

2.2 Concession Revenue

Concessions provide an additional source of non-toll revenue for the Turnpike. This revenue primarily comes from the sale of fuel and food items at the restaurant facilities (including citrus, gift shops, vending and attraction ticket sales) at eight service plazas along the Turnpike Mainline. In addition, income from sponsorship programs and advertisements on toll booths, and particularly, highway signage is a growing source of revenue for the Turnpike.

Concession revenue generated from service plaza restaurants and service stations is governed by contractual agreements. On April 3, 2009, the Turnpike awarded a 30-year concession contract to Areas USA FLTP, LLC. Unlike the prior agreement, the new contract consolidates the operation of fuel, food and beverage, and other retail operations under a single concessionaire. Under the new agreement, the Turnpike will receive a monthly payment from the concessionaire of 5.75 percent of gross receipts, or a guaranteed monthly minimum concession fee (whichever is larger). According to the terms of the contract, this guaranteed minimum payment increased starting on July 1, 2014 by inflation. In addition, the agreement requires Areas USA to refurbish and renovate the service plazas in accordance with a schedule agreed upon in advance with Turnpike management. The contract also includes a stipulation for monthly late payments by Areas USA to the Turnpike for service plaza construction impediments resulting in delays beyond the initial contract schedule. During FY 2014, the Turnpike received $360,000 in additional revenue due to such delays. The new contract is discussed in further detail in **Section 3.5** of this report.

In FY 2005, the Turnpike entered into a license agreement for toll plaza advertising and Road Ranger sponsorship with Travelers Marketing, LLC. Under this agreement, Travelers Marketing secured the State Farm Insurance Company as a Road Ranger sponsor allowing the use of Road Ranger vehicles to advertise the State Farm name and logo as well as sponsorship signage on the Mainline and service plaza areas. Additionally, under the same agreement, the Turnpike granted Travelers Marketing a license to use toll booth windows, coin machines and toll receipts at toll facilities for the purpose of placing advertisements that are approved by the Turnpike. Travelers Marketing, LLC is required to pay the Turnpike a guaranteed monthly minimum of $5,000 during the term of the contract or 60 percent of Travelers Marketing gross revenues from the sale of all advertisements on Florida’s Turnpike System, whichever is greater.

In December 2013, the Turnpike awarded a new separate contract for Road Ranger sponsorship and toll booth advertising to Travelers Marketing, LLC after a competitive bid. The initial contract period ends in February 2018, with an option to renew for four additional years. Under this new sponsorship agreement, Travelers Marketing, LLC will pay the Turnpike 70 percent of the sponsorship fee received from State Farm in the first year. This percentage escalates by two percent each year to a maximum of 84 percent in the final year of contract in 2022, with a minimum of $3.2 million over the initial and extended contract period. Similarly, under the toll booth advertising agreement, Travelers Marketing LLC will pay the Turnpike 65 percent of annual gross receipts each year. This revenue stream is expected to decline due to the reduction of toll booths as part of the All-Electronic Tolling conversion.

In February 2006, a ten-year license agreement was signed between Florida Logos, Inc. and the Turnpike allowing Florida Logos to lease space along the Turnpike roadways to place and maintain specific signs and structures approved by the Turnpike. Starting July 2006, the contract requires a monthly minimum guaranteed payment of $15,000. At the end of each contract year, Florida Logos is required to pay the difference between 25 percent of the gross program revenue and the sum of the monthly payments of $15,000. In January 2008, a five-year license agreement was signed between Florida Logos, Inc. and the Turnpike for the Sponsor-A-Highway Program. Starting August 2008, the contract requires a monthly minimum guaranteed payment of $16,667. At the end of each contract year, Florida Logos is required to pay the difference between 40 percent of the gross revenues generated from the program and the sum of the monthly payments. This agreement was extended to February 2016.

Table 33 provides a summary of historical concession revenues for the past ten years. Concession revenue has grown over the years with a substantial increase beginning in FY 2006 when the first full year of advertisement contract revenue was realized. In FY 2011, concession revenues decreased $2.4 million or approximately 22 percent compared to FY 2010 due to lower agreed upon contract amounts with the concessionaire as a result of the service plaza renovations which began in November 2010. The further revenue decline in FY 2012 reflects the first full year of minimum contract payments as a result of construction activities at the service plazas. The revenue increase in FY 2013 reflects completion of some service plaza construction as well as $585,000 in additional revenue due to delays beyond the initial construction contract schedule. The revenue decline in FY 2014 is attributed to a decrease in delay fees associated with completion of service plaza construction, and lower advertising revenue compared to the preceding year. The Advertising revenue returned to previous FY 2013 levels in FY 2015, however, the Service Plaza revenue declined as no delay fines were received in FY 2015 as a result of plaza remodeling.

Table 33
Concession Revenue
FY 2006-2015

Fiscal Year	Service Plaza Revenue (000)	Advertising Revenue (000)	Total Concession Revenue (000)
2006	$9,317	$854	$10,171
2007	9,514	1,196	10,710
2008	8,966	1,397	10,363
2009	8,590	1,520	10,110
2010	8,947	1,810	10,757
2011	7,250	1,132	8,382
2012	6,000	1,169	7,169
2013	6,585	930	7,515
2014	6,360	779	7,139
2015	6,090	960	7,050

2.3 Operations and Maintenance Expenses

Total operations and maintenance expense increased from $1.1 million in 1957, when the Turnpike was a 109-mile road with three service plazas and a traffic volume of 3.2 million transactions per year, to over $177 million in 2015 as a 483-mile system with eight service plazas and nearly 768 million annual transactions. However, the expense per toll transaction decreased 32 percent from approximately 34 cents in 1957 to 23 cents in 2015. This decline is attributed to processing much larger traffic volumes and the added efficiencies of electronic toll collection.

Table 34 lists the operations and maintenance expenses from FY 2006 through FY 2015 provided by the Turnpike Finance office, along with the corresponding traffic levels. Operating expenses include a toll revenue collection contract with Faneuil, Inc. to provide manual toll collection at Turnpike toll plazas and business development and marketing expenses. A significant operating expense decline in FY 2010 is due to the continued targeted cost reductions initiated during the economic downturn. The increase in FY 2011 is largely attributed to the cost of a significant volume of transponder sales related to the AET conversion on SR 821 (HEFT). The increase in both FY 2011 and FY 2012, as compared to FY 2010, is attributed to higher credit card fees due to substantial growth in SunPass® revenue and additional postage to send Uniform Traffic Citations using certified mail.

The decline in FY 2013 is due to the increased SunPass® participation, the implementation of automatic ticket-issuing machines on the Ticket System, reduced postage and mailing costs due to removal of the certified mail requirement for citations and overall fewer citations issued as well as other operational efficiencies. The operational cost savings from All-Electronic Tolling conversion on the

Sawgrass and Veterans Expressways, lower maintenance contract cost and other operational efficiencies in FY 2014 were offset by the increase due to change in methodology in how Operations and Maintenance expenses are recorded. Starting in FY 2014, toll administrative charges from video billing are recorded as operating revenues and no longer offset the Operations and Maintenance expenses resulting in higher overall cost.

Previous to FY 2013, the expense per transaction, with slight fluctuation, averaged approximately 27 cents. The Expense per Transaction since FY 2013 has averaged about 23 cents. The drop in Expense per Transactions in FY 2015 is due in part to the Systemwide traffic growth reaching nearly 768 Million transactions.

Table 34
Operations and Maintenance Expenses
FY 2006-2015

Fiscal Year	Operations and Maintenance Expenses* (000)	Total Transactions (000)	Expense per Transaction
2006	$162,024	661,368	$0.245
2007	183,955	690,485	0.266
2008	189,887	667,320	0.285
2009	190,603	630,860	0.302
2010	172,422	639,427	0.270
2011**	180,060	652,857	0.276
2012**	173,704	664,279	0.261
2013**	157,388	663,267	0.237
2014**	165,838	690,584	0.240
2015**	177,160	767,885	0.231

* Operations and Maintenance Expenses include Business Development and Marketing expense.
** Toll administrative charges (in thousands) of $2,487, $6,301 and $6,237 were netted against Operations and Maintenance expenses for FY 2011, FY 2012 and FY 2013, respectively. Beginning FY 2014, such amounts are reflected as operating revenues with no offset to the Operations and Maintenance expenses.
Source: Turnpike Finance Office.

2.4 Net Revenue

Net revenues are summarized for the FY 2006-2015 period in **Table 35**. They represent the amount of toll revenues and concession revenues less operations and maintenance expenses.

Table 35
Revenue and Expense Summary
FY 2006-2015

	Revenues and Expenses (000)					
	Gross Revenue				Operations and Maintenance Expenses**	Net Revenue
Fiscal Year	Tolls	Concessions	Toll Administrative Charges*	Total		
2006	$632,846	$10,171	-	$643,017	$162,024	$480,993
2007	663,943	10,710	-	674,653	183,955	490,698
2008	635,571	10,363	-	645,934	189,887	456,047
2009	590,528	10,110	-	600,638	190,603	410,035
2010	596,173	10,757	-	606,930	172,422	434,508
2011	600,079	8,382	-	608,461	180,060	428,401
2012	608,812	7,169	-	615,981	173,704	442,277
2013	755,542	7,515	-	763,057	157,388	605,669
2014	796,301	7,139	$8,495	811,935	165,838	646,097
2015	865,950	7,050	15,334	888,334	177,160	711,174

* Toll administrative charges (in thousands) of $2,487, $6,301 and $6,237 were netted against Operations and Maintenance expenses for FY 2011, FY 2012 and FY 2013, respectively. Beginning FY 2014, such amounts are reflected as operating revenues with no offset to the Operations and Maintenance expenses.
** Operations and Maintenance include Business Development and Marketing expense.
Source: Turnpike Finance Office

While operating expenses have generally increased steadily over the past ten years as explained previously, growing Turnpike traffic, the opening of expansion projects and the acquisition of the Beachline East Expressway, together with the toll indexing have resulted in a 48 percent increase in net revenues.

3. PROJECTED TRAFFIC, REVENUE AND EXPENSES

The previous section of this report set forth the historical traffic, revenue and expense data for the Turnpike. This section provides traffic, revenue, and expense forecasts through FY 2026.

3.1 Factors Affecting Turnpike System Traffic and Revenue

Before developing projections of traffic, revenue and expenses, several factors affecting future Turnpike traffic were considered, including various socioeconomic indicators, the proposed Turnpike and other transportation improvements, travel time comparisons between the Turnpike and its parallel competing routes, and future planned toll changes.

3.1.1 Socioeconomic Indicators

Florida is one of the most populous states in the country. Since the opening of the Turnpike in 1957, the State's population has increased from approximately 4 million to over 19 million in 2014, and is projected by the University of Florida, Bureau of Economic and Business Research (BEBR) to exceed 23 million by 2030. As the data in **Table 36** indicates, Florida's population in 2014 increased 100 percent since 1980 and 51 percent since 1990. In fact, Florida was ranked the third most populous state in the nation during 2013 behind California and Texas. Continued increases in Turnpike traffic will be dependent on the growth of population, licensed drivers and motor vehicle ownership, number of households, employment, prevailing interest rates, tourism and other economic development efforts (both foreign and domestic).

Table 36
Florida Population, 1950-2014

Year	Florida Population (000)	Average Annual Growth	State Rank
1950	2,771	-	20th
1960	4,952	6.0%	10th
1970	6,791	3.2	9th
1980	9,747	3.7	7th
1990	12,938	2.9	4th
2000	15,982	2.1	4th
2010	18,801	1.6	4th
2011	18,905	0.6	4th
2012	19,074	0.9	4th
2013	19,260	1.0	3rd
2014	19,507	1.3	3rd

Source U.S. Bureau of the Census.

The Turnpike System serves 17 of Florida's 67 counties and, with the connecting interstate highways, the Turnpike provides service to most of the heavily populated areas of the state. The population of the 17-county area listed in **Table 37** represents over 61 percent of the state's total population.

Table 37
Turnpike Service Area Population by County
1980-2014

County	Turnpike Interchanges and Facilities	Population (000)								Average Annual Growth
		1980	1990	2000	2010	2011	2012	2013	2014	('80-'14)
Miami-Dade	SR 821 (HEFT) (0 through 35), 3X	1,626	1,937	2,253	2,496	2,517	2,551	2,582	2,614	1.4%
Broward	SR 821 (HEFT) (39, 43, 47), 49, 53, 54, 58, 62, 66, 67, 69, 71, Sawgrass Expressway	1,018	1,255	1,623	1,748	1,753	1,771	1,785	1,804	1.7
Palm Beach	75, 81, 86, 93, 97, 99, 107,109, 116	577	864	1,131	1,320	1,326	1,335	1,346	1,360	2.6
Martin	133	64	101	127	146	147	147	148	149	2.5
St. Lucie	138, 142, 152	87	150	193	278	280	280	281	283	3.5
Osceola	193, 240, 242, 244, 249, SCE, Western Beltway, Part C	49	108	172	269	274	281	288	296	5.4
Orange	251, 254, 255, 259, 265, 267, 272, Beachline West/East, SCE, Western Beltway, Part C	471	677	896	1,146	1,157	1,176	1,203	1,228	2.9
Lake	285, 289, 296	105	152	211	297	298	300	303	310	3.2
Sumter	304, 309	24	32	53	93	97	100	105	111	4.6
Seminole	Seminole Expressway	180	288	365	423	425	428	431	437	2.6
Polk	Polk Parkway	322	405	484	602	605	607	614	623	2.0
Hillsborough	Veterans Expressway, Suncoast Parkway, I-4 Connector	647	834	999	1,229	1,239	1,256	1,276	1,302	2.1
Pasco	Suncoast Parkway	194	281	345	465	467	469	474	479	2.7
Hernando	Suncoast Parkway	45	101	131	173	173	173	174	175	4.1
Okeechobee	Ticket System	20	30	36	40	40	40	40	40	2.1
Indian River	Ticket System	60	90	113	138	139	139	140	141	2.5
Brevard	Beachline East	273	399	476	543	545	546	548	552	2.1
Turnpike Service Area		5,762	7,704	9,608	11,406	11,482	11,599	11,738	11,904	2.2
Total State (67 Counties)		9,747	12,938	15,982	18,801	18,905	19,074	19,260	19,507	2.1
Percent (17 of 67 Counties)		59.1%	59.5%	60.1%	60.7%	60.7%	60.8%	60.9%	61.0%	

Source: U.S. Bureau of the Census and University of Florida, Bureau of Economic and Business Research

As a result of the population growth, the number of households in the state increased from about 7.0 million in 2010 to 7.1 million in 2014, up from about 5.5 million a decade earlier, an increase of approximately 29 percent over the ten year period. In 2010 Florida ranked first among the five most populous states with respect to home ownership rates, and third in the number of housing units and the number of households. However, in 2014, as **Table 38** shows, Florida ranking based on Home Ownership rates has dropped to second among the five most populous states reflecting the continued home loans in default.

Table 38
Comparison of Home Ownership, Housing Units and Households
Among Five Most Populous States
2014

	Home Ownership Rates (Percent)	Total Housing Units (Millions)	Total Households (Millions)
Illinois	67.5%	5.3	4.8
Florida	67.1	9.1	7.1
Texas	63.3	10.4	8.9
California	55.3	13.9	12.5
New York	54.2	8.2	7.2

Source: U.S. Census Bureau

In all, four indices were analyzed relative to Turnpike traffic. In **Table 39**, a comparison of the four indices with the growth in Turnpike traffic for the historical 1980-2014 period is shown, indicating that Turnpike traffic has been increasing at a rate far exceeding the other indices.

Table 39
Comparison of Growth Indices
1980-2014

Index	Number (000)					Growth Over Thirteen Year Period (2000-2014)	Average Annual Growth ('80-'14)
	1980	1990	2000	2010	2014		
State Population	9,747	12,938	15,982	18,801	19,507	22.1%	2.1%
Fuel Consumption (Highway Use)	5,246,579	7,031,708	8,906,286	9,611,976	9,863,390	10.7	1.9
Employment	4,026	6,061	7,569	8,141	8,990	18.8	2.4
Number of Tourists	20,046	40,970	72,800	82,300	98,770	N/A	N/A
Turnpike Traffic (Transactions)	55,463	121,378	379,132	639,426	690,584	82.1	7.7

Sources: U.S. Bureau of the Census, University of Florida Bureau of Economic and Business Research Bulletin 171, April 2015, Florida Commission on Tourism, VISIT FLORIDA®, Florida Department of Transportation and Florida Research and Economic Database.
N/A: The research methodology used to count tourists during 2000 was changed resulting in a significant increase in the number of tourists reported in 2000. Similarly, the estimation methodology was changed in 2009. Year-to-year comparison to this period is not valid.

This relationship of Turnpike traffic to the four indices is expected to continue. However, with the uncertainties of today's global economic climate, it is prudent to estimate the impact of the most recent recession and how prior recessionary periods have affected Turnpike revenues.

3.1.1.1 Recessionary Impacts

Historically, three calendar year recession periods were highlighted by the Business Cycle Dating Committee of the National Bureau of Economic Research: 1974-1977, 1990-1991, and 2001. For the most part, all of these recessions had a mild impact on the Turnpike System. As such, Turnpike revenues dropped during these periods but rebounded strongly to prior levels afterwards.

On the other hand, the most recent recession is different. The most recent recession officially started in December 2007 and ended in June 2009 for a period of 18 months. It is described as the worst national recession since the Great Depression. This national recession, brought on by the “housing bubble” and the accompanying credit crisis, resulted in dramatic declines in employment and State GDP. Population growth slowed. Many homes in urban areas were sold with subprime mortgages. Housing starts declined causing a drop in construction employment. Furthermore, the Florida housing market suffered from rapidly rising catastrophe insurance rates and property taxes.

Since 2005, Florida’s population has been increasing at a diminishing rate due, in large part, to a struggling housing market and resulting general slowdown in the economy. This reduction represents a decline in net state population growth from over 1,000 daily residents to 800 as of FY 2015; up from 600 daily in FY 2014.

Table 40 shows the mid-level forecasts for the 17-county Turnpike service area and for the entire state. These forecasts were prepared by the University of Florida, Bureau of Economic and Business Research (BEBR). The Census data for 1990, 2000, and 2010 is also shown along with a 2014 estimate.

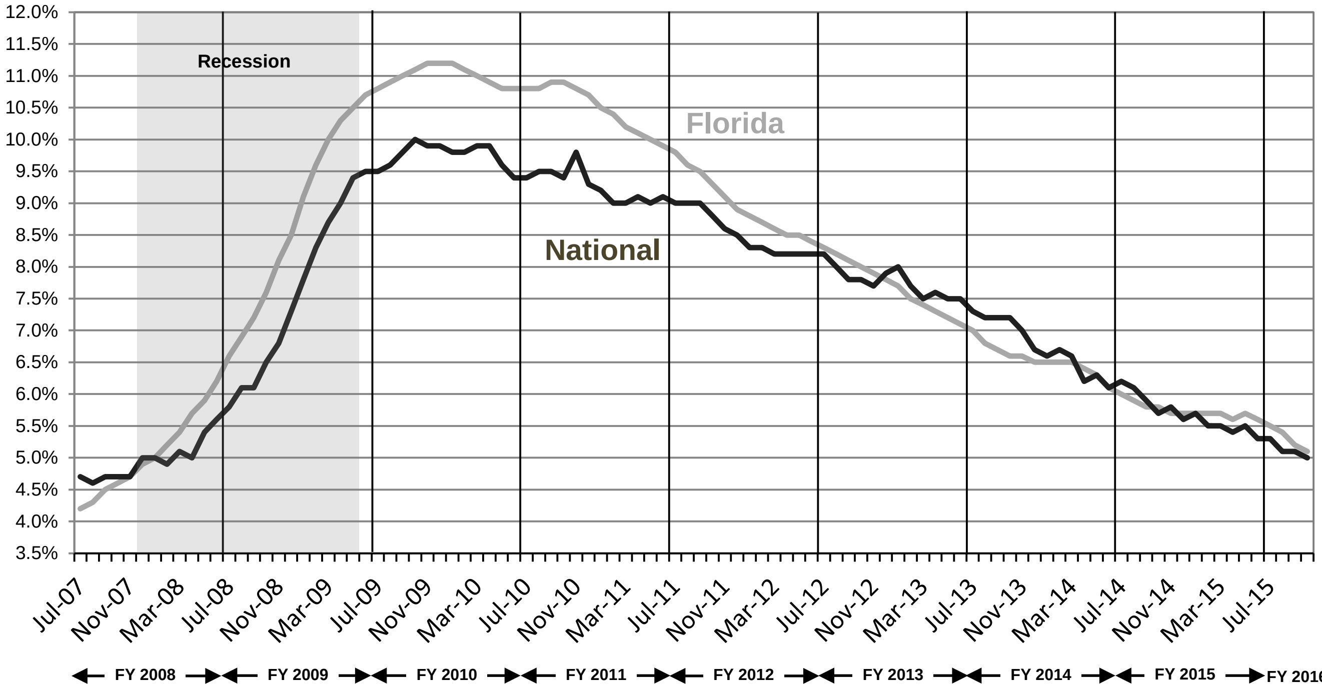
Table 40
State and County Population
1990-2030 Forecast

	Turnpike Service Area (17 Counties)		Total State (67 Counties)		
Year	**Population (000)**	**Average Annual Growth***	**Population (000)**	**Average Annual Growth***	**17 of 67 Counties (Percent)**
1990 Census	7,704	-	12,938	-	59.5%
2000 Census	9,608	2.2%	15,982	2.1%	60.1
2010 Census	11,406	2.0	18,801	1.9	60.7
2014 Estimate	11,904	1.8	19,507	1.7	61.0
2015 Forecast	12,087	1.8	19,790	1.7	61.1
2020 Forecast	13,046	1.8	21,237	1.7	61.4
2030 Forecast	14,782	1.7	23,873	1.5	61.9

Source: U.S. Bureau of the Census and University of Florida, Bureau of Economic and Business Research 2011 (BEBR). Forecast: BEBR Bulletin 171 April 2015.
* Growth is compounded annually based on the 1990 Census data.

Graph 1 displays the rise in the unemployment rate in Florida along with the national rate since the beginning of FY 2008. Florida, which previously had the lowest unemployment rate in the nation, peaked at 11.2 percent in November 2009 through January 2010. For FY 2009 through the first half of FY 2013, Florida exceeded the national rate. However, Florida’s unemployment steadily declined below the national rate starting the second half of FY 2013 through early FY 2015. At 5.1 percent in October 2015, Florida’s unemployment rate is down by 0.7 percentage points from a year ago of 5.8 percent, and slightly higher than the national average of 5.0 percent.

Graph 1
Unemployment Rate



3.1.1.2 Fuel Prices

From FY 2009 through FY 2014, total highway fuel consumption in Florida has been relatively flat. This signifies the impact of the economic recession coupled with the increasing use of more fuel-efficient vehicles. In FY 2015, diesel and gasoline consumption on Florida highways increased four percent and three percent, respectively, compared to the preceding fiscal year, an improvement from the recessionary years.

Additionally, consistent with the falling world crude oil prices, Florida's average gas price began to decline starting in May 2014, and accelerated through the fall. In October 2015, the average gas price in Florida (all grades) was $2.25 a gallon, a decrease of $1.01, or nearly 31 percent compared to the same month last year. This decline in fuel prices is expected to have a positive impact on Turnpike traffic.

The slower Florida population growth rate and sluggish housing recovery, coupled with general improvement in unemployment rates and declining fuel prices indicate that the recovery from the recession will be modest in the short term and will continue impacting traffic on the Turnpike.

3.1.2 Turnpike Improvements

In addition to the construction of expansion projects, the Turnpike has made improvements along the entire system. As previously indicated in **Table 12**, since 1990, 19 additional interchanges have opened to make the Turnpike more accessible to its customers. This increased accessibility has translated into additional revenue to the Turnpike System. The Turnpike Enterprise continues to maintain the system to the high standards established by the FDOT, allowing for future expansion and capacity improvements commensurate with increases in population, tourism and economic development.

Additional Turnpike improvements are scheduled to be completed during the upcoming year and through the subsequent five-year Work Program cycle. New toll ramps at the SR 417 interchange and a new full interchange at Minneola on the Northern Coin System are expected to open to traffic in FY 2017 and FY 2018, respectively. Interchange improvements consist of the following interchange modifications: N.W. 57th Avenue in Miami-Dade County; Sunrise Boulevard and Sample Road in Broward County; PGA Boulevard in Palm Beach County; and I-75/Turnpike at Wildwood in Sumter County.

Also, various widening projects are currently underway or included in the five-year Work Program. These widening projects are summarized in **Table 3** of this report.

In addition to these improvements, the Turnpike offers its customers non-stop travel at the toll plazas through the use of SunPass®. Customers who subscribe to SunPass® receive a transponder that allows tolls to be automatically deducted from their respective prepaid accounts. During FY 2015, cumulative SunPass® transponder sales exceeded 11 million. SunPass® provides customers with reduced travel time and added convenience. In fact, a recent survey of SunPass® account holders revealed that 95 percent of the respondents indicated they would recommend SunPass® to others. During FY 2015, SunPass® participation on the Turnpike System ranged from approximately 64 percent on the Beachline East Expressway to a high of 88 percent on the Sawgrass as shown in **Table 41**.

Table 41
Florida's Turnpike System
FY 2015 SunPass® Participation

Component	Average Participation
SR 821 (HEFT)	85.9%
Southern Coin System	81.6
Ticket System	81.9
Northern Coin System	72.2
Beachline West Expressway	72.2
Mainline	**81.4%**
Sawgrass Expressway	88.2%
Seminole Expressway	81.4
Veterans Expressway	84.4
Southern Connector Extension	77.5
Polk Parkway	74.8
Suncoast Parkway	81.2
Daniel Webster Western Beltway, Part C	71.4
I-4 Connector	76.2
Beachline East Expressway	63.9
Expansion Projects	**81.4%**
Turnpike System	**81.4%**

The Turnpike is continuing its efforts towards increasing SunPass® participation, mitigating toll violations and enhancing infrastructure for increased throughput. In July 2008, the Turnpike introduced a new lower priced transponder known as the SunPass® Mini sticker tag to its customers. In order to provide added convenience to SunPass® customers who have not chosen to automatically replenish a low account balance, the Turnpike now offers cash replenishments through kiosks at over 5,400 retail locations statewide. Also, the Turnpike is the first toll agency in the nation to offer SunPass® reload cards to replenish prepaid accounts at retail locations for customers without access to banking. In addition, the Turnpike has signed agreements with private companies to oversee a program that uses license plate information to collect tolls electronically from rental car customers who choose to participate in the program. Significant additional SunPass® improvements are scheduled in the Work Program to facilitate further enhancements. An integral part of this effort is the upgrade of all toll plazas with state-of-the-art tolling equipment and the conversion of existing plazas to AET. This innovative method eliminates cash toll booths and allows customers to pay tolls electronically while traveling at highway speeds. Electronic tolling at highway speeds increases throughput, shortens travel times, enhances safety, and reduces pollution. As previously mentioned, SR 821 (HEFT) was the first facility converted to AET on February 2011, followed by Sawgrass and Veterans Expressways in the last half of FY 2014. These projects are discussed in **Sections 2.1.1**, **2.1.7** and **2.1.9** of this report. **Table 42** illustrates the current number of Turnpike lanes accepting SunPass®.

Table 42
Florida's Turnpike System
Number of SunPass® Lanes

Turnpike Segment	SunPass®-Only Lanes	Mixed-Use Lanes	Total SunPass® Lanes	Total Turnpike Traffic Lanes
SR 821 (HEFT)*	70	0	70	70
Southern Coin System	38	47	85	85
Ticket System	39	58	97	97
Northern Coin System	26	37	63	63
Beachline West Expressway	6	8	14	14
Sawgrass Expressway*	34	0	34	34
Seminole Expressway	17	17	34	34
Veterans Expressway*	31	0	31	31
Southern Connector Extension	6	8	14	14
Polk Parkway	26	30	56	56
Suncoast Parkway	23	18	41	68
Daniel Webster Western Beltway, Part C	12	10	22	22
I-4 Connector*	12	0	12	12
Beachline East Expressway	0	2	2	2
Total Turnpike	340	235	575	602

*These facilities only accept SunPass® and TOLL-BY-PLATE.

3.1.2.1 Other Transportation Improvements

Other transportation improvements in the State have affected or will affect Turnpike traffic to varying degrees. For example, the completion of Interstate 95 (I-95) in Palm Beach, Martin, and St. Lucie counties in 1988 reduced Mainline usage in 1989 to a level below that which would otherwise have occurred on the Turnpike, but that was a one-time occurrence. Since then, I-95 has been periodically widened and improved to help ease congestion. Those I-95 widening projects have generally progressed from south to north, in Miami-Dade, Broward, and Palm Beach counties. Nevertheless, the I-95 corridor still remains generally congested, particularly during peak traffic periods, making Turnpike an attractive alternate route.

In an effort to improve mobility in the southern part of the I-95 corridor without using additional right-of-way, FDOT and local transit partners are converting 22 miles of I-95 high occupancy vehicle (HOV) lanes into "express lanes" between downtown Miami in Miami-Dade County and Fort Lauderdale in Broward County. The express lanes will continue to accommodate HOVs and bus rapid transit free of charge, but will also be available to toll-paying non-HOVs. The 22-mile project is called "95 Express" and includes two phases. The first phase includes two sub-phases: 1A and 1B. Phase 1A, which began toll collection in December 2008, includes the 7-mile northbound direction only from SR 112 to the Golden Glades interchange in Miami-Dade County. Phase 1B began toll collection in January 2010 and includes the southbound direction from the Golden Glades interchange to just south of S.R. 836, and extends the northbound express lanes further to the south from S.R. 112 to I-395. Tolls in these lanes are collected electronically using SunPass® and are variably-priced based on congestion levels. The second phase of the project, which is expected to open in 2016, will extend the express lanes in both directions by 15 miles to provide continuous mobility between I-395 and Broward Boulevard in Broward County. The third phase is also being added on I-95 from Stirling Road in Broward County to Linton Boulevard in Palm Beach County which includes new dual express lanes in segments. Construction will begin on the first segment, 3A (Broward Boulevard to SW 10th Street in Broward County) in early 2016. Future expansion after Phase 3A is currently under development and includes completion of the dual express lanes in each direction for the full length of the 95 Express Phase 3 limits. Additionally, a direct connection between northbound and southbound 95 Express and I-595 express/general use lanes, to and from the west, is proposed as part of phase 3. Tolls will be collected electronically using SunPass® and will be variably priced based on congestion levels. While this project has notably improved average travel speeds within the I-95 corridor, it has not negatively impacted traffic on the Turnpike.

Also, another expansion project by FDOT District 4 is the 10-mile I-595 corridor that includes the addition of three tolled reversible express lanes, interchange improvements, auxiliary lanes, improvements to the I-595 connection with the Turnpike, and the implementation of Bus Rapid Transit (BRT) within the I-595 corridor, which opened to traffic in March 2014. In addition, FDOT District 5 is in the process of widening certain segments of I-95. Specifically, from Brevard County line to SR 514 (Malabar) and from north of SR 44 to north of US 92 in Volusia County. These expansions and improvements are not anticipated to have a significant impact on Turnpike traffic.

Presently, approximately 70 percent of Turnpike customers in South Florida are commuters and business travelers. As the Turnpike evolves into an urban expressway, there is a greater need to enhance mobility within these urbanized areas. The Tri-County Commuter Rail system between Miami and West Palm Beach, which began operation in January 1989, provides a public transportation alternative to the Turnpike and I-95 in South Florida. Particularly in the southern part of the state, public transit agencies are continually improving and expanding bus transit services to the degree that funding is available. To date, these services have not adversely affected Turnpike traffic and it is not anticipated they will affect it in the future.

In December 2009, the Florida Legislature approved SunRail, a 61-mile commuter rail system in Central Florida that will stretch from DeLand to Poinciana. The rail system will traverse along the existing rail freight tracks in the four-county area of Volusia, Seminole, Orange and Osceola. The first phase of this system of 31-miles opened in April 2014, and links DeBary in Volusia County to Sand Lake Road in Orange County with 12 intermediate stops. The 17-mile extension in Osceola County to Poinciana, adding four new stations, is currently scheduled to be running by December 2017. The system is primarily aimed at relieving congestion on I-4 by providing an alternative route connecting outlying regions to the centralized cities and is expected to have a negligible impact on Turnpike facilities.

Another key infrastructure project in the Central Florida area is a major improvement on I-4. Termed the I-4 Ultimate, this 21-mile project will add 2 new express lanes in each direction in the center of I-4 from west of Kirkman Road to east of SR 434 in Seminole County. Tolls will be collected electronically using SunPass® and will be variably priced based on congestion levels. The first phase of construction commenced in early 2015 and is scheduled for completion in 2021. While this project when completed will ease congestion on I-4, it is not expected to adversely impact Turnpike facilities.

As discussed in detail earlier, All Aboard Florida, now dubbed *Brightline*, has presented a feasibility study for a proposed 240-mile intercity passenger rail service for business and leisure passengers. This rail project, will run north-south on existing right-of-way from Miami to Cocoa, with new tracks that will connect to Orlando, and a possible future extension to Tampa and Jacksonville. The service between south Florida and Orlando may be operational as early as 2017, although funding for the estimated project cost of $1 billion is not known at the present time. If this project is built, it will offer a new transportation choice but is not expected to have a material impact on the Turnpike System.

The previously mentioned light rail project in Central Florida and future air travel in Florida will not have a significant adverse effect on Turnpike traffic. The air travel network in Florida is already well-established and, therefore, no further competition is anticipated.

3.1.2.2 Historical and Planned Toll Changes

Since the opening of Florida's Turnpike in 1957, Turnpike tolls were increased in 1979, in 1989 (through a three-stage toll increase that was completed in 1995), 2004 and 2012 with toll rate indexing in 2013, 2014 and 2015. During this period, traffic has continued to increase in parallel with Florida's increase in population, employment, commerce and tourism. The impact of the toll adjustments has been minimal, due partly to the long-term mitigating effect of inflation.

Table 43 illustrates this impact, showing the Golden Glades (MP 0X)-Fort Pierce (MP 152) two-axle vehicle tolls in 1957, those implemented in 1979, the tolls implemented under the staged toll increase program initiated in 1989, and FY 2015 tolls after the toll indexing in July 2014. Also shown, are the Consumer Price Indices (CPIs) for the United States and the corresponding tolls factored by the CPI to place them all on a uniform basis for comparative purposes.

Table 43
Illustrative Tolls vs. Consumer Price Index

Year	Golden Glades-Fort Pierce Toll	CPI 1984 = 100	Toll In 2014 Dollars
1957	$2.40	28.1	$20.22
1979	2.65	72.6	8.64
1984	2.65	100.0	6.27
1989	4.10	124.0	7.83
1991	5.00	136.2	8.69
1993	5.90	144.5	9.66
1995	5.90	152.4	9.16
2004	5.90 (S), 7.70 (C)*	188.9	7.39 (S), 9.65 (C)*
2014	7.05 (S), 8.95 (C)*	236.7	7.05 (S), 8.95 (C)*

* (S) SunPass® toll, (C) Cash toll.
Source: U.S. Bureau of Labor Statistics. CPI Base Year is 1984.

Although they resulted in additional revenue, the toll increases were quite modest when compared to the rate of inflation. In fact, if the original $2.40 toll for a passenger car trip along the initial 110-mile section of the Turnpike had been increased at the same rate as the CPI, the toll today would be $20.22, compared to FY 2015 toll of $7.05 for SunPass® or $8.95 for cash customers (e.g., 1957 toll in 2014 dollars = 2014 CPI/1957 CPI x 1957 toll).

As described in **Section 2.1**, pursuant to the Legislative requirement, on June 24, 2012, cash tolls were indexed using the percentage change between CPI for the five years ending December 31, 2010 and 2005, which is 11.7 percent. The cash rate was then adjusted up to the next higher quarter for collection efficiency. The SunPass® toll rates were set a quarter less than the adjusted cash toll rates, while the TOLL-BY-PLATE toll rates were increased to be equal to the adjusted cash toll rates.

On July 1, 2013, the SunPass® and TOLL-BY-PLATE toll rates were adjusted based on year-over-year actual change in CPI of 2.1 percent and rounded to the nearest penny. The cash toll rate will be adjusted every five years (next adjustment FY 2018) by the change in CPI over the previous 5 years and adjusted to the next higher quarter. Similarly, on July 1, 2014, the SunPass® and TOLL-BY-PLATE toll rates were indexed based on year-over-year CPI of 1.5 percent and rounded to the nearest penny. Further on July 1, 2015, the SunPass® and TOLL-BY-PLATE toll rates were indexed based on year-over-year CPI of 1.6 percent.

3.1.2.3 Toll Elasticity

The effect of changes in tolls on traffic and toll revenue is referred to as elasticity. As used herein, the elasticity factor represents the relative decrease in traffic corresponding to a given increase in tolls. The higher the factor, which is a negative number, the more apt a facility is to lose traffic, which can be due to diversion to competing facilities, changes in travel modes and trip consolidation.

The effect of such elasticity on the various portions of the Turnpike System depends on the degree of competitiveness, in terms of parallel highways, their level of congestion, and the characteristics of the traffic stream (i.e., local drivers with knowledge of the alternative routes versus tourists with limited knowledge and time). As mentioned earlier, another factor that affects elasticity is the long-term impact of inflation on tolls. As shown above in **Table 43**, the present toll is a relative bargain when compared to the 1957 toll in 2013 dollars. Evidence of this effect was demonstrated during the system wide toll indexing of SunPass®, cash and TOLL-BY-PLATE rates implemented on June 24, 2012, as previously described in **Section 2.1**. An overall system wide effective toll increase of 29 percent resulted in a minimal traffic decline of about four percent and an actual elasticity of -0.13 (projected elasticity was -0.20), while the system wide toll revenue attributed to toll rate indexing was projected as 22 percent, the actual realized revenue impact was a 24 percent increase. Fewer customers diverted to alternative travel routes perhaps due to the high level of congestion experienced on the adjacent parallel highways, and continued improvements in the state's economy and declining unemployment, resulting in a lower observed elasticity factor of -0.13 than projected.

Pursuant to the Legislative requirement, on July 1, 2013, the toll rates were adjusted system wide by 2.1 percent for SunPass® and TOLL-BY-PLATE customers. The observation of SunPass® and TOLL-BY-PLATE traffic leading up to the rate adjustment and during the two months thereafter showed a modest growth both on the Turnpike Mainline and the expansion facilities. Similarly, the annual indexing on July 1, 2014 adjusted SunPass® and TOLL-BY-PLATE rates by 1.5 percent. As with the preceding year, a modest growth in traffic on the Turnpike and expansion projects was observed during two months following the toll rate adjustment compared to the period leading up to the rate indexing. A relatively small increase in tolls compared to the preceding fiscal year did not divert the traffic from the system in both years. No traffic impact was noticed from this recent toll indexing on July 1, 2015 when the toll rates were adjusted system wide by 1.6 percent for SunPass® and TOLL-BY-PLATE customers.

3.1.3 Travel Time Comparisons

The use of Florida's Turnpike System can save the motorist considerable time traveling between cities in southern and central Florida served by the Turnpike. The specific amount of time that is saved is based on data obtained from periodic surveys recording travel times on the Turnpike and on parallel routes during peak and non-peak seasons and during various parts of the day. Results of these travel-time studies are summarized in **Table 44** for the nine largest interchange-to-interchange movements (measured on a vehicle-mile basis) on the Mainline between Golden Glades and Wildwood, and for five of the expansion projects.

Referring to the centerfold map, the principal alternative routes which connect cities served by the Turnpike are: (1) I-95 for trips within the area between Miami and Fort Pierce; (2) I-95 and the Beachline Expressway or SR 50 for trips between Fort Pierce and Orlando; (3) US 27 for the full-length trips between Miami and Wildwood; and (4) I-75 as an alternative to the Turnpike and SR 60 for trips between Miami and the Tampa Bay area. The most advantageous use of the Turnpike Mainline is between Orlando/I-4 and Wildwood, where motorists save over 18 minutes per dollar of toll. Of the five expansion projects, the Polk Parkway offers motorists the greatest savings of nearly 11 minutes for each dollar of toll collected during trips between Bartow and US 27.

Table 44
Travel Time Comparisons

Cities Served		Turnpike Inter-Changes*	Principal Alternative Routes	Travel Time (min.)			Psgr. Car Toll (ETC)	Min. Saved Per $1 Toll
From/To	To/From			Via Tnpk.	Via Alt.	Savings		
Ft. Pierce	Wildwood/US 301	152-304	I-95, SR 46, SR 441, SR 44	135	194	59	$10.05	6.0
Miami	Wildwood/US 301	0X-304	US 27	233	330	97	17.23	5.6
Orlando/S.	Wildwood/US 301	254-304	SR 50, US 27	46	105	59	3.69	16.0
Orlando/I-4	Wildwood/US 301	259-304	SR 50, US 27	42	105	63	3.43	18.4
Orlando/429	Wildwood/US 301	267-304	SR 50, US 27	35	65	30	2.90	10.3
Miami	Ft. Lauderdale	0X-58	I-95	15	19	4	1.59	2.5
Miami	Tamarac	0X-62	I-95	18	23	5	1.85	2.7
Miami	Orlando	0X-259	I-95, SR 50	191	261	70	14.33	4.9
Miami	Kissimmee	0X-244	I-95, US 192	176	210	34	14.33	2.4
Orlando (UCF)	Sanford	Seminole	SR 434, SR 419, US 17-92	25	45	20	2.65	7.5
Tampa Airport	Lutz	Veterans	Dale Mabry	17	36	19	1.85	10.3
Celebration	Orlando Airport	S.C.E.	I-4, Sand Lake Rd., Boggy Creek Rd.	24	37	13	3.27	4.0
Bartow	US 27 and I-4	Polk Parkway	US 17-92, US 98, US 27	29	52	23	2.12	10.8
Brooksville	Tampa Airport	Suncoast Parkway/ Veterans	SR 50, I-75, I-275, FL-60	53	70	17	4.23	4.0

* Applies to the Mainline only. Not applicable for the expansion projects (bottom third of table).

3.2 Summary of Assumptions

The engineering estimates contained in this report for the existing Turnpike System and the expansion projects are based on the following overall assumptions:

1. The Turnpike will continue to be well maintained and efficiently operated, with no major changes in the current level of Turnpike maintenance, preservation and operation.

2. The Turnpike projects listed in the current year and the Five-Year Work Program will be constructed as scheduled.

3. An effective Violation Enforcement System (VES) will be in place to minimize the impact of toll evasion and violation rates will remain similar to the rates experienced today.

4. The Turnpike will continue to be well signed, including adequate trailblazers for the future expansion projects that will be posted to direct motorists.

5. The demographic trends described herein will occur as forecast.

6. Recovery from the recession continues to be gradual with diminished rates of growth. (See **Section 3.4**).

7. Motor fuel will remain in adequate supply during the forecast period, and the world crude oil prices will not increase to levels that materially impact ridership on Florida’s Turnpike.

8. No radical change in travel modes, or significant improvements or addition to competing routes, which would drastically curtail motor vehicle use, is expected during the forecast period.

These assumptions, together with the historical trends described herein and the following forecasting methodology, were used to project the traffic and correlated revenues for the Turnpike System. These forecasts are based solely on the traffic and revenue engineering aspects of the Turnpike System and do not extend to municipal advisory services. While these engineering projections are presented with numerical specificity, they are based on a number of estimates and assumptions which, though considered reasonable to us, are inherently subject to significant economic and competitive uncertainties and contingencies, many of which will be beyond our control and that of Florida's Turnpike.

As such, if for any reason, any of these conditions should change due to changes in the economy, competitive environment, or other factors listed above, URS' opinions or estimates will require amendment or further adjustments. The traffic and revenue forecast presented herein takes into account the results of our consideration of the information available to us as of the date hereof and the application of our experience and professional judgment to that information. It is not a guarantee of any future events or trends.

3.3 Forecasting Methodology

A variety of forecasting tools were employed in the projection of traffic and revenue for the Florida Turnpike System. The basic procedure used traffic simulation models, with the application of selected adjustment factors to add a measure of conservatism to the forecasts. Also used were traffic surveys and trend analysis.

For the Mainline and Sawgrass Expressway, which have been operating for many years, the historical traffic trends together with growth ratios developed from the appropriate traffic models and the use of demographic forecasts from the recently lowered BEBR and other sources were employed. For the expansion projects, Seminole Expressway, Veterans Expressway, Southern Connector Extension, Polk Parkway, Suncoast Parkway, Western Beltway, Part C and I-4 Connector, the traffic model outputs were modified to reflect the actual results since the start of operation.

Models are the best tool for forecasting traffic in urban areas with complex highway networks, as contrasted with the traditional traffic survey/diversion techniques commonly used for intercity projects. These models simulate travel on a network of highways and streets through (1) the generation of trips in each area based on land use type and intensity, (2) the distribution of these trips based on established zonal attractions (e.g., home to work), (3) modal split for vehicular usage versus public transportation, and (4) the assignment of trips to the network based on minimum time paths. Tolls are reflected through the use of a toll impedance submodel, which imposes equivalent time penalties based on a dollar value of time, as well as toll plaza delays for deceleration, the payment of toll and acceleration back to highway speed. The key to the model's reliability and confidence is its calibration and validation to actual traffic counts on an annual basis.

After the model is validated, it is used to forecast traffic based on the projected pace and patterns of land development, population and employment in the specific region; the characteristics of the highway network, including capacity constraints; and the assumptions regarding tolls and planned toll increases.

The simulation models used in the traffic forecasting process typically are produced by the combined efforts of the respective Metropolitan Planning Organization (MPO) and FDOT. Then, for the application of the models in forecasting Turnpike traffic, independent forecasts of population and other demographic indices are developed and the models are modified to account for tolls. The models also undergo a rigorous independent review to ensure model accuracy and data output quality. The models used in the forecasting process are identified by county in **Table 45**.

Table 45
Traffic Simulation Models
Used for Forecasting Turnpike Traffic

County	Model
Miami-Dade, Broward and Palm Beach	MPO and Southeast Regional Planning Models
Martin, St. Lucie and Indian River	Treasure Coast Regional Planning Model
Osceola, Orange, and Seminole	Metroplan Orlando and Turnpike Central Florida Models
Polk	Polk TPO Model and Turnpike Central Florida Model
Brevard, Osceola, Orange, Seminole, Sumter, Lake, Volusia, Flagler, Marion and Polk	Turnpike Central Florida Model and Central Florida Regional Planning Model
Hillsborough, Pinellas, Pasco, Hernando and Citrus	Tampa Bay Regional Planning Model and Turnpike State Model (modified)
Duval, Clay and St. Johns	Northeast Regional Planning Model
Other Inter-Regional Projects	Turnpike State Model

3.4 Traffic and Toll Revenue Forecasts

The traffic and revenue forecasts for the Turnpike System were developed on the basis of the historical results for the existing system, the various factors described in **Section 3.1**, the assumptions in **Section 3.2**, and the forecasting methodology set forth in **Section 3.3**.

The forecasts also considered the most recent recession. Analysis of regional economic trends and conditions generated by the Federal Reserve Bank of Atlanta, and assessments provided by Florida Revenue Estimating Conference are considered in the traffic and toll revenue growth components of the forecast.

According to these sources, the economic outlook for the State is slowly improving, after having turned the corner. Over the next ten years, the Florida economic recovery would not attain growth rates as high as those experienced during the five years before the recession.

With these factors in mind, the forecast was prepared based on actual revenues in FY 2015, as well as other major events including the indexing of toll rates, as mandated by the Florida Legislature, and the future conversion to AET. Additionally, the I-4 Connector opened to traffic in the last half of FY 2014, the Beachline East was acquired by the Turnpike from FDOT effective July 1, 2014, and a new expansion facility, the First Coast Expressway, will open to traffic in second half of FY 2017. Furthermore, the forecast includes revenue from the widening and the addition of express lanes on: SR 821 (HEFT) and Veterans Expressway starting in FY 2018; the Beachline West and Seminole Expressway in FY 2020; Sawgrass Expressway in FY 2021; and the Northern Coin in FY 2025. Also, the forecasts reflect two new interchanges on the Northern Coin System at SR 417 and Minneola in FY 2017 and FY 2018 respectively.

3.4.1 Mainline

The traffic and toll revenue forecasts for the Mainline (Florida City-Wildwood plus Beachline West Expressway) is summarized in **Table 46**, showing the projected annual traffic and average toll rates that result in the projected revenues.

Table 46
Mainline Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	502,167	1.8%	$635,025	1.8%	$1.265
2017	510,708	1.7	646,106	1.7	1.265
2018	525,381	2.9	680,273	5.3*	1.295
2019	535,820	2.0	683,949	0.5	1.276
2020	549,617	2.6	688,238	0.6	1.252
2021	561,297	2.1	705,069	2.4	1.256
2022	574,255	2.3	727,045	3.1	1.266
2023	586,336	2.1	748,670	3.0	1.277
2024	598,673	2.1	767,547	2.5	1.282
2025	612,361	2.3	792,743	3.3	1.295
2026	625,537	2.2	813,625	2.6	1.301

* Revenue increase due to the impact of the cash toll rate indexing.

During the 11-year forecast period through FY 2026, toll revenue on the Mainline is projected to exceed $813 million, up from approximately $635 million in FY 2016. The toll revenue growth in FY 2018 is attributed to cash toll rate indexing that occurs every five years, as well as the revenue impact from widening and express lanes on SR 821 (HEFT). The decline in gross revenue growth in FY 2019 is due to the impacts from the implementation of AET on the Ticket System and the northern section of the Southern Coin System, and the corresponding timing delay in toll collection from TOLL-BY-PLATE customers. These projections are from a gross revenue perspective and do not reflect the cost savings and operational efficiencies of AET conversion. The resulting reduction in operations and maintenance costs are shown later in **Table 61**.The variation in the average toll rates is due to these factors combined with the increases in SunPass® participation (SunPass® customers typically pay less) and annual indexing of SunPass® and TOLL-BY-PLATE toll rates. The projections are higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving economy in Florida and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike.

3.4.2 Sawgrass Expressway

The forecasts for the Sawgrass Expressway are shown in **Table 47**, which shows projected annual traffic and average toll rates that result in projected toll revenues.

Table 47
Sawgrass Expressway Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	81,546	2.3%	$74,545	2.7%	$0.914
2017	83,494	2.4	76,009	2.0	0.910
2018	85,582	2.5	78,231	2.9	0.914
2019	87,530	2.3	80,517	2.9	0.920
2020	89,588	2.4	82,870	2.9	0.925
2021	93,040	3.9	88,454	6.7	0.951
2022	95,719	2.9	91,431	3.4	0.955
2023	98,471	2.9	94,509	3.4	0.960
2024	101,229	2.8	97,594	3.3	0.964
2025	104,017	2.8	100,772	3.3	0.969
2026	106,805	2.7	104,036	3.2	0.974

During the 11-year period FY 2016 through FY 2026, toll revenue on the Sawgrass Expressway is projected to exceed $104 million, up from over $74 million in FY 2016. The projections are higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving economy in Florida along with increased tourism and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike. The variation in the average toll rates is due to these factors combined with the increases in SunPass® participation (SunPass® customers typically pay less) and annual indexing of SunPass® and TOLL-BY-PLATE toll rates.

3.4.3 Seminole Expressway

As an expansion project with 21 years of actual traffic and revenue history since its completion in June 1994, the forecast for the Seminole Expressway depends on both the actual results and growth rates derived from the Turnpike Central Florida Model, as modified by adjustment factors. The forecast is shown in **Table 48**.

Table 48
Seminole Expressway Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	36,646	3.6%	$47,016	3.9%	$1.283
2017	37,778	3.1	48,611	3.4	1.287
2018	38,946	3.1	51,984	6.9*	1.335
2019	40,150	3.1	53,844	3.6	1.341
2020	42,632	6.2	57,536	6.9	1.350
2021	44,129	3.5	59,816	4.0	1.355
2022	45,625	3.4	62,154	3.9	1.362
2023	47,122	3.3	65,119	4.8*	1.382
2024	48,618	3.2	67,511	3.7	1.389
2025	50,188	3.2	70,018	3.7	1.395
2026	51,757	3.1	72,576	3.7	1.402

* Revenue increase due to the impact of the cash toll rate indexing.

During the 11-year forecast period through FY 2026, toll revenue on the Seminole Expressway are projected to increase to approximately $72 million, up from $47 million in FY 2016. A higher revenue growth in FY 2018 and FY 2023 is largely due to the indexing of cash toll rates implemented every five years as required by the Statutes. The projections for the Seminole Expressway are higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving tourism and the economy in Florida and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike.

3.4.4 Veterans Expressway

Similar to the Seminole Expressway, with 21 years of actual traffic and revenue history since its completion, the traffic and toll revenue forecast depends on actual results and growth rates derived from the Tampa Bay Regional Planning Model. This forecast is shown in **Table 49**.

Table 49
Veterans Expressway Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	52,712	2.5%	$41,959	2.1%	$0.796
2017	53,984	2.4	42,803	2.0	0.793
2018	59,970	11.1	47,643	11.3*	0.794
2019	61,722	2.9	49,261	3.4	0.798
2020	63,401	2.7	50,932	3.4	0.803
2021	65,116	2.7	52,613	3.3	0.808
2022	66,832	2.6	54,349	3.3	0.813
2023	68,547	2.6	56,142	3.3	0.819
2024	70,263	2.5	57,999	3.3	0.825
2025	72,088	2.6	59,908	3.3	0.831
2026	73,949	2.6	61,877	3.3	0.837

* Revenue increase due to the impact of widening and the opening of express lanes.

During the 11-year forecast period through FY 2026, toll revenue on the Veterans Expressway is projected to approach $62 million, up from nearly $42 million in FY 2016. The significant revenue growth in FY 2018 is attributed to the impacts from widenings and the addition of express lanes. The variation in the average toll rates is due to these factors combined with the increases in SunPass® participation (SunPass® customers typically pay less) and annual indexing of SunPass® and TOLL-BY-PLATE toll rates.

3.4.5 Southern Connector Extension

As an expansion project with 19 full years of operating results since its completion in June 1996, the traffic and toll revenue forecast for the Southern Connector Extension depends on actual results and growth rates derived from the Turnpike Central Florida Model. Also, the traffic estimates utilize the longer actual experience of both the Seminole Expressway and CFX's Southern Connector, both of which, like the Southern Connector Extension, are part of the Central Florida GreeneWay. The traffic and toll revenue forecast for the Southern Connector Extension is shown in **Table 50**.

Table 50
Southern Connector Extension Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions		Toll Revenue (000)	Percent Change	Average Toll Rate
	Volume (000)	Percent Change			
2016	11,388	3.0%	$9,058	3.6%	$0.795
2017	11,680	2.6	9,351	3.2	0.801
2018	11,972	2.5	10,111	8.1*	0.845
2019	12,264	2.4	10,401	2.9	0.848
2020	12,556	2.4	10,699	2.9	0.852
2021	12,848	2.3	11,005	2.9	0.857
2022	13,140	2.3	11,318	2.8	0.861
2023	13,432	2.2	11,776	4.0*	0.877
2024	13,724	2.2	12,097	2.7	0.881
2025	14,053	2.4	12,433	2.8	0.885
2026	14,381	2.3	12,784	2.8	0.889

* Revenue increase due to the impact of the cash toll rate indexing.

During the 11-year forecast period through FY 2026, toll revenue on the Southern Connector Extension is projected to approach $13 million, up from $9 million in FY 2016. A higher toll revenue growth in FY 2018 and FY 2023 is largely due to the indexing of cash toll rates implemented every five years as required by the Statutes. The projections for the Southern Connector Extension are higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving economy in Florida, continued growth in tourism and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike.

3.4.6 Polk Parkway

With 16 full years of operation, the traffic and toll revenue forecast of the Polk Parkway is based on actual results and growth rates derived from the Polk County Transportation Planning Model and Turnpike Central Florida Model. The forecast is shown in **Table 51**.

Table 51
Polk Parkway Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	30,879	2.6%	$28,461	2.7%	$0.922
2017	31,500	2.0	29,037	2.0	0.922
2018	32,120	2.0	30,899	6.4*	0.962
2019	32,814	2.2	31,639	2.4	0.964
2020	33,580	2.3	32,411	2.4	0.965
2021	34,347	2.3	33,186	2.4	0.966
2022	35,113	2.2	33,995	2.4	0.968
2023	35,880	2.2	35,239	3.7*	0.982
2024	36,646	2.1	36,044	2.3	0.984
2025	37,486	2.3	36,944	2.5	0.986
2026	38,362	2.3	37,883	2.5	0.988

* Revenue increase due to the impact of the cash toll rate indexing.

During the 11-year forecast period through FY 2026, toll revenue on the Polk Parkway is projected to increase to nearly $38 million, up from just over $28 million in FY 2016. A higher toll revenue growth in FY 2018 and FY 2023 is largely due to the indexing of cash toll rates implemented every five years as required by the Statutes. The projections are higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving economy in Florida and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike.

3.4.7 Suncoast Parkway

The Suncoast Parkway fully opened to traffic in August 2001. The traffic and toll revenue forecasts are based on the Tampa Bay Regional Planning Model, as well as actual results since 2001. The traffic and toll revenue forecast for this facility is shown in **Table 52**.

Table 52
Suncoast Parkway Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	29,675	1.6%	$24,107	1.8%	$0.812
2017	30,259	2.0	23,181	-3.8	0.766
2018	30,879	2.0	23,290	0.5	0.754
2019	31,646	2.5	23,987	3.0	0.758
2020	32,412	2.4	24,667	2.8	0.761
2021	33,142	2.3	25,366	2.8	0.765
2022	33,909	2.3	26,107	2.8	0.770
2023	34,639	2.2	26,831	2.8	0.775
2024	35,478	2.4	27,613	2.8	0.778
2025	36,281	2.3	28,379	2.8	0.782
2026	37,084	2.2	29,207	2.8	0.788

During the 11-year period FY 2016 through FY 2026, toll revenue on the Suncoast Parkway is projected to increase to approximately $29 million, up from about $24 million in FY 2016. The forecast for the Suncoast Parkway reflects the improving economy in Florida and the resulting growth in both car and truck traffic on the Turnpike. The decline in revenue growth in FY 2017 and the modest growth in FY 2018 is due to the impacts from the implementation of AET, and the corresponding timing delay in toll collection from TOLL-BY-PLATE customers. These projections are from a gross revenue perspective and do not reflect the cost savings and operational efficiencies of AET conversion.

3.4.8 Daniel Webster Western Beltway, Part C

As previously mentioned, the Western Beltway, Part C was jointly developed by the Turnpike and CFX. The traffic and revenue forecast for the Western Beltway, Part C depends on the growth rates derived from the Turnpike Central Florida Model and also incorporates the recent actual results. The toll revenue forecast presented in **Table 53** is only for the 11-mile Turnpike portion that extends from I-4 in Osceola County to Seidel Road in Orange County.

Table 53
Daniel Webster Western Beltway, Part C Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	9.016	3.8%	$9,208	4.0%	$1.021
2017	9.344	3.6	9,548	3.7	1.022
2018	9.673	3.5	10,567	10.7*	1.092
2019	10.001	3.4	10,966	3.8	1.096
2020	10.366	3.6	11,411	4.1	1.101
2021	10.731	3.5	11,874	4.1	1.107
2022	11.133	3.7	12,367	4.1	1.111
2023	11.534	3.6	13,092	5.9*	1.135
2024	11.899	3.2	13,627	4.1	1.145
2025	12.301	3.4	14,196	4.2	1.154
2026	12.702	3.3	14,789	4.2	1.164

* Revenue increase due to the impact of the cash toll rate indexing.

During the 11-year period from FY 2016 through FY 2026, toll revenue on the Western Beltway, Part C is projected to increase from just over $9 million to approximately $15 million by FY 2026. A higher toll revenue growth in FY 2018 and FY 2023 is largely due to the indexing of cash toll rates implemented every five years as required by the Statutes. The increases throughout the forecast period are primarily attributed to expected ramp-up and new residential development in the corridor. The forecast for the Western Beltway, Part C is higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to the improving economy in Florida and the declining unemployment rates, and the resulting growth in both car and truck traffic on the Turnpike.

3.4.9 I-4 Connector

As stated previously, the I-4 Connector is an elevated SunPass®-only connection between Interstate 4 and the Lee Roy Selmon Crosstown Expressway in Hillsborough County that provides a limited-access alternative route to and from downtown Tampa.

Opened to traffic in January 2014, this 1-mile facility features a complex set of elevated directional ramps, accommodating selected traffic movements between I-4, the Selmon Expressway, and local arterial road access to and from the Port of Tampa. The “S” move provides I-4 traffic to and from the east a connection to and from the west on the Selmon Expressway, while the “Z” move provides I-4 traffic to and from the west a connection to and from the east on the Selmon Expressway. It also provides truck access to the Port of Tampa via ramps to and from the arterial street leading into the Port south of the Selmon Expressway, which is referred to as the “T” move.

The traffic and toll revenue forecast for the I-4 Connector is shown in **Table 54**. A significant growth in traffic and toll revenue, particularly from FY 2016 through FY 2018, is due to the ramp-up. The toll revenue growth throughout the 11-year forecast period reflects the annual indexing of SunPass® and TOLL-BY-PLATE toll rates. Toll revenues grow from over $9.0 million in the second full year of operation (FY 2016) to well over $18 million in FY 2026. The forecast for the I-4 Connector is higher than the toll revenue forecast included in the last issued Traffic and Earnings Report due to continued traffic ramp-up on this facility.

Table 54
I-4 Connector Traffic and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions* Volume (000)	Traffic Transactions* Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016**	12,921	6.8%	$9,426	7.4%	$0.730
2017**	13,797	6.8	10,136	7.5	0.735
2018**	14,783	7.1	10,940	7.9	0.740
2019	15,805	6.9	11,776	7.6	0.745
2020	16,827	6.5	12,652	7.4	0.752
2021	17,922	6.5	13,553	7.1	0.756
2022	19,053	6.3	14,490	6.9	0.761
2023	20,221	6.1	15,461	6.7	0.765
2024	21,426	6.0	16,482	6.6	0.769
2025	22,650	5.7	17,536	6.4	0.774
2026	23,871	5.4	18,604	6.1	0.779

* This facility opened to traffic in January 2014. FY 2015 was the first full year of operation.
** Traffic and toll revenue reflects ramp-up.

3.4.10 Beachline East Expressway

On July 1, 2014, the Beachline East Expressway became the second expansion project to be acquired by the Turnpike. This 22-mile facility lies on the eastern end of the SR 528, and extends east from SR 520 in Orange County for 6 miles into Brevard County where it splits into two branches. The 7-mile northeast branch becomes SR 407 and extends to a connection with SR 405, while the 9-mile southeast branch continues as SR 528 to a connection with the Bennett Causeway at US 1.

To enhance customer experience and save operational costs, the Mainline Plaza on this facility is consolidated with the Dallas Mainline Toll Plaza on the CFX owned section of the Beachine East Expressway. As such, tolls are collected by CFX at this plaza on behalf of the Turnpike (currently, $0.26 SunPass® and $0.50 cash for all axle classes). Additionally, to maintain a closed system west of I-95, the ramps to and from the east at SR 520 are tolled (currently, $0.26 SunPass® and $0.50 cash for all axle classes) and collected by the Turnpike.

The toll revenue forecast presented in **Table 55** is for tolls collected both at the CFX Dallas Mainline and at the SR 520 ramps. During the 11-year forecast period through FY 2026, toll revenue on the Beachline East Expressway is projected to increase to nearly $8 million, up from approximately $5 million in FY 2016. A higher toll revenue growth in FY 2018 and FY 2023 is largely due to the indexing of cash toll rates implemented every five years as required by the Statutes.

Table 55
Beachline East Expressway Traffic Transactions and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	17,447	2.2%	$5,312	2.5%	$0.304
2017	17,776	1.9	5,418	2.0	0.305
2018	18,104	1.8	6,344	17.1*	0.350
2019	18,433	1.8	6,488	2.3	0.352
2020	18,761	1.8	6,638	2.3	0.354
2021	19,126	1.9	6,795	2.4	0.355
2022	19,491	1.9	6,960	2.4	0.357
2023	19,856	1.9	7,377	6.0*	0.372
2024	20,221	1.8	7,552	2.4	0.373
2025	20,586	1.8	7,735	2.4	0.376
2026	20,951	1.8	7,914	2.3	0.378

* Revenue increase due to the impact of the cash toll rate indexing.

3.4.11 First Coast Expressway

The First Coast Expressway in Duval and Clay Counties (Jacksonville), is the most recent Turnpike expansion project currently under construction and is scheduled to open to traffic in the second half of FY 2017. This 15-mile, four-lane, divided, limited-access toll facility connects Interstate 10 at a point approximately 5 miles west of the I-295 beltway around the Jacksonville area to Blanding Boulevard (SR 21).

Toll collection on the First Coast Expressway will be All-Electronic Tolling, using SunPass® pre-paid service or TOLL-BY-PLATE. The facility will have four full interchanges (New World Ave., Normandy Blvd., 103rd Street, and Argyle Forest Blvd.) and one partial interchange, to/from the north (Oakleaf Plantation Parkway) in addition to the two interchanges at the project's termini. No toll collection will occur at any of the ramps. Instead, there will be five mainline tolling points (gantries) along the Expressway. The two northern most gantries will have a passenger car SunPass® toll rate of $0.20 and a TOLL-BY-PLATE toll of $0.45 in the opening year. The remaining three toll gantries will have a passenger car SunPass® rate of $0.60 and a TOLL-BY-PLATE rate of $0.85 in the opening year. The traffic and toll revenue forecast for the First Coast Expressway is shown in **Table 56**.

Table 56
First Coast Expressway Traffic Transactions and Toll Revenue
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions Volume (000)	Traffic Transactions Percent Change	Toll Revenue (000)	Percent Change	Average Toll Rate
2016	-	-	-	-	-
2017*	7,639	-	$2,964	-	$0.388
2018**	18,407	141.0%	7,135	140.7%	0.388
2019***	20,389	10.8	8,296	16.3	0.407
2020***	22,371	9.7	9,393	13.2	0.420
2021***	24,353	8.9	10,443	11.2	0.429
2022	26,335	8.1	11,451	9.7	0.435
2023	28,317	7.5	12,451	8.7	0.440
2024	30,299	7.0	13,449	8.0	0.444
2025	32,281	6.5	14,431	7.3	0.447
2026	34,218	6.0	15,382	6.6	0.450

* This facility will open to traffic in the second half of FY 2017.
** First full fiscal year of operation.
*** Traffic and toll revenue reflect ramp-up.

A significant growth in traffic and toll revenue, particularly from FY 2018 through FY 2021, is due to the ramp-up and development in the corridor. The toll revenue growth throughout the forecast period reflects the annual indexing of SunPass® and TOLL-BY-PLATE toll rates.

3.4.12 Total Traffic Transactions and Toll Revenue Forecasts

Total traffic transactions on the Turnpike during the 11-Year FY forecast period (2016-2026) are summarized in the following **Table 57**.

Table 57
Existing Turnpike System Traffic Transactions
FY 2016-2026 Forecast

Fiscal Year	Traffic Transactions (000) Mainline	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Conn. Ext.	Polk Parkway	Suncoast Parkway	Daniel Webster Western Beltway, Part C	I-4 Connector	Beachline East Expressway	First Coast Expressway	Total
2016	502,167	81,546	36,646	52,712	11,388	30,879	29,675	9,016	12,921	17,447	-	784,397
2017	510,708	83,494	37,778	53,984	11,680	31,500	30,259	9,344	13,797	17,776	7,639*	807,959
2018	525,381	85,582	38,946	59,970	11,972	32,120	30,879	9,673	14,783	18,104	18,407	845,817
2019	535,820	87,530	40,150	61,722	12,264	32,814	31,646	10,001	15,805	18,433	20,389	866,574
2020	549,617	89,588	42,632	63,401	12,556	33,580	32,412	10,366	16,827	18,761	22,371	892,111
2021	561,297	93,040	44,129	65,116	12,848	34,347	33,142	10,731	17,922	19,126	24,353	916,051
2022	574,255	95,719	45,625	66,832	13,140	35,113	33,909	11,133	19,053	19,491	26,335	940,605
2023	586,336	98,471	47,122	68,547	13,432	35,880	34,639	11,534	20,221	19,856	28,317	964,355
2024	598,673	101,229	48,618	70,263	13,724	36,646	35,478	11,899	21,426	20,221	30,299	988,476
2025	612,361	104,017	50,188	72,088	14,053	37,486	36,281	12,301	22,650	20,586	32,281	1,014,292
2026	625,537	106,805	51,757	73,949	14,381	38,362	37,084	12,702	23,871	20,951	34,218	1,039,617

* This facility will open to traffic in the second half of FY 2017.

Total toll revenue on the Turnpike during the FY 2016-2026 forecast period is summarized in the following **Table 58**.

Table 58
Existing Turnpike System Toll Revenue
FY 2016-2026 Forecast

	Toll Revenue (000)											
Fiscal Year	Mainline	Sawgrass Expressway	Seminole Expressway	Veterans Expressway	Southern Conn. Ext.	Polk Parkway	Suncoast Parkway	Daniel Webster Western Beltway, Part C	I-4 Connector	Beachline East Expressway	First Coast Expressway	Total
2016	$635,025	$74,545	$47,016	$41,959	$9,058	$28,461	$24,107	$9,208	$9,426	$5,312	-	$884,117
2017	646,106	76,009	48,611	42,803	9,351	29,037	23,181	9,548	10,136	5,418	$2,964*	903,164
2018	680,273	78,231	51,984	47,643	10,111	30,899	23,290	10,567	10,940	6,344	7,135	957,417
2019	683,949	80,517	53,844	49,261	10,401	31,639	23,987	10,966	11,776	6,488	8,296	971,124
2020	688,238	82,870	57,536	50,932	10,699	32,411	24,667	11,411	12,652	6,638	9,393	987,447
2021	705,069	88,454	59,816	52,613	11,005	33,186	25,366	11,874	13,553	6,795	10,443	1,018,174
2022	727,045	91,431	62,154	54,349	11,318	33,995	26,107	12,367	14,490	6,960	11,451	1,051,667
2023	748,670	94,509	65,119	56,142	11,776	35,239	26,831	13,092	15,461	7,377	12,451	1,086,667
2024	767,547	97,594	67,511	57,999	12,097	36,044	27,613	13,627	16,482	7,552	13,449	1,117,515
2025	792,743	100,772	70,018	59,908	12,433	36,944	28,379	14,196	17,536	7,735	14,431	1,155,095
2026	813,625	104,036	72,576	61,877	12,784	37,883	29,207	14,789	18,604	7,914	15,382	1,188,677

* This facility will open to traffic in the second half of FY 2017.

As shown in **Table 58**, total toll revenues are estimated to increase during the 11-year forecast period from approximately $884 million in FY 2016 to nearly $1.2 billion in FY 2026. As previously mentioned, the forecast includes the impact of annual toll rate indexing beginning in FY 2016.

3.5 Concession Revenue Forecasts

Concession revenues include income from two primary sources, namely food service sales at service plaza eateries and advertisement on Turnpike facilities. Food sales also include ancillary items such as gift shops, vending and attraction ticket sales. Concession revenue is based on a percentage of sales or a guaranteed monthly minimum concession fee (whichever is larger).

The Turnpike selected a new concessionaire, Areas USA FLTP, LLC, to provide both food and gas station services through the original contract which was executed in April 2009. Areas USA FLTP, LLC commenced its fuel operations in early April 2009 and food and beverage operations in early June 2009. Also through this new contract, the Turnpike negotiated the reconstruction of the Ft. Drum and Ft. Pierce Service Plazas, to include new restaurant and convenience store buildings.

Table 59 presents the negotiated completion schedule for the service plaza reconstruction. As shown in the Table, reconstruction efforts began in the last quarter of 2010 for six of the eight service plazas. Reconstruction on the remaining two service plazas, Fort Pierce/St. Lucie and Okahumpka began in July 2014 and December 2014, respectively.

Completion dates listed indicate the month in which the final Certificate of Occupancy was issued for the service plaza building. The service plaza at Snapper Creek on SR 821 (HEFT) was the first to reopen after reconstruction in March 2012. This was followed approximately a year later by the service plaza at Pompano Beach on the Southern Coin System. The Pompano Beach service plaza restaurant area was replaced with 11,500-square foot convenience store. The next two service plazas reopened in September 2013, which included the Turkey Lake service plaza on the Northern Coin System and the Ft. Drum

Service Plazas on the Ticket System, followed by the West Palm Beach Service Plaza, also on the Ticket System, in December 2013.

Table 59
Turnpike System Service Plaza
Reconstruction Schedule
2010-2016

Service Plaza	Start Date	Completion Date
Snapper Creek	November 2010	March 2012
Pompano Beach	November 2010	February 2013
Turkey Lake	December 2010	September 2013
Canoe Creek	November 2010	April 2014
Fort Drum	November 2010	September 2013
West Palm Beach	November 2010	December 2013
Fort Pierce/Port St. Lucie	July 2014	July 2017
Okahumpka	December 2014	February 2016

Full services at the Fort Pierce/Port St. Lucie Service Plaza are scheduled to reopen in July 2017. A similar restaurant area replacement with a convenience store is under construction at Okahumpka Service Plaza and is scheduled to be completed by February 2016. The new 3,500-square foot convenience store at Turkey Lake and West Palm Beach Service Plazas is now open, while a similar store at Canoe Creek Service Plaza opened in April 2014.

Areas USA FLTP, LLC began the facility improvement efforts in November 2010 in accordance with a completion schedule agreed upon in advance with Turnpike management. The contract included a stipulation for monthly late payments by Areas USA to the Turnpike for service plaza construction impediments resulting in delays beyond the initial contract schedule. During FY 2013 and FY 2014, the Turnpike received $585,000 and $360,000, respectively, in additional revenue due to such delays.

The advertisement revenue from a license agreement with Travelers Marketing, LLC is also incorporated in the forecast based on annual payment amounts stipulated in the contract. The tollbooth advertising revenue forecast has been decreased from FY 2016 and thereafter to account for future AET conversions on Turnpike facilities. Additionally, the revenue stream from a ten-year license agreement with Florida Logos, Inc. for highway signage, and a renewed license agreement for the Sponsor-A-Highway Program are also included in the forecast. Turnpike projected concession revenues are presented in **Table 60**. Concession revenue is expected to grow from $7.2 million in FY 2016 to approximately $8.4 million by FY 2026. The forecast is higher than the projected concession revenue included in the last issued Traffic and Earnings Report due to the revenue stream from the Road Ranger program. The advertisement revenue is expected to decline more as additional toll plazas are removed as part of the AET conversions.

Table 60
Turnpike System Concession Revenues
FY 2016-2026 Forecast

Fiscal Year	Total Gross Revenue (000)
2016	$7,179
2017	7,256
2018	7,435
2019	7,472
2020	7,548
2021	7,690
2022	7,834
2023	7,981
2024	8,131
2025	8,283
2026	8,439

3.6 Operations and Maintenance Expense Forecast

The operations and maintenance expense forecast provided by Turnpike management is summarized in **Table 61**, showing the projected expenses and annual escalation rates. Operations and maintenance expense is projected to be over $190 million in FY 2016. This represents an increase of 7.5 percent over FY 2015 of $177 million as shown previously in **Table 34**. The increase in FY 2016 reflects Systemwide traffic growth, increase in Florida Highway Patrol (FHP) staffing along the Turnpike system, increase in Road Ranger and Traffic Management Center staffing and no AET conversions assumed in this fiscal year.

FY 2017 reflects the anticipated opening of the First Coast Expressway, as well as, additional growth in Road Ranger services due to the implementation of express lanes along the Veterans Expressway and SR 821 – (HEFT). No cost escalation in FY 2019 and a decline in FY 2020 is attributed to the operational cost savings related to AET conversion on the Ticket System and the remaining section of the Southern Coin System. The anticipated in-lane savings from these AET conversions will be partially offset by an increase in back-office resources to support SunPass® and TOLL-BY-PLATE operations. The Turnpike Finance Office assumed annual operating and maintenance costs would rise by approximately two percent per year due to annual inflation. Starting in FY 2014, toll administrative charges from video billing are recorded as operating revenues and no longer offset the Operations and Maintenance expenses resulting in higher overall cost. This change in accounting procedure has raised the current forecast higher than the projected expense included in the last issued Traffic and Earnings Report.

Table 61
Turnpike System Operations and Maintenance Expenses
FY 2016-2026 Forecast

Fiscal Year	Total Operating and Maintenance Expenses (000)*	Percent Change
2016	$190,496	7.5%
2017	201,042	5.5
2018	206,844	2.9
2019	207,704	0.4
2020	206,487	-0.6
2021	211,332	2.3
2022	215,696	2.1
2023	220,144	2.1
2024	224,663	2.1
2025	229,287	2.1
2026	233,817	2.0

*Operations and Maintenance Expenses include Business Development and Marketing Expenses. Toll Administrative Charges are estimated by the Turnpike Finance Office and are shown separately. Such revenue does not offset Operations and Maintenance Expenses as in prior Traffic and Earnings Reports.
Source: Turnpike Enterprise Finance Office.

3.7 Net Revenue

The projected operating expenses were deducted from the projected toll and concession revenues (from **Tables 58, 60 and 61**) to produce the following forecast of net revenues from toll operation presented in **Table 62**.

Table 62
Turnpike System Net Revenues
FY 2016-2026 Forecast

Fiscal Year	Revenues and Expenses (000)					
	Gross Revenue				Operations and Maintenance Expenses*	Net Revenue
	Tolls	Concessions	Toll Administrative Charges*	Total		
2016	$884,117	$7,179	$14,077	$905,373	$190,496	$714,877
2017	903,164	7,256	14,359	924,779	201,042	723,737
2018	957,417	7,435	14,646	979,498	206,844	772,654
2019	971,124	7,472	14,939	993,535	207,704	785,831
2020	987,447	7,548	15,238	1,010,233	206,487	803,746
2021	1,018,174	7,690	15,543	1,041,407	211,332	830,075
2022	1,051,667	7,834	15,854	1,075,355	215,696	859,659
2023	1,086,667	7,981	16,171	1,110,819	220,144	890,675
2024	1,117,515	8,131	16,494	1,142,140	224,663	917,477
2025	1,155,095	8,283	16,824	1,180,202	229,287	950,915
2026	1,188,677	8,439	17,160	1,214,276	233,817	980,459

* Toll Administrative charges are estimated by the Turnpike Finance Office and are shown separately. Such revenue does not offset Operations and Maintenance Expenses as in prior Traffic and Earnings Reports. Operations and Maintenance Expenses include Business Development and Marketing Expenses.

3.8 Conclusion

It is our opinion that the projections of traffic and correlated revenues are reasonable, and that they have been prepared in accordance with general professional practice for toll road forecasts (the forecast of operations and maintenance expenses is prepared by Turnpike management). Our analyses are based solely on the traffic and revenue engineering aspects of the Turnpike System. It is also our opinion that the Turnpike revenues should be sufficient to meet the rate covenants of the Turnpike Bond Resolution.

This report contains forward-looking statements, traffic and revenue projections, and statements of engineering opinion based upon certain information. These forward-looking and opinion statements and projections include statements relating to preexisting conditions not caused or created by URS Corporation and external conditions beyond our control. We believe that our expectations are reasonable and are based on reasonable assumptions. However, such forward-looking statements, projections and opinions, by their nature involve risks and uncertainties beyond our control. We caution that a variety of factors could cause the actual revenue associated with Florida’s Turnpike to differ from that expressed or implied in this report. We assume no obligation with respect to the differences between this report and the actual performance of Florida’s Turnpike. This report was prepared for the use of Florida’s Turnpike that commissioned it. Florida’s Turnpike is responsible for all cash-flow modeling efforts and the preparation of the Turnpike Finance Plan. This report was also prepared for the Division of Bond Finance of the State Board of Administration of Florida that will structure and issue the 2016A Series Revenue Refunding Bonds. Third parties use this report at their own risk. Under no circumstances will URS be liable to third parties for claims or damage arising out of this report unless expressly agreed between the third party and URS. URS disclaims any obligation to advise such third parties of any change in any matter affecting this report which may come to our attention after the date of this report. Any unauthorized use of this report is at the user’s sole risk.

We acknowledge with thanks the cooperation and support of the Florida’s Turnpike Enterprise staff in the preparation of this report.

Respectfully,
URS CORPORATION

William A. Nelsen, C.P.A
Vice President

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Florida's Turnpike System
Department of Transportation
State of Florida

Financial Statements as of and for the
Years Ended June 30, 2015 and 2014, and
Independent Auditors' Report

FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

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Independent Auditor's Report

Secretary of Transportation
Florida Department of Transportation
Tallahassee, Florida

Report on the Financial Statements
We have audited the accompanying financial statements of Florida's Turnpike System (the System), an enterprise fund of the Florida Department of Transportation, which is an agency of the State of Florida, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express 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 from material misstatement.

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida's Turnpike System, as of June 30, 2015 and 2014, and the changes in financial position and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter
As discussed in Note 1, the financial statements present only the System and do not purport to, and do not represent fairly the financial position of the Florida Department of Transportation or the Florida Turnpike Enterprise as of June 30, 2015 and 2014 and the changes in their financial position, or where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information

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

RSM US LLP

Orlando, Florida
November 6, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2015 AND 2014

As management of Florida's Turnpike System (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, 2015 and 2014. 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 an enterprise fund in the financial statements of the State of Florida.

FINANCIAL HIGHLIGHTS

- Total revenues were $907.7 million and $843.9 million, for fiscal years 2015 and 2014, respectively. Fiscal year 2015 revenues increased $63.8 million (7.6%) from the prior year and fiscal year 2014 revenues increased $60.7 million (7.8%) from fiscal year 2013.
- Total expenses were $365.5 million and $372.5 million, for fiscal years 2015 and 2014, respectively. Fiscal year 2015 total expenses decreased $7.0 million (1.9%) from the prior year, and fiscal year 2014 total expenses decreased $25.1 million (6.3%) from fiscal year 2013.
- Net position totaled $7.4 billion and $6.9 billion as of June 30, 2015 and 2014, respectively. Increases of $509.7 million (7.4%) and $785.5 million (12.9%) from each of the prior fiscal years indicate strong continued growth in the System's financial position.
- Total capital assets, net of accumulated depreciation and amortization, amounted to $9.4 billion and $9.0 billion as of June 30, 2015 and 2014, respectively. Increases of $369.9 million (4.1%) and $844.8 million (10.3%) from each of the prior fiscal years reflect continued investment 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.

Balance Sheet — This statement presents information on all of the System's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the sum of the assets and deferred outflows and the sum of liabilities and deferred inflows reported as net position. Over time, increases or decreases in net position are relative indicators of whether the System's financial position is improving or deteriorating.

Statement of Revenues, Expenses, and Changes in Net Position — 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 position 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 sources and uses of cash and the change in the 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 position serves as an indicator of the strength of the System's financial status. The System's net position as of June 30, 2015 and 2014 was $7.4 billion and $6.9 billion, an increase of $509.7 million and $785.5 million, respectively, as compared to the prior fiscal year. Increases in net position were primarily due to positive operating results for the two years which included the first full year of the I-4 Connector expansion project (opened in January 2014) and the acquisition of the Beachline East Expressway (July 2014). The System continues to invest its positive net operating revenues in capital 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 System revenues are utilized to repay this debt in accordance with the bond resolution.

Table 1
Balance Sheets of Florida's Turnpike System
(In Millions)

	As of June 30,		
	2015	**2014**	**2013**
Current assets	$ 898.5	$ 894.2	$ 731.2
Noncurrent restricted assets	223.6	262.8	283.1
Capital assets−net of accumulated depreciation and amortization	9,385.2	9,015.3	8,170.5
Noncurrent assets	105.9	76.9	82.3
Total assets	10,613.2	10,249.2	9,267.1
Deferred outflows of resources	36.1	40.5	40.1
Total assets and deferred outflows of resources	$ 10,649.3	$ 10,289.7	$ 9,307.2
Current liabilities	$ 240.1	$ 305.4	$ 186.8
Long-term debt outstanding and other liabilities	2,898.1	2,974.9	2,901.3
Total liabilities	3,138.2	3,280.3	3,088.1
Deferred inflows of resources	137.1	145.1	140.3
Net position:			
Net investment in capital assets	6,496.1	6,110.3	5,339.1
Restricted	110.4	121.0	149.6
Unrestricted	767.5	633.0	590.1
Total net position	7,374.0	6,864.3	6,078.8
Total liabilities, deferred inflows of resources and net position	$ 10,649.3	$ 10,289.7	$ 9,307.2

A portion of the System's net position represents resources subject to bond covenants or other restrictions. Such funds are held to meet bond sinking fund and debt service reserve requirements. As of June 30, 2015 and 2014, net position subject to these restrictions totaled $110.4 million and $121.0 million, respectively. For fiscal year 2015, this represents a decrease of $10.6 million from the prior year. This change is primarily due to a $16.4 million decrease of the debt service reserve requirement. For fiscal year 2014, this represents a decrease of $28.6 million from the prior year. This change is primarily due to an increase in net revenue. Additional information on the System's debt service funding can be found in Note 9 – *Bonds Payable* to the financial statements.

Unrestricted net position of $767.5 million and $633.0 million as of June 30, 2015 and 2014, respectively, represents residual amounts after all mandatory transfers have been made as required by bond covenants and other restrictions. Typically, unrestricted net position is used to fund capital improvements and to support the ongoing operations of the System. For fiscal years 2015 and 2014, this represents increases of $134.5 million and $42.9 million, respectively, due to increases in total net revenues for both years.

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

	For the Year Ended June 30,		
	2015	**2014**	**2013**
Operating revenues from toll facilities	$ 866.0	$ 796.3	$ 755.5
Operating revenues from toll administrative charges	15.3	8.5	6.2
Operating revenues from concessions and other sources	13.3	12.1	12.5
Nonoperating investment earnings	7.6	21.5	3.3
Nonoperating interest subsidy	5.5	5.5	5.7
Total revenues	907.7	843.9	783.2
Operations and maintenance expense	(175.8)	(164.2)	(162.4)
Business development and marketing expense	(1.4)	(1.6)	(1.2)
Pollution remediation	(0.5)	-	-
Renewals and replacements expense	(59.2)	(62.7)	(81.9)
Depreciation and amortization expense	(35.0)	(35.4)	(35.1)
Nonoperating interest expense	(80.9)	(91.5)	(109.2)
Other nonoperating expense−net	(12.7)	(17.1)	(7.8)
Total expenses	(365.5)	(372.5)	(397.6)
Income before contributions and transfer	542.2	471.4	385.6
Contributions for capital projects	7.4	314.1	1.2
Transfer-facility acquisition	(39.9)	-	-
Increase in net position	509.7	785.5	386.8
Net position:			
Beginning of year	6,864.3	6,078.8	5,692.0
End of year	$ 7,374.0	$ 6,864.3	$ 6,078.8

Total revenues for fiscal years 2015 and 2014 were $907.7 million and $843.9 million, respectively, with corresponding increases of $63.8 million and $60.7 million over the prior years. The yearly increases were primarily attributable to higher toll revenues due to an increase in toll transactions and the indexing of toll rates. For the years ended 2015 and 2014, toll transactions increased by over 11 percent and over four percent, respectively, compared to the prior fiscal years. Additionally, both years reflected the effect of the implementation of Section 338.165(3), Florida Statutes, requiring the Department to index toll rates on existing toll facilities. On July 1, 2014 and 2013, toll rates were indexed by the changes in the annual Consumer Price Index (CPI) of 1.5% and 2.1%, respectively. It is also important to note that the System has a broad customer base and the ability to serve more than half of the State's population. Expanded use of the interstate highway system and continuing heavy flows of commuter traffic make the System an attractive option to the motoring public in both rural and urban areas. Customers perceive the value of the Systems' well-maintained limited-access roadways and its high level of service.

Total expenses (including depreciation and amortization expense) for fiscal year 2015 were $365.5 million, a decrease of $7.0 million compared to fiscal year 2014. The decrease is primarily due to a $10.6 million decrease in interest expense due to higher capitalized interest as compared to the prior year. Additionally, renewals and replacements expense decreased by $3.5 million due to less resurfacing requirements compared to the prior year offset by an $11.6 million increase in operations and maintenance expense. The increase in operations and maintenance expense is primarily due to the overall growth of system toll transactions, the addition of the Beachline East Expressway, and the impacts of the first full year of traffic on the I-4 Connector. In accordance with Section 338.161(5), Florida Statutes, the System collects an administrative fee in association with video billings which is designed to offset these costs. Therefore, the additional video billings result in a corresponding increase in Toll Administrative Charges.

Total expenses (including depreciation and amortization expense) for fiscal year 2014 were $372.5 million, a decrease of $25.1 million compared to fiscal year 2013. The decrease is primarily due to a decrease in renewals and replacements due to the timing of resurfacing projects from year to year. 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 decrease in renewals and replacements expenses in fiscal years 2015 or 2014. (See the Required Supplementary Information included after the Notes to Financial Statements for more information.)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets — As of June 30, 2015 and 2014, the System reported approximately $9.4 billion and $9.0 billion, respectively, in constructed, purchased, and donated capital assets (net of accumulated depreciation and amortization), which was $369.9 million and $844.8 million higher than the prior years. These increases were primarily due to the acquisition of the Beachline East Expressway on July 1, 2014, completion of the I-4 Connector expansion project which opened in January 2014, and ongoing widening of the Veterans Expressway and SR 821 (HEFT) roadways in Hillsborough and Miami-Dade counties, respectively. Other additions over the past two years were mainly in the category of infrastructure and related construction in progress assets which 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 distinguished by whether the capital asset is subject to depreciation/amortization or not subject to depreciation/amortization.

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

	As of June 30,		
	2015	**2014**	**2013**
Infrastructure	$ 7,224.9	$ 6,878.5	$ 6,432.8
Construction in progress	949.4	950.6	598.9
Land	903.6	892.9	866.6
Buildings	60.4	60.3	49.0
Buildings and improvements−net	128.2	132.1	132.5
Furniture and equipment−net	105.1	88.0	71.3
Intangible assets−net	13.6	12.9	19.4
Total capital assets−net	$ 9,385.2	$ 9,015.3	$ 8,170.5

For fiscal years ended 2015 and 2014, major additions of capital assets, including those in progress, were as follows (in millions):

	2015	**2014**
Widening and capacity improvements	$ 171.9	$ 170.4
Expansion projects	54.7	430.2
Interchange and access projects	50.0	192.9
All-Electronic Tolling improvements	39.2	94.8
Safety improvements	5.4	17.3
Intelligent transportation system improvements	0.4	1.1
Total	$ 321.6	$ 906.7

The System's capital program is made up of a number of ongoing projects, which include construction of the new First Coast Expressway in Clay and Duval counties; an interchange at SR 417 and the Mainline; widening of the Beachline West Expressway (from I-4 to the Mainline); widening of the Veterans Expressway in Hillsborough County; widening of the SR 821 (HEFT) in Miami-Dade County; as well as other interchange improvements.

Capital projects planned for the fiscal year ending June 30, 2016 include $467.9 million of widening and capacity improvement projects on the Mainline in Osceola County, SR 821 (HEFT), Beachline West Expressway, and Seminole Expressway; $290.1 million expansion of the Suncoast Parkway into Citrus County; and $91.6 million of interchange projects in Central and Southern Florida. 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 assets 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 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 2015 and 2014, the System estimated it would need to spend $81.8 million and $86.9 million, respectively, for infrastructure maintenance and preservation, but actually expended $97.8 million and $98.9 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 consistent from year to year.

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

Noncurrent Liabilities — At the end of fiscal year 2015, the System had outstanding bonds (net of unamortized premiums/discounts) and other noncurrent liabilities payable totaling $2.9 billion. This amount represents a decrease of the System's long-term debt obligations by $76.8 million from June 30, 2014. This decrease was primarily due to a $33.2 million repayment of other liabilities related to the construction of capital assets and a $36.1 million decrease of principal on outstanding bonds and current year refundings.

At the end of fiscal year 2014, the System had outstanding bonds (net of unamortized premiums) and other noncurrent liabilities payable totaling $3.0 billion. This amount represents an increase of the System's long-term debt obligations by $73.6 million from June 30, 2013. This increase was primarily due to a $52.7 million increase in other liabilities related to the construction of capital assets and a $34.0 million increase of principal on outstanding bonds and current year refundings.

Additional information on the System's outstanding noncurrent liabilities can be found in Notes 8, 9, and 10 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 bonds to fund approved projects. As of June 30, 2015, the System has $2.9 billion of outstanding bonds related to the financing of the construction of expansion projects and system improvements.

The System issues bonds to fund expansion and improvement projects in accordance with System 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. Bonds are only issued for projects included in the System's legislatively (Section 339.135 (4), F.S.) approved Work Program.

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 bonds requires a debt service reserve be established in an amount as defined in the resolution. The System is fully funded for fiscal years 2015 and 2014. Additional information on the System's debt service reserve requirements can be found in Note 9 – *Bonds Payable* to the financial statements.

The System currently holds an "AA-" rating from Standard & Poor's Ratings Services, an "AA-" rating from Fitch Ratings, and an "Aa3" rating from Moody's Investors Service for its bond issues. Furthermore, during fiscal year 2015, Moody's revised its "Aa3" rating outlook to "Positive" from "Stable." The System's debt service coverage ratio was 2.83 and 2.72 for fiscal years 2015 and 2014, respectively. This higher coverage is primarily due to an increase of $66.4 million of net operating revenues available for debt service. This coverage ratio exceeds the 1.2 minimum debt service coverage as required by the resolution.

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

	As of June 30,		
	2015	**2014**	**2013**
Bonds (backed by System revenues)	$ 2,767.4	$ 2,795.7	$ 2,761.6
Advances payable to the Florida Department of Transportation	110.7	125.9	139.1
Other noncurrent liabilities	20.0	53.3	0.6
Total noncurrent liabilities	$ 2,898.1	$ 2,974.9	$ 2,901.3

Economic Conditions and Outlook — Over the past five years, Florida's economy has expanded at a steady pace. The key drivers for the improving economy are significant job growth, increases in population and year-over-year record highs recorded in the volume of tourists visiting Florida. As a result, commuter, recreational and commercial traffic are expected to continue to increase beyond 2015.

Fiscal year 2015 toll revenues reflect the statutorily required indexing of toll rates. Additionally, on July 1, 2015, (FY 2016) the SunPass and TOLL-BY-PLATE rates were adjusted by the annual CPI index of 1.6%. Management believes that fiscal year 2016 toll revenues will be sufficient to meet its obligations for debt service, operating and maintenance costs, and the preservation of the System. The remaining revenues will be utilized to fund the System's capital improvement program.

Requests for Information — This financial report is designed to provide a general overview of the System's financial results and condition for those interested. 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.

FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

BALANCE SHEETS
JUNE 30, 2015 AND 2014
(In thousands)

	2015	2014
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS:		
CURRENT ASSETS:		
Pooled cash and cash equivalents (Note 3)	$ 854,693	$ 857,410
Receivables:		
Accounts	11,195	8,480
Interest	1,153	1,404
Due from other governments (Note 4)	25,740	17,542
Prepaid expenses	234	-
Inventory	1,550	2,511
Other assets	3,934	6,904
Total current assets	898,499	894,251
NONCURRENT ASSETS:		
Unrestricted investments	34,448	176
Restricted assets:		
Restricted cash and cash equivalents (Note 3)	37,265	70,949
Restricted investments (Note 3)	186,314	191,729
Total restricted assets	223,579	262,678
Nondepreciable capital assets (Note 5):		
Construction in progress	949,387	950,605
Land	903,572	892,855
Buildings	60,367	60,367
Infrastructure — highway system and improvements	7,224,909	6,878,491
Total nondepreciable capital assets	9,138,235	8,782,318
Depreciable capital assets (Note 5):		
Buildings and improvements	240,381	247,177
Furniture and equipment	198,943	178,682
Intangible assets	51,951	44,776
Less accumulated depreciation and amortization	(244,290)	(237,642)
Total depreciable capital assets — net	246,985	232,993
Service concession arrangement receivable (Note 11)	71,467	76,751
Total noncurrent assets	9,714,714	9,354,916
Total assets	10,613,213	10,249,167
Deferred outflows of resources	36,119	40,542
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 10,649,332	$ 10,289,709

(Continued)

FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

BALANCE SHEETS
JUNE 30, 2015 AND 2014
(In thousands)

	2015	2014
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES:		
Current liabilities:		
Construction contracts and retainage payable	$ 72,623	$ 154,314
Current portion of bonds payable (Notes 9, 10)	127,045	119,240
Due to Florida Department of Transportation (Notes 7, 8, 10)	37,849	31,320
Due to other governments	71	88
Deposits payable	225	229
Unearned revenue	2,325	275
Total current liabilities	240,138	305,466
Noncurrent liabilities:		
Long-term portion of bonds payable — net of premiums of $117,264 and $125,405, respectively (Notes 9, 10)	2,767,374	2,795,715
Advances payable to Florida Department of Transportation (Notes 8, 10)	110,662	125,879
Unearned revenue from other governments (Note 10)	500	550
Other long-term liabilities (Note 10)	19,575	52,725
Total noncurrent liabilities	2,898,111	2,974,869
Total liabilities	3,138,249	3,280,335
Deferred inflows of resources (Note 11)	137,108	145,120
NET POSITION:		
Net investment in capital assets	6,496,129	6,110,327
Restricted for debt service	90,754	108,317
Restricted for renewal and replacement	19,597	12,608
Unrestricted	767,495	633,002
Total net position	7,373,975	6,864,254
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 10,649,332	$ 10,289,709

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 POSITION
YEARS ENDED JUNE 30, 2015 AND 2014
(In thousands)

	2015	2014
OPERATING REVENUES:		
Toll facilities	$ 865,950	$ 796,301
Toll administrative charges	15,334	8,495
Concessions	7,050	7,139
Other	6,255	4,934
Total operating revenues	894,589	816,869
OPERATING EXPENSES:		
Operations and maintenance	175,769	164,191
Business development and marketing	1,391	1,647
Pollution remediation	547	-
Renewals and replacements	59,249	62,684
Depreciation and amortization (Note 5)	34,951	35,419
Total operating expenses	271,907	263,941
OPERATING INCOME	622,682	552,928
NONOPERATING REVENUES (EXPENSES):		
Investment earnings	7,560	21,547
Interest subsidy (Note 5, 9)	5,509	5,515
Interest expense	(80,854)	(91,539)
Other — net	(12,706)	(17,104)
Total nonoperating expenses — net	(80,491)	(81,581)
INCOME BEFORE CONTRIBUTIONS AND TRANSFER	542,191	471,347
CONTRIBUTIONS FOR CAPITAL PROJECTS (Note 13)	7,449	314,146
TRANSFER-FACILITY ACQUISITION (Note 5)	(39,919)	-
INCREASE IN NET POSITION	509,721	785,493
NET POSITION:		
Beginning of year	6,864,254	6,078,761
End of year	$ 7,373,975	$ 6,864,254

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, 2015 AND 2014
(In thousands)

	2015	2014
OPERATING ACTIVITIES:		
Cash received from customers	$ 877,241	$ 813,730
Cash payments to suppliers for goods and services	(230,181)	(222,804)
Cash payments to employees	(18,196)	(15,661)
Other operating revenues	7,557	10,264
Net cash provided by operating activities	636,421	585,529
CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from the issuance of revenue bonds	239,388	521,373
Receipts from 2009B Build America Bonds interest subsidy	5,509	5,515
Principal paid on revenue bond maturities	(120,990)	(111,425)
Interest paid on revenue bonds	(137,609)	(133,627)
Payments for bond issuance costs	(1,457)	(1,557)
Payments for refunding of revenue bonds	(116,937)	(344,818)
Payment to acquire facility	(60,000)	-
Receipts from contributions made by other governments	3,232	83
Payments for the acquisition or construction of capital assets	(463,862)	(372,191)
Proceeds from the sale of capital assets	227	1,001
Insurance recoveries	583	245
Fiscal charges	(1,035)	(13,933)
Net cash used in capital and related financing activities	(652,951)	(449,334)
INVESTING ACTIVITIES:		
Proceeds from the sale or maturity of investments	640,669	758,884
Investment earnings	9,016	21,635
Purchase of investments	(669,556)	(737,295)
Net cash provided by (used in) investing activities	(19,871)	43,224
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	(36,401)	179,419
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:		
Beginning of year	928,359	748,940
End of year	$ 891,958	$ 928,359

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FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2015 AND 2014
(In thousands)

	2015	2014
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$ 622,682	$ 552,928
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	34,951	35,419
Pollution remediation	547	
Other noncash adjustments	(1,402)	(592)
(Increase) decrease in:		
Due from other governments	(6,304)	7,712
Accounts receivable	(2,988)	397
Prepaid expenses	(234)	-
Inventory	1,170	(453)
Other assets	2,970	(5,049)
Increase (decrease) in:		
Due to Florida Department of Transportation	(5,470)	(11,518)
Due to other governments	(17)	(18)
Deposits payable	(4)	29
Construction contracts and retainage payable	(9,717)	6,673
Unearned revenue	237	1
Total adjustments	13,739	32,601
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 636,421	$ 585,529
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Bond premium amortization — net	$ (25,486)	$ (23,619)
Amortization of fiscal charges	$ -	$ 12,818
Amortization of deferred losses on early retirement of debt	$ 7,911	$ 7,046
Deferred losses due to refunding	$ (3,488)	$ (11,514)
Write-off of deferred losses and net bond premiums	$ 1,536	$ 11,456
Loss on disposed capital assets	$ 9,525	$ 1,197
Contributions for capital projects	$ 7,449	$ 314,146
Capital asset contributions in other — net	$ (78)	$ (391)
Capital asset contributions in deferred inflow of resources	$ -	$ 65,102
Purchases of capital assets in current and other liabilities	$ 35,230	$ 193,316
Capitalized interest	$ 38,005	$ 24,884
Unrealized losses on investments	$ (30)	$ (32)

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

(Concluded)

INDEX OF NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2015 AND 2014

1. REPORTING ENTITY

Florida's Turnpike System (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 2015 and 2014 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 an enterprise fund in the financial reports of the State.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These policies represent applications of generally accepted accounting principles (GAAP) that are unique to state and local governments. In addition, they describe situations where the government has elected an accounting treatment from among several GAAP alternatives. The System has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncement*, which requires the System to follow the pronouncements of the GASB in its accounting and financial reporting. GASB Statement No. 62 superseded previous guidance contained in GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*.

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, deferred outflows, liabilities, deferred inflows, fund equity or net position, 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 position, financial position, and cash flows. 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.

b. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation and amortization 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, other than investments in the state pool which values are based on the net assets value of the pool.

Accounts Receivable — Accounts receivable are reported at their net realizable value and includes the short-term portion of the service concession arrangement receivable.

Inventory — Inventory consists of SunPass transponders that 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 received from entities other than the State of Florida, which are recorded at fair value at the date of contribution. Construction in progress consists of project costs for highway infrastructure, improvements, buildings, equipment and software development 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 borrowings, is capitalized as part of capital assets by applying the weighted average interest rate to the average amount of accumulated construction expenditures during the construction period. 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 intangible assets.

Infrastructure capital assets are recorded as highway system improvements and are not depreciated (see the following infrastructure depreciation policy). Buildings constructed or acquired meeting the criteria of a Service Concession Arrangement (see Note 5) are not depreciated. 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. Acquisition costs also include the costs of enlargement, betterments, and certain overhead amounts 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 pursuant to 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 depreciation of infrastructure capital assets, provided that two requirements are met. The System meets the requirements by utilizing an asset management system and disclosing and documenting that infrastructure is preserved at or above an established condition rating. 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, 2015 and 2014.

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 Premiums and Discounts — Bond premiums and discounts are deferred and amortized over the term of the bonds using the interest method.

Deferred Inflows and Outflows of Resources — Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. Likewise, deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

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

Net Investment in Capital Assets — This component of net position 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, toll administrative charges 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.

Capital Contributions to Others — Amounts included in contributions to others represent capital contributions to others by the System to support other road construction projects in conjunction with System projects. Such contributions are authorized by Chapter 338 of the Florida Statutes. These are presented as nonoperating revenues and expenses.

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

Reclassification — In order to conform with fiscal year 2015 presentation, the System reclassified toll administrative charges to operating revenues on the statement of revenue, expenses, and changes in net position and cash received from customers on the statement of cash flows for fiscal year 2014. These amounts were previously reported net of the related operations and maintenance expenses and therefore have no impact on fund balance.

New Accounting Standards — In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*—an amendment to Statement No. 27. This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirement of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. GASB Statement No. 68 did not have an effect on the financial position, changes in net position, or cash flows of the System. See Note 12 – *Employee Benefits* for the disclosures related to this Statement.

In November 2013, the GASB issued GASB Statement No. 71, *Pension Transition of Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. This Statement improves the accounting and financial reporting by addressing an issue in Statement No. 68 *Accounting and Financial Reporting for Pensions* concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of that Statement by employer and nonemployer contributing entities. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014. GASB Statement No. 71 did not have an effect on the financial position, changes in net position, or cash flows of the System. See Note 12 – *Employee Benefits* for the disclosures related to this Statement.

In February 2015, the GASB issues GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement establishes general principles for measuring fair value and standards of accounting and financial reporting for assets and liabilities measured at fair value. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. Management believes GASB Statement No. 72 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

In June 2015, the GASB issued GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. Management believes GASB Statement No. 73 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

In June 2015, the GASB issued GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and Statement No. 50, *Pension Disclosures.* Management believes GASB Statement No. 74 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

In June, 2015, the GASB issued GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Management believes GASB Statement No. 75 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

In June 2015, the GASB issued GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted. Management believes GASB Statement No. 76 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

In August 2015, the GASB issued GASB Statement No. 77, *Tax Abatement Disclosures*. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The System does not enter into tax abatement agreements; therefore, management believes GASB Statement No. 77 will not have a material effect on the financial position, changes in net position, 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, 2015 and 2014, the carrying amounts of the System's cash on deposit in its bank accounts were $1.9 million and $1.7 million, respectively. The related bank balance was $1.5 million and $1.4 million, respectively, all of which were insured by the Federal Deposit Insurance Corporation or collateralized pursuant to Chapter 280, Florida Statutes.

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 \$819.3 million and \$821.1 million at June 30, 2015 and 2014, 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 \$818.2 million and \$815.6 million at June 30, 2015 and 2014, respectively. No allocation is made as to the System's share of the types of investments or their risk categories. Further information on the type of investments held by the State Treasury is disclosed in the footnotes of the Comprehensive Annual Financial Report of the State of Florida.

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, 2015 and 2014, the System's cash, cash equivalents, and investments (stated at fair value) consisted of the following amounts (in thousands):

	2015	2014
Cash and restricted cash:		
Cash on hand	$ 34	$ 21
Cash on deposit	1,875	1,747
Cash held by the State Treasury	1,926	2,243
Cash held by the SBA	68,846	18,563
Total cash and restricted cash	72,681	22,574
Cash equivalents and restricted cash equivalents:		
U.S. government securities held by the SBA (maturity <90 days)	-	84,707
Pooled investments with the State Treasury (uncategorized)	819,277	821,078
Total cash equivalents	819,277	905,785
Restricted investments – U.S. government securities held by the SBA	186,314	191,729
Unrestricted investments – U.S. government securities held by the SBA	34,448	176
Total	$ 1,112,720	$ 1,120,264

As of June 30, 2015 and 2014, cash, cash equivalents, and investments as presented in the Balance Sheets were comprised of the following (in thousands):

	2015	2014
Cash and cash equivalents:		
Cash on hand	$ 34	$ 21
Cash on deposit	1,875	1,747
Cash held by the State Treasury	1,420	2,038
Cash and cash equivalents held by the SBA	68,827	92,247
Pooled investments with the State Treasury (uncategorized)	782,537	761,357
Total cash and cash equivalents	854,693	857,410
Noncurrent restricted assets:		
Restricted cash and cash equivalents:		
Cash held by the State Treasury	506	205
Cash and cash equivalents held by the SBA	19	11,023
Pooled investments with the State Treasury (uncategorized)	36,740	59,721
Total restricted cash and cash equivalents	37,265	70,949
Restricted investments – U.S. government securities held by the SBA	186,314	191,729
Unrestricted investments – U.S. government securities held by the SBA	34,448	176
Total	$ 1,112,720	$ 1,120,264

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 Rating Services, Moody's Investors Service, 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, 2015, the U.S. government obligations and obligations explicitly guaranteed by the U.S. government were AAA rated. The credit risk requirements of GASB Statement No. 40 are not required for repurchase agreements or for deposits.

The Florida Treasury Investment Pool is rated by Standard & Poor's. The rating at June 30, 2015 was A+f. The System relies on the controls and safeguards provided by Section 17.57, Florida Statutes, to address the credit risk that may exist for its investments in the State's uncategorized general pool, as discussed above.

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. The System relies on the controls and safeguards provided by Section 17.57, Florida Statutes, to address the custodial credit risk that may exist for its investments in the State's uncategorized general pool, as discussed above.

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 relies on the controls and safeguards provided by Section 17.57, Florida Statutes, to address the foreign currency risk that may exist for its investments in the State's uncategorized general pool, as discussed above. For the years ended June 30, 2015 and 2014, 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 relies on the controls and safeguards provided by Sections 17.57 and 215.47, Florida Statutes, 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, as discussed above.

The System's investments reported on its Balance Sheets consist of U.S. Treasury Notes held by the SBA. As of June 30, 2015 and 2014, the maturity dates of these securities were less than a year.

4. DUE FROM OTHER GOVERNMENTS

As of June 30, 2015 and 2014, amounts due from other governments consisted of the following (in thousands):

	2015	2014
Due from the Department	$ 23,071	$ 17,015
Due from the Department of Financial Services	2,029	527
Due from other governments	640	-
Total	$ 25,740	$ 17,542

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 System and the local governments, the System is required to incur the construction costs before the deposits are released from escrow. In addition, at June 30, 2015 and 2014, amounts due from the Department were $23.1 million and $17.0 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 System subsequent to the respective year-ends.

5. CAPITAL ASSETS

Changes in the System's capital assets for the fiscal years ended June 30, 2015 and 2014 are shown below (in thousands):

2015	Beginning Balance	Transfers	Additions	Retirements	Ending Balance
Nondepreciable capital assets:					
Construction in progress	$ 950,605	$ (364,664)	$ 363,446	$ -	$ 949,387
Land	892,855	61	10,657	(1)	903,572
Buildings – SCA	60,367	-	-	-	60,367
Infrastructure – highway system and improvements	6,878,491	333,064	13,354	-	7,224,909
Total nondepreciable capital assets	8,782,318	(31,539)	387,457	(1)	9,138,235
Depreciable capital assets:					
Buildings and improvements	247,177	3,831	7,608	(18,235)	240,381
Furniture and equipment	178,682	27,508	12,547	(19,794)	198,943
Intangible assets	44,776	200	7,000	(25)	51,951
Less accumulated depreciation and amortization:					
Buildings and improvements	(115,048)	-	(8,352)	11,226	(112,174)
Furniture and equipment	(90,717)	-	(20,149)	17,052	(93,814)
Intangible assets	(31,877)	-	(6,450)	25	(38,302)
Total depreciable capital assets	232,993	31,539	(7,796)	(9,751)	246,985
Total capital assets	$ 9,015,311	$ -	$ 379,661	$ (9,752)	$ 9,385,220

2014	Beginning Balance	Transfers	Additions	Retirements	Ending Balance
Nondepreciable capital assets:					
Construction in progress	$ 598,831	$ (167,211)	$ 518,985	$ -	$ 950,605
Land	866,624	-	26,286	(55)	892,855
Buildings – SCA	48,981	-	11,386	-	60,367
Infrastructure – highway system and improvements	6,432,812	163,059	282,620	-	6,878,491
Total nondepreciable capital assets	7,947,248	(4,152)	839,277	(55)	8,782,318
Depreciable capital assets:					
Buildings and improvements	247,870	(12,505)	18,732	(6,920)	247,177
Furniture and equipment	151,261	13,822	25,165	(11,566)	178,682
Intangible assets	41,941	2,835	-	-	44,776
Less accumulated depreciation and amortization:					
Buildings and improvements	(115,349)	-	(5,586)	5,887	(115,048)
Furniture and equipment	(79,930)	-	(20,454)	9,667	(90,717)
Intangible assets	(22,498)	-	(9,379)	-	(31,877)
Total depreciable capital assets	223,295	4,152	8,478	(2,932)	232,993
Total capital assets	$ 8,170,543	$ -	$ 847,755	$ (2,987)	$ 9,015,311

Capitalized Interest — The reduction to interest expense during the year ended June 30, 2015 was $39.2 million. This is comprised of $1.2 million of interest earned on related investments acquired with revenue bond proceeds, and $38.0 million capitalized as part of capital assets. The reduction to interest expense during the year ended June 30, 2014 was $25.4 million. This is comprised of $0.5 million of interest earned on related investments acquired with revenue bond proceeds and $24.9 million capitalized as part of capital assets.

Nondepreciable Capital Assets — Buildings — In April 2009, the System entered into an agreement (the “Agreement”) with Areas USA FLTP, LLC (the “Operator”) to reconstruct and operate the eight service plazas along the Mainline through January 2040. Pursuant to the Agreement, the System retains ownership of the assets, and the Operator is required to return a facility(s) to the System in their original or enhanced condition. The Agreement meets all the criteria of GASB Statement No. 60. Accordingly, the System has recorded the reconstructed assets at fair value with a corresponding deferred inflow of resources and will not depreciate these assets. For the year ended June 30, 2015, there were no additions, as the two remaining plazas are under reconstruction. For the year ended June 30, 2014, Canoe Creek service plaza was reconstructed and the System recorded additions of $11.4 million of buildings – non-depreciable and $8.1 million of infrastructure. See Note 11 – *Deferred Inflows of Resources* for further disclosures related to the implementation of GASB Statement No. 60.

Acquisition of Beachline East Expressway — In July 2014, the System acquired the Beachline East Expressway from the Department for $60.0 million based on the net present value of the future revenues. The Beachline East Expressway is an east-west, 22-mile, 4-lane limited-access toll facility that extends east from SR 520 in Orange County for 7 miles into Brevard County where it splits into two branches. The 5-mile northeast branch becomes SR 407 and extends to a connection with SR 405, while the 9-mile southeast branch continues as SR 528 to a connection with the Bennett Causeway at US 1. The facility connects the John F. Kennedy Space Center and the aerospace industry to Orlando and serves as a regional connector to Florida’s east coast. Since the assets were acquired from the Department, the System records the assets at historical cost and their associated accumulated depreciation. The difference between the $60.0 million paid to the Department and the net book value of the assets is the transfer for facility acquisition ($39.9 million) on the accompanying Statement of Revenues, Expenses and Changes in Net Position for the year ended June 30, 2015.

6. DEFERRED OUTFLOWS OF RESOURCES

At June 30, 2015 and 2014, deferred outflows of resources totaled $36.1 million and $40.5 million, respectively. Due to the implementation of GASB Statement No. 65, refunding losses on bond refunding (the difference between the reacquisition price of the new debt and the carrying value of the refunded debt) were reclassified to deferred outflows of resources. The deferred outflows of resources are amortized and recognized as interest expense in a systematic and rational manner over the shorter of the remaining term of the refunded debt or the new debt.

In August 2014, a portion of the 2014A Bonds, together with other legally available moneys refunded the 2004A Bonds maturing in the years 2027 through 2034, with an outstanding principal amount of $115.0 million. The reacquisition price of the refunding issue exceeded the carrying amount of the defeased debt by $3.5 million. The refunding resulted in a reduction in future debt service payments of $22.6 million and a present value savings associated with the refunding of $14.5 million.

In February 2014, the 2013C Bonds, together with other legally available moneys, advance refunded the 2004A Bonds maturing in the years 2015 through 2026 with an outstanding principal balance of $110.2 million. The reacquisition price of the refunding issue exceeded the carrying amount of the defeased debt by $7.6 million. The refunding resulted in a reduction in future debt service payments of $13.3 million and a present value savings associated with the refunding of $11.1 million.

In August 2013, a portion of the 2013B Bonds, together with other legally available moneys refunded the 2003A Bonds maturing in the years 2014 through 2022, with an outstanding principal amount of $234.6 million. The reacquisition price of the refunding issue exceeded the carrying amount of the defeased debt by $3.9 million. The refunding resulted in a reduction in future debt service payments of $26.8 million and a present value savings associated with the refunding of $25.2 million.

These refundings took advantage of a general reduction in interest rates to achieve an overall reduction in future debt service costs.

7. DUE TO FLORIDA DEPARTMENT OF TRANSPORTATION

At June 30, 2015 and 2014, due to the Department consisted of the following (in thousands):

	2015	2014
June operations, maintenance, in-house, and overhead reimbursement	$ 22,632	$ 18,078
Current portion of advances payable to the Department	15,217	13,242
Total	$ 37,849	$ 31,320

8. ADVANCES PAYABLE TO FLORIDA DEPARTMENT OF TRANSPORTATION

At June 30, 2015 and 2014, advances payable to the Department consisted of the following (in thousands):

	2015	2014
State Infrastructure Bank loans	$ 39,052	$ 42,270
Operations and maintenance subsidy	79,327	87,851
Advances from State Transportation Trust Fund	7,500	9,000
Total	$ 125,879	$ 139,121
As presented in Balance Sheets:		
Current portion	$ 15,217	$ 13,242
Long-term portion	$ 110,662	$ 125,879

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 2015 and 2014, with the balance due in installments through 2026. A SIB loan of $16.9 million is also being utilized for interest cost subsidies for the 2003C bond sale. Repayments of $0.7 million for both fiscal year 2015 and 2014, and will be fully repaid by fiscal year 2034. The repayment of these loans is subordinate to the repayment 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, 2015 and 2014, $0.4 million and $0.5 million, respectively, were provided to the System. Repayments on these loans were $8.5 million (net of $0.4 million subsidy provided) and $6.6 million (net of $0.5 million subsidy provided) for fiscal year 2015 and 2014, respectively.

In the Spring of 2012, Senate Bill 1998 repealed the Toll Facility Revolving Trust Fund ("TFRTF") and transferred the funds and future revenues to the State Transportation Trust Fund. Through fiscal year 2009, the System had been awarded and had expended $9.0 million in TFRTF loans from the Department. The first repayment of $1.5 million was made in fiscal year 2015. These loans are repaid from the System's general reserve fund and will be fully repaid by fiscal year 2020.

Following are maturities of advances payable to the Department at June 30, 2015 (in thousands):

2016	$ 15,217
2017	73,546
2018	4,717
2019	4,717
2020	4,717
2021-2025	16,088
2026-2030	4,300
2031-2034	2,577
Total	$ 125,879

9. BONDS PAYABLE

Bonds payable as of June 30, 2015 and 2014 were as follows (in thousands):

	Maturing	Interest	2015	2014
$223,580 Revenue Bonds, Series 2014A:				
Serial Bonds	2015-2038	2.00%-5.00%	$ 186,310	
Term Bonds	2039-2044	4.00%	35,520	
Total 2014 Series A			221,830	
$267,405 Revenue Bonds, Series 2013C:				
Serial Bonds	2014-2043	4.00%-5.00%	257,310	$ 266,295
$206,035 Revenue Bonds, Series 2013B:				
Serial Bonds	2014-2022	4.00%-5.00%	154,850	183,105
$183,140 Revenue Bonds, Series 2013A:				
Serial Bonds	2014-2025	5.00%	158,995	171,270
$306,065 Revenue Bonds, Series 2012A:				
Serial Bonds	2014-2033	2.875%-5.00%	249,990	238,505
Term Bonds	2034-2041	3.25%-4.00%	47,835	62,775
Total 2012 Series A			297,825	301,280
$150,165 Revenue Bonds, Series 2011A:				
Serial Bonds	2014-2039	3.25%-5.00%	100,080	106,905
Term Bonds	2035-2041	4.75%-5.00%	33,355	33,355
Total 2011 Series A			133,435	140,260
$251,080 Revenue Bonds, Series 2010B:				
Serial Bonds	2014-2031	4.50%-5.00%	114,140	118,755
Term Bonds	2032-2040	4.50%-5.00%	115,635	115,635
Total 2010 Series B			229,775	234,390
$211,255 Revenue Bonds, Series 2010A:				
Serial Bonds	2014-2030	5.00%	146,310	158,730
$255,000 Revenue Bonds, Series 2009B:				
Build America Term Bonds	2020-2039	6.14%-6.80%	255,000	255,000
$68,445 Revenue Bonds, Series 2009A:				
Serial Bonds	2014-2020	3.00%-5.00%	31,370	38,095
$325,775 Revenue Bonds, Series 2008A:				
Serial Bonds	2014-2029	5.00%	165,470	177,780
Term Bonds	2030-2037	4.50%-5.00%	81,880	81,880
Total 2008 Series A			247,350	259,660

(Continued)

	Maturing	Interest	2015	2014
$256,075 Revenue Bonds, Series 2007A:				
Serial Bonds	2014-2030	5.00%	130,970	136,750
Term Bonds	2031-2036	5.00%	85,825	85,825
Total 2007 Series A			216,795	222,575
$443,290 Revenue Bonds, Series 2006A:				
Serial Bonds	2014-2029	3.00%-5.00%	252,710	266,665
Term Bonds	2030-2036	4.50%-4.75%	98,975	98,975
Total 2006 Series A			351,685	365,640
$93,560 Refunding Bonds, Series 2005A:				
Serial Bonds	2014-2029	3.375%-5.00%	74,625	78,265
$279,180 Revenue Bonds, Series 2004A:				
Serial Bonds	2014-2031	4.00%-5.00%		66,815
Term Bonds	2032-2034	4.50%		48,170
Total 2004 Series A				114,985
Subtotal			2,777,155	2,789,550
Add unamortized bond premium			117,264	125,405
Total			$2,894,419	$2,914,955
As presented in the Balance Sheets:				
Current portion			$ 127,045	$ 119,240
Long-term portion			$2,767,374	$2,795,715

(Concluded)

As of June 30, 2015, debt service requirements to maturity, including interest at fixed rates, were as follows (in thousands):

	Principal	Interest	Total
2016	$ 127,045	$ 133,255	$ 260,300
2017	132,630	126,978	259,608
2018	140,140	120,362	260,502
2019	147,545	113,432	260,977
2020	138,425	106,055	244,480
2021-2025	657,790	429,658	1,087,448
2026-2030	543,050	286,749	829,799
2031-2035	502,465	167,008	669,473
2036-2040	316,385	56,799	373,184
2041-2044	71,680	6,080	77,760
Total	$ 2,777,155	$ 1,546,376	$ 4,323,531

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 fiscal year 2015 and 2014 were both $5.5 million, and are included in nonoperating revenues on the Statements of Revenues, Expenses, and Changes in Net Position.

The fiscal year 2015 and 2014 subsidies were slightly reduced due to the effect of the federal sequestration. Any decrease in subsidy will not have a material effect on the overall financial position of the System.

Bond Sales — In August 2014, the State of Florida issued the $223.6 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2014A (2014A Bonds), to finance capital improvements to the System, to fund the debt service reserve account and to refund a portion of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2004A Bonds (2004A Bonds), and to pay costs of issuance.

Bond Refunding — The System participates in current and advance refundings of outstanding debt to take advantage of a general reduction in interest rates to reduce future debt service costs. Gains or losses resulting from refunding are recorded as deferred outflows or inflows of resources. These are disclosed in Note 6—*Deferred Outflows of Resources.*

Debt Service Reserve — The resolution authorizing the issuance of 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 bond proceeds, revenues or through a reserve account credit facility as provided for in the resolution.

The resolution requires that if the Standard & Poor's Rating Services or Moody's Investors Service 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, 2015 and 2014, the balance of the debt reserve was $186.4 million and $202.8 million, respectively. The debt service reserve account met the requirement and has been fully funded since June 30, 2011.

10. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2015 and 2014, was as follows (in thousands):

2015	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Amount Due in More than One Year
Bonds payable	$2,789,550	$ 223,580	$ (235,975)	$2,777,155	$ 127,045	$2,650,110
Add unamortized amounts for issuance premiums	125,405	15,808	(23,949)	117,264	-	117,264
Total bonds payable	2,914,955	239,388	(259,924)	2,894,419	127,045	2,767,374
Advances payable to the Department	139,121	-	(13,242)	125,879	15,217	110,662
Unearned revenue from other governments	600	-	(50)	550	50	500
Other long-term liabilities	138,238	-	(87,589)	50,649	31,074	19,575
Total	$3,192,914	$ 239,388	$ (360,805)	$3,071,497	$ 173,386	$2,898,111

2014	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Amount Due in More than One Year
Bonds payable	$2,772,295	$ 473,440	$ (456,185)	$2,789,550	$ 119,240	$2,670,310
Add unamortized amounts for issuance premiums	106,559	47,933	(29,087)	125,405	-	125,405
Total bonds payable	2,878,854	521,373	(485,272)	2,914,955	119,240	2,795,715
Advances payable to the Department	148,898	-	(9,777)	139,121	13,242	125,879
Unearned revenue from other governments	649	-	(49)	600	50	550
Other long-term liabilities	-	138,238	-	138,238	85,513	52,725
Total	$3,028,401	$ 659,611	$ (495,098)	$3,192,914	$ 218,045	$2,974,869

11. DEFERRED INFLOWS OF RESOURCES

In April 2009, the System entered into an Agreement (the “Agreement”) with Areas USA FLTP, LLC (the “Operator”) to reconstruct and operate the eight service plazas along the Mainline through January 2040. Pursuant to the Agreement, the System retains ownership of the assets and the Operator is required to return the assets in their original or enhanced condition. The concession fees per the Agreement are based on a fixed monthly rental payment, or a percentage of revenue generated, whichever is greater. At inception, the Operator was required to pay an initial deposit totaling $0.2 million. As of June 30, 2015 and 2014, the deposit is refundable and is recorded in current liabilities. The System’s obligations in the Agreement consist of monetary and nonmonetary assets and maintenance expense for limited areas. The Agreement meets all the criteria of GASB Statement No. 60.

Capital Assets — For the year ended June 30, 2015 there were no additions to capital assets as the two remaining service plaza were under construction. For the year ended 2014, the System recorded capital assets at a fair value of $19.5 million with a corresponding deferred inflow of resources of $13.0 million, which is equal to the difference between the fair value of the asset and the System's obligations. The deferred inflow of resources is amortized and recognized as contributed capital in a systematic and rational manner over the remaining term of the Agreement; the System has chosen a straight-line basis. For the years ended June 30, 2015 and 2014, six of the eight reconstructed service plazas have been placed into operation and $2.5 million and $2.3 million, respectively, of the deferred inflow of resources has been recognized. See Note 5 – *Capital Assets* for disclosure on the recording of the capital assets.

Service Concession Arrangement Receivable — For the years ended June 30, 2015 and 2014, the current portion of $5.3 million and $5.5 million, respectively, is included in accounts receivable and the long-term portion of $71.5 million and $76.8 million, respectively, is included in service concession arrangement receivable.

As a result of the implementation of GASB Statement No. 60 and GASB Statement No. 63 in fiscal year 2013, the System recorded a receivable and a corresponding deferred inflow of resources equal to the present value of the fixed component of the rental payment for the remaining 26.5 years of the Agreement. The present value of the amortized deferred inflow of resources for the remaining term of the contract is estimated to be $88.1 million. The current portion of $5.8 million is included in accounts receivable and the long-term portion of $82.3 million is included in service concession arrangement receivable. Rent earned under the Agreement for the fiscal years ended 2015 and 2014 was approximately $6.1 million and $6.4 million, respectively.

	2015	**2014**
Capital assets	$ 62,812	$ 65,102
Total SCA receivables	76,751	82,308
	139,563	147,410
Less amortization of deferred inflows of resources to capital contributions:	(2,455)	(2,290)
Total deferred inflows of resources	$ 137,108	$ 145,120

12. 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 State of Florida implemented the provisions of GASB 68 – Pension which were effective for financial statements beginning July 1, 2014. An actuarial valuation has been performed for the FRS. The System's employees were included in the actuarial analysis and are part of the total pension liability, the net pension liability, and the plan net position disclosed in the footnotes and other required supplementary information of 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. This 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.

The cost of pension benefits for current employees is charged to the System through an overhead rate assessed by the Department in the period the benefits are earned.

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. 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 State of Florida implemented the provisions of GASB 68 – Pension which were effective for financial statements beginning July 1, 2014. An actuarial valuation has been performed for the HIS. The System's employees were included in the actuarial analysis and are part of the total HIS pension liability, the HIS net pension liability, and the HIS plan net position disclosed in the footnotes and other required supplementary information of the Comprehensive Annual Financial Report of the State of Florida, which may be obtained from the DFS.

Management has determined that the System's pension liability and related disclosures required by the standard are not material to the System's basic financial statements taken as a whole and does not believe that the users of the financial statements would be misled by their exclusion. Therefore, the liability and the related disclosures are not included in the basic financial statements.

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 an overhead rate 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 resides 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 an overhead rate assessed by the Department in the period the benefits are paid. The liability for accrued leave is recorded by the Department which is responsible for paying accrued leave when it is taken.

13. CONTRIBUTIONS FOR CAPITAL PROJECTS

Contributions for capital projects represent amounts 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, 2015 and 2014 were as follows (in thousands):

	2015	2014
SR417 and Turnpike Interchange	$ 2,978	$ -
Service Concession Arrangement	2,455	2,290
Suncoast Parkway 2	1,551	-
Other projects	440	358
Turnpike/I-595 Interchange	25	165
I-4 Connector	-	311,333
Total	$ 7,449	$ 314,146

14. 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, 2015 and 2014, (in thousands):

	2015	2014
Payments/reimbursements to the Department	$ 187,946	$ 172,721
Amounts due to the Department for reimbursement of operating expenses	34,631	28,103

15. OPERATING LEASES

The System leases certain equipment and office space under noncancelable operating leases. As of June 30, 2015, future minimum lease payments under noncancelable operating leases with initial or remaining terms in excess of one year are as follows (in thousands):

2016	$ 103
2017	77
2018	78
2019	68
2020	28
Total	$ 354

Rent expense for noncancelable operating leases was approximately $0.1 million for the years ended June 30, 2015 and 2014.

16. COMMITMENTS AND CONTINGENCIES

Commitments and Contingencies — Commitments on outstanding System contracts total approximately $1.2 billion at June 30, 2015.

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.

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 to System bridges, facilities and business interruptions.

There were no losses incurred in fiscal year 2015 or 2014.

17. 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 and the Petroleum Restoration Program established from the Inland Protection Trust Fund, to provide reimbursement for System-contracted remediation or State-contracted cleanup of qualifying sites. Under EDI, qualifying sites were exempted from FDEP 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. As of June 30, 2015, FDEP has funded approximately $17.0 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. For fiscal year 2015, the liability was increased by $0.5 million for costs of source removal, excavation, installation or monitoring wells, sampling, and reporting to FDEP. As of June 30, 2015 and 2014, the liability included in construction contracts and retainage payable is listed below (in thousands):

	2015	2014
Okahumpka	$ 50	$ 40
West Palm Beach	-	37
Fort Pierce	789	317
Total pollution remediation liabilities	$ 839	$ 394

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, 2015. The System's remediation efforts are nearing the end 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 future pollution remediation; however, estimates are not available. The System has no other pollution remediation obligations for the fiscal years presented.

18. SUBSEQUENT EVENTS

In July 2015, the State of Florida issued $241.5 million State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2015A (2015A bonds) of which $172.5 million will be used to finance capital improvements. The remaining proceeds refunded, together with other legally available monies, State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2005A maturing in the years 2016 through 2029, in the amount of $74.6 million. The purpose of the refunding was to achieve debt service savings.

In October 2015, the State of Florida issued $195.9 million State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2015B (2015B bonds). The 2015B bonds issue refunded, together with legally available monies, State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2007A issues maturing in the years 2017 through 2036, in the amount of $210.7 million. The purpose of the refunding was to achieve debt service savings.

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REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

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 expenses certain maintenance and preservation costs and, consequently, does not report depreciation expense related to infrastructure. System assets accounted for under the modified approach include 483 centerline miles of roadway and 743 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 (NBI) 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. In fiscal year 2014, the Systems' methodology for reporting bridge structures having a condition rating of either excellent or good were revised to be consistent with NBI standards.

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 17 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; 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. In fiscal year 2013, the Department's methodology for developing the MRP rating was modified to provide equal weightings to the various maintenance categories which resulted in a lower score.

Condition Ratings for the System's Infrastructure	**2015**	**2014**	**2013**
Percentage of pavement meeting Department standards	99%	99%	97%
Percentage of bridges meeting Department standards	99%	99%	91%
Overall routine maintenance rating	88	89	88

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

Fiscal Year	Needed	Actual Resurfacing	Actual Bridge Repair and Replacement	Actual Pollution Remediation	Actual Routine Maintenance	Total Actual	Difference
2015	$ 81,810	$ 57,043	$ 1,108	$ 547	$ 39,103	$ 97,801	$ 15,991
2014	86,922	61,946	738	-	36,241	98,925	12,003
2013	102,670	81,609	302	-	35,897	117,808	15,138
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)

*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.

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Certification of Covenant to Pay Costs of Operation and Maintenance

As authorized by Section 206.46 (5), Florida Statutes and for as long as Bonds are outstanding, the Florida Department of Transportation (the "Department") hereby covenants and agrees to the following procedures and provisions in order to ensure that all costs of operation and maintenance of the Florida Turnpike System shall be paid from monies in the State Transportation Trust Fund. If revenues are sufficient, the State Transportation Trust Fund will be reimbursed from monies deposited to the Turnpike General Reserve Fund, after making all prior payments for debt service and other bond resolution accounts as needed to protect the security of Bondholders and the integrity of the Florida Turnpike System. (See Exhibit I) This Covenant is contingent upon the terms hereof being approved by the Circuit Court of the Second Judicial Circuit of Florida in a validation final judgement.

ARTICLE 1
Definitions

Section 101. Terms contained in this Certification shall have the same meanings as are defined in the resolution of the Governor and Cabinet as the Governing Board of the Division of Bond Finance adopted on October 25, 1988, authorizing the issuance of not exceeding $800,000,000 State of Florida Department of Transportation Turnpike Revenue Bonds, as amended and supplemented (the "Resolution").

ARTICLE II
Covenant Provisions

Section 201. The Department hereby covenants and agrees to pay all costs of operating and maintaining the Turnpike System, as it is now constituted or as may be added to in the future, directly from monies in the State Transportation Trust Fund as is authorized in Section 206.46 (5).

Section 202. The Department shall not invoice the State Board of Administration for any money on deposit in the O & M Fund if such invoice shall, at any time, cause the fund balance to fall below an amount equal to one-twelfth of the Cost of Operation and Cost of Maintenance set forth in the Annual Budget of the Department.

Section 203. The State Transportation Trust Fund shall be reimbursed monthly for sums paid pursuant to Section 201, from any and all monies available in the Turnpike System General Reserve Fund ("General Reserve Fund"), except when the Department, with the approval of the Legislature, elects to lend or pay a portion of the operating and maintenance costs of a Turnpike project as provided for in Section 338.223 (4), Florida Statutes. (See Exhibit II)

Section 204. In the event the available monies and anticipated revenues in the General Reserve Fund are determined by the Department to be insufficient, or based on projections will be insufficient in the future, to reimburse the State Transportation Trust Fund for the costs of operating and maintaining the Turnpike System, the Department shall take corrective actions to reduce outlays or increase funding to permit full reimbursement from the General Reserve Fund. Such actions may include, but shall not be limited to, deferral of projects and project phases which are determined not to be needed to protect the security of the Bondholders or the integrity of the Turnpike System, temporary loans to the extent permissible under State law, and toll rate increases. Such corrective actions shall not include any adjustments on the payments to accounts established by the Resolution which are needed to protect the security of the Bondholders or the integrity of the Turnpike System.

Section 205. In the event the obligation of the General Reserve Fund to reimburse the State Transportation Trust Fund is determined by the Department to adversely impact the security of the Bondholders or the integrity of the Turnpike System, the reimbursement obligation shall become a debt payable to the State Transportation Trust Fund to be reimbursed over an agreed-upon period of time. The Department shall take into account projections of operation and maintenance reimbursements and agreed-upon debt repayment schedules in the financing of the tentative and adopted work programs.

ARTICLE III
Further Assurances

Section 301. The Department does hereby covenant that it will faithfully execute the state covenant which is contained in Section 206.46 (5), Florida Statutes, and that it will not repeal, impair or amend any provision contained in this Certification in any manner that will materially and adversely affect the rights of Bondholders so long as any Bonds are outstanding.

Section 302. Modifications or amendments to this Certification may be made upon compliance with the provisions of Section 7.03 of the Resolution, as if this certification were a part of the Resolution.

Section 303. The Department hereby irrevocably agrees that this Certification shall be deemed to have been made for the benefit of, and shall be a contract with, the Holders from time to time of the Bonds, and that the provisions of this Certification shall be enforceable in any court of competent jurisdiction by any Holder or Holders of such Bonds, against the Department or any other agency of the State of Florida, or political subdivision or instrumentality having any duties concerning the operation or maintenance of the Turnpike System. Subject to the foregoing, the Department does hereby consent to the bringing of any proceedings in any court of competent jurisdiction in the State of Florida by any Holder or Holders of Bonds for the enforcement of any and all covenants, terms, or provisions of this Certification and does hereby waive, to the extent permitted by law, any privilege or immunity from suit which the Department may now or hereafter have as a department or agency of the State of Florida with respect to the enforcement of this

Certification by the holders of the Bonds.

Section 304. The Department shall at all times operate or cause to be operated the Turnpike System in a sound and economic manner, shall maintain and repair, or cause the same to be maintained and repaired, preserve and keep the same, with the appurtenances and every part and parcel thereof, in good repair, working order and condition. The Department shall from time to time make all necessary and proper repairs, renewals, and replacements so that at all times the operation of the Turnpike System may be properly and advantageously conducted.

Dated this the 21st day of August, 1997.

(SEAL)

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION

ATTEST:

Sandra Kozemnski

By: Thomas F. Barry, Jr., P.E.
Secretary

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
FLORIDA TURNPIKE DISTRICT

ATTEST:

Sandra Kozemnski

By: James L. Ely
District Secretary

EXHIBIT I

206.46 State Transportation Trust Fund.--

(5) Notwithstanding any other provision of law, the department may covenant to pay all or any part of the costs of operation and maintenance of any existing or future department-owned toll facility or system directly from moneys in the State Transportation Trust Fund which will be reimbursed from turnpike revenues after the payment of debt service and other bond resolution accounts as needed to protect the integrity of the toll facility or system. If such reimbursement is determined to adversely impact the toll facility or system, the reimbursement obligation shall become a debt payable to the State Transportation Trust Fund to be reimbursed over an agreed-upon period of time. The department shall take into account projections of operation and maintenance reimbursements in the financing of the tentative and adopted work programs. The state does hereby covenant that it will not repeal or impair or amend this section in any manner that will materially and adversely affect the rights of bondholders so long as bonds authorized pursuant to the provisions of this subsection are outstanding.

EXHIBIT II

338.223 Proposed turnpike projects.--

(4) The department is authorized, with the approval of the Legislature, to use federal and state transportation funds to lend or pay a portion of the operating, maintenance and capital costs of turnpike projects. Federal and state transportation funds included in an adopted work program, or the General Appropriations Act, for a turnpike project do not have to be reimbursed to the State Transportation Trust Fund, or used in determining the economic feasibility of the proposed project. For operating and maintenance loans, the maximum net loan amount in any fiscal year shall not exceed 1.5 percent of state transportation tax revenues for that fiscal year.

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DIVISION OF BOND FINANCE
OF THE
STATE BOARD OF ADMINISTRATION
OF FLORIDA

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT EXCEEDING $4,419,997,419.20 STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS (VARIOUS SERIES)

Adopted October 25, 1988

Amended and Restated May 17, 2005

RESOLUTION

WHEREAS, on October 25, 1988, the Governor and Cabinet, sitting as the Governing Board of the Division of Bond Finance of the Department of General Services (now the Division of Bond Finance of the State Board of Administration of Florida, the "Division"), approved a resolution authorizing the issuance of bonds in an amount not exceeding $800,000,000 to provide for the financing of a portion of the costs of acquisition and construction of turnpike projects or the refunding of any bonds issued for such purpose, and;

WHEREAS, such resolution was amended by subsequent resolutions adopted on December 6, 1988, March 16, 1989, March 28, 1989, August 14, 1990, June 2, 1992, March 23, 1993, March 16, 1995, June 12, 1997, July 28, 1998 and May 17, 2005; and

WHEREAS, it has become necessary and in the best interest of the State of Florida to amend and restate such resolution as previously amended;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNOR AND CABINET AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE:

The resolution adopted on October 25, 1988, authorizing the issuance of bonds in an amount not exceeding $800,000,000 to provide for the financing of a portion of the costs of acquisition and construction of turnpike projects or the refunding of any bonds issued for such purpose, as subsequently amended from time to time, is hereby amended and restated in its entirety, as follows:

A RESOLUTION OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA AUTHORIZING THE ISSUANCE BY THE DIVISION ON BEHALF OF THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION OF NOT EXCEEDING $4,419,997,419.20[1] AGGREGATE PRINCIPAL AMOUNT OF STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS (VARIOUS SERIES) TO PROVIDE FOR THE FINANCING OF A PORTION OF THE COSTS OF ACQUISITION AND CONSTRUCTION OF TURNPIKE PROJECTS.

BE IT RESOLVED BY THE GOVERNOR AND CABINET OF THE STATE OF FLORIDA AS THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA, ON BEHALF OF THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION:

ARTICLE I
AUTHORITY, DEFINITIONS, FINDINGS

SECTION 1.01. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Article VII, Section 11(d), of the Florida Constitution; the Florida Turnpike Law, being Sections 338.22-338.244[2], Florida Statutes; the State Bond Act, being Sections 215.57-215.83, Florida Statutes; and other applicable provisions of law.

SECTION 1.02. DEFINITIONS. The following terms shall have the following meanings in this Resolution unless the text otherwise requires:

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bonds, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Payment Date next preceding the date of computation or the date of computation if an Interest Payment Date, such interest to accrue at a rate per annum set forth in a subsequent resolution of the Division (not to exceed the maximum rate permitted by law), compounded periodically, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Payment Date, the ratable portion of the difference between the Accreted Value as of the immediately preceding Interest Payment Date (or the date of delivery of the Bonds to the original purchasers thereof if the date of computation is prior to the first Interest Payment Date succeeding the date of delivery) and the Accreted Value as of the immediately succeeding Interest Payment Date, calculated based on the assumption that Accreted Value accrues during any period in equal daily amounts on the basis of a year of twelve 30-day months.

"Act" shall collectively mean the Florida Turnpike Law and the State Bond Act.

"Additional Bonds" shall mean any obligations hereafter issued pursuant to the terms and conditions of this Resolution and payable from the Net Revenues on a parity with the State of Florida Department of Transportation Turnpike Revenue Bonds, originally issued hereunder. Such Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Bonds originally authorized and issued pursuant to this Resolution, and all of the applicable covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent herewith), shall be for the equal benefit, protection and security of the Registered Owners of the Bonds originally authorized and issued pursuant to this Resolution, and the Registered Owners of any Additional Bonds evidencing additional obligations subsequently issued within the limitations of and in compliance with this Resolution. All of such Additional Bonds, regardless of the time or times of their issuance shall rank equally with other Bonds with respect to their lien on and source and security for payment from the Net Revenues without preference of any Bond over any other.

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[1] Originally $800,000,000; increased to $1,319,997,419.20 by the Second Supplemental Resolution dated 8/14/90, to $1,669,997,419.20 by the Seventh Supplemental Resolution dated 6/12/97, to $2,419,997,419.20 by the Eleventh Supplemental Resolution dated 7/28/98, and to $4,419,997,419.20 by the Twentieth Supplemental Resolution dated 5/17/05.

[2] Changed to the Florida Turnpike Enterprise Law, Sections 338.22-338.241, by s.15, ch. 2002-20, Laws of Florida.

"Annual Debt Service Requirement" shall mean, at any time, the amount of Net Revenues (with respect to the particular Series of Bonds, or all Bonds, as the case may be) required to be deposited in the then current Fiscal Year into any interest account, principal account, bond amortization account for scheduled redemption of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Net Revenues, the required deposit to a debt service reserve account or sub-account, as provided in the Resolution; provided that in computing such Annual Debt Service Requirement any (i) Variable Rate Bonds shall be deemed to bear interest at all times to the maturity thereof at a constant rate of interest equal to the highest of the rate borne by such Variable Rate Bonds on the date they were issued plus one-half (or such greater amount as shall be determined in a subsequent resolution of the Division) of the difference between such rate and the Maximum Interest Rate, or the actual rate of interest borne by such Variable Rate Bonds on such date of calculation, or the maximum effective rate of such Variable Rate Bonds adjusted to reflect a Qualified Interest Rate Agreement, if any, and (ii) Option Bonds Outstanding during such Fiscal Year shall be assumed to mature on their stated dates of maturity or on the due dates of the mandatory amortization installments established for such Option Bonds, if any.

"Appreciated Value" shall mean, (i) as of any date of computation with respect to any Capital Appreciation and Income Bond up to the Interest Commencement Date set forth in a subsequent resolution of the Division, an amount equal to the principal amount of such Bond (the principal amount at its initial offering) plus the interest accrued on such Bond from the date of delivery to the original purchasers thereof to the Interest Payment Date next preceding the date of computation or the date of computation if an Interest Payment Date, such interest to accrue at the rate per annum set forth in a subsequent resolution of the Division (not to exceed the maximum rate permitted by law), compounded periodically, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation and Income Bonds, if such date of computation shall not be an Interest Payment Date, the ratable portion of the difference between the Appreciated Value as of the immediately preceding Interest Payment Date (or the date of delivery of the Bonds to the original purchasers thereof if the date of computation is prior to the first Interest Payment Date succeeding the date of delivery) and the Appreciated Value as of the immediately succeeding Interest Payment Date calculated based upon an assumption that Appreciated Value accrues during any period in equal daily amounts on the basis of a year of twelve 30-day months and (ii) as of any date of computation on and after the Interest Commencement Date, the Appreciated Value on the Interest Commencement Date.

"Authorized Officer" of the Department or the Division shall mean any officer or employee of the Department or the Division, authorized to perform specific acts or duties.

"Board" shall mean the State Board of Administration of Florida.

"Bonds" shall mean the not to exceed $4,419,997,419.20[3] State of Florida Department of Transportation Turnpike Revenue Bonds (Various Series), as authorized by this Resolution, and any Additional Bonds hereafter issued pursuant to the terms and conditions of this Resolution.

"Bond Insurance Policy" shall mean an insurance policy issued for the benefit of the Holders of any Bonds, pursuant to which the issuer of such insurance policy shall be obligated to pay when due the principal of and interest on such Bonds to the extent of any deficiency in the amounts in the funds and accounts held under the Resolution, in the manner and in accordance with the terms provided in such Bond Insurance Policy.

"Bond Registrar/Paying Agent" shall mean Citibank, N.A., New York, New York, or its successor[4].

"Bond Retirement Date" shall mean the earlier of the date on which all principal, premium, if any, and interest on all of the Bonds has been paid in full at maturity or earlier redemption in accordance with the provisions of this Resolution or the date on which all of the Bonds are defeased in accordance with the provisions of this Resolution.

"Capital Appreciation Bonds" shall mean those Bonds issued under the Resolution as to which interest is compounded periodically on each of the applicable periodic dates designated for compounding and is payable in an amount equal to the then current Accreted Value at the maturity, earlier redemption or other payment date thereof, all as provided by subsequent resolution of the Division and which may be either Serial Bonds or Term Bonds.

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[3] Amounts of refunding Bonds are not included in this not to exceed amount.

[4] U.S. Bank Trust National Association, New York, NY, effective 1/7/03.

"Capital Appreciation and Income Bonds" shall mean any Bonds issued under the Resolution as to which accruing interest is not paid prior to the specified Interest Commencement Date and is compounded periodically on certain designated dates prior to the Interest Commencement Date for such Series of Capital Appreciation and Income Bonds, all as provided by subsequent resolution of the Division and which may be either Serial Bonds or Term Bonds.

"Consulting Engineer" shall mean the engineer or engineering firm or corporation retained by the Department pursuant to Section 5.13 of this Resolution.

"Cost of Issuance" shall mean all costs and expenses of the Division, the Department and the Board incurred in connection with the authorization, issuance, sale and delivery of the Bonds including, but not limited to, legal fees, financial advisory fees, municipal bond insurance premiums, fiscal or escrow agent fees, printing fees and travel expenses, rating agency fees and credit enhancement fees.

"Cost of Maintenance" shall mean all costs and expenses which are usually and ordinarily the obligation of the Department in keeping the Turnpike System open to public travel, excluding all costs included in Cost of Operations, and excluding all costs for non-Toll roads except Feeder Roads.

"Cost of Operations" shall mean all costs and expenses which arise by virtue of portions of the Turnpike System being operated as Toll facilities and includes the cost of collecting and accounting for Tolls, insurance, employee bond premiums, fees of consulting engineers, and all other expenses which would not be incurred if the entire Turnpike System were being operated as a non-Toll facility.

"Debt Service Reserve Requirement" shall mean, with respect to all Bonds issued hereunder, the sum of the Debt Service Reserve Requirements for each sub-account in the Debt Service Reserve Account. The Debt Service Reserve Requirement for each sub-account in the Debt Service Reserve Account shall mean the lesser of

(i) 125% of the average Annual Debt Service Requirement for the then current and succeeding Fiscal Years;

(ii) Maximum Annual Debt Service;

(iii) 10% of the aggregate of the original proceeds received from the initial sale of all Outstanding Bonds; or

(iv) the maximum debt service reserve permitted with respect to tax-exempt obligations under the U.S. Internal Revenue Code, as amended,

with respect to the Bonds for which such sub-account has been established. In the event the Division shall hereafter issue Variable Rate Bonds, the maximum amount required to be deposited in the Interest Account, hereinafter created, for the payment of interest on such Variable Rate Bonds, for the purpose of determining the Maximum Annual Debt Service for such Variable Rate Bonds, shall be calculated by deeming the interest rate on Variable Rate Bonds to be equal to the Maximum Interest Rate.

"Defeasance Obligations" shall mean to the extent permitted by law:

(i) Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States and including advance refunded tax-exempt bonds fully secured by non-callable direct obligations of the United State of America or obligations guaranteed by the United States of America which are rated in the highest full rating category by a Rating Agency;

(ii) Evidences of indebtedness issued by the Bank for Cooperatives, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation (including participation certificates), Federal Land Banks, Federal Financing Banks, or any other agency or instrumentality of the United States of America created by an act of Congress which is substantially similar to the foregoing in its legal relationship to the United States of America or any other agency or instrumentality of the United States of America or of any corporation wholly-owned by the United States of America, provided that the obligations of such agency or instrumentality are unconditionally guaranteed by the United States of America; and

(iii) Evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (i) held by a bank or trust company as custodian, under which the owner of the evidence of ownership is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (i), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

"Department" shall mean the State of Florida Department of Transportation.

"Division" shall mean the Division of Bond Finance of the State Board of Administration of Florida.

"Escrow Deposit Agreement" shall mean an Escrow Deposit Agreement entered into between the Division and the Board with respect to a refunding of Outstanding Bonds.

"Feeder Road" shall mean any road no more than 5 miles in length connecting to a Toll road, which the Department determines is necessary to create or facilitate access to a Turnpike Project.

"Fiscal Year" shall mean the period commencing with July 1 of each year and ending with June 30 of the following year.

"Florida Turnpike" shall mean the Turnpike System in Florida.

"Florida Turnpike Law" shall mean Sections 338.22 - 338.244[5], Florida Statutes, as amended from time to time.

"Holder of Bonds" or "Bondholder" or "Holders" or any similar term shall mean any person who shall be the Registered Owner or his registered transferee of any Bond or Bonds.

"Interest Commencement Date" shall mean, with respect to any particular Capital Appreciation and Income Bonds, the date specified in a subsequent resolution of the Division (which date must be prior to the maturity date for such Capital Appreciation and Income Bonds), after which interest accruing on such Capital Appreciation and Income Bonds shall be payable periodically as determined by the subsequent resolution of the Division, with the first such payment date being the applicable Interest Payment Date immediately succeeding such Interest Commencement Date.

"Interest Payment Date" shall mean, for each Series of Bonds, such dates of each Fiscal Year on which interest on Outstanding Bonds of such Series is payable, as set forth in a subsequent resolution of the Division.

"Maximum Annual Debt Service" shall mean, at any time, the maximum amount of Net Revenues, (with respect to the particular Series of Bonds, or all Bonds, as the case may be) required to be deposited in the then current or any succeeding Fiscal Year into any interest account, principal account, bond amortization account for scheduled redemption of Term Bonds and, if the Division has elected to fund all or a portion of the Debt Service Reserve Requirement from the Net Revenues, the required deposit to a debt service reserve account or sub-account, as provided in the Resolution; provided that in computing such Maximum Annual Debt Service any (i) Variable Rate Bonds shall be deemed to bear interest at all times to the maturity thereof at a constant rate of interest equal to the highest of the rate borne by such Variable Rate Bonds on the date they were issued plus one-half (or such greater amount as shall be determined in a subsequent resolution of the Division) of the difference between such rate and the Maximum Interest Rate, or the actual rate of interest borne by such Variable Rate Bonds on such date of calculation, or the maximum effective rate of such Variable Rate Bonds adjusted to reflect a Qualified Interest Rate Agreement, if any, and (ii) Option Bonds Outstanding during such Fiscal Year shall be assumed to mature on their stated dates of maturity or on the due dates of the mandatory amortization installments established for such Option Bonds, if any. For the purpose of calculating the deposits to be made into a sub-account in the Debt Service Reserve Account, the Maximum Annual Debt Service shall mean, at any time, the maximum amount, if any, required to be deposited in the then current or any succeeding Fiscal Year into the interest account, principal account and bond amortization account with respect to the Bonds for which such sub-account has been established. The amount of Term Bonds maturing in any Fiscal Year shall not be included in determining the Maximum Annual Debt Service. For the purpose of Section 6.01, governing the issuance of Additional Bonds, in computing

[5] Changed to the Florida Turnpike Enterprise Law, Sections 338.22-338.241, by s.15, ch. 2002-20, Laws of Florida.

Maximum Annual Debt Service any Variable Rate Bonds or bank reimbursement agreements payable on a parity with the Outstanding Bonds shall be deemed to bear interest at the Maximum Interest Rate.

"Maximum Interest Rate" shall mean, with respect to any particular series of Variable Rate Bonds, a numerical rate of interest that shall be the maximum rate of interest that such Variable Rate Bonds may at any particular time bear, including the maximum effective rate of such Variable Rate Bonds adjusted to reflect a Qualified Interest Rate Agreement, if any, not to exceed the maximum rate of interest allowed under State law, as determined by a subsequent resolution of the Division.

"Net Revenues" shall mean the Revenues remaining after the deduction of Cost of Maintenance and Cost of Operations.

"Option Bonds" shall mean Bonds, which may be either Serial Bonds or Term Bonds, which by their terms may be tendered by and at the option of the Holder thereof for payment by the Division prior to the stated maturity thereof, or the maturities of which may be extended by and at the option of the Holder thereof, such extension to be within the period, if any, prescribed by subsequent resolution of the Division.

"Outstanding", when used with reference to the Bonds, shall mean, as of any date of determination, all Bonds theretofore authenticated and delivered except:

(i) Bonds theretofore canceled by the Bond Registrar/Paying Agent or delivered to the Bond Registrar/Paying Agent for cancellation;

(ii) Bonds which are deemed paid and defeased and no longer Outstanding as provided herein;

(iii) Bonds in lieu of which other Bonds have been issued pursuant to the provisions hereof relating to Bonds destroyed, stolen or lost, unless evidence satisfactory to the Bond Registrar/Paying Agent has been received that any such Bond is held by a bona fide purchaser; and

(iv) For purposes of any consent or other action to be taken hereunder by the Holders of a specified percentage of principal amount of Bonds, Bonds held by or for the account of the Division or the Department.

"Permitted Investments" shall mean and include any of the following securities, if and to the extent the same are permitted by law:

(i) U.S. obligations and any certificates or any other evidences of an ownership interest in U.S. Obligations or in specified portions thereof (which may consist of specified portions of the interest thereon);

(ii) bonds, debentures, or other evidences of indebtedness issued or guaranteed by any agency or corporation which has been or may hereafter be created pursuant to an Act of Congress as an agency or instrumentality of the United States of America;

(iii) investment agreements with any bank or other financial institution, the unsecured debt of which is rated in either of the two highest letter rating categories by a Rating Agency;

(iv) Municipal Obligations, which are hereby defined as: (A) obligations of states or political subdivisions thereof or U.S. territories, whether or not the interest thereon is excluded from gross income for federal income tax purposes, which obligations may or may not subject the holders thereof to the alternative minimum tax pursuant to the U.S. Internal Revenue Code, and which are rated in any of the two highest full rating categories by a nationally recognized bond rating agency, or (B) stock of a qualified regulated investment company within the meaning of paragraph (a) (2) of Internal Revenue Service Advance Notice 87-22, released February 24, 1987, or any related or updated notice, release or regulation, which stock is rated in any of the two highest full rating categories by a Rating Agency;

(v) Certificates of deposit issued by or time deposits with any bank or trust company organized under the laws of any state of the United States of America or any national banking association, or a branch of a foreign bank duly licensed under the laws of the United States of America or any state or territory thereof, whose senior debt is rated within the two highest long-term or short-term rating categories of a Rating Agency;

(vi) Bills of exchange or time drafts drawn on and accepted by a commercial bank under the laws of any state of the United States of America or any state or territory thereof or any national banking association, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System;

(vii) Repurchase agreements with any bank or trust company or savings and loan association, or with any broker or dealer registered with the Securities and Exchange Commission and covered by the Securities Investor Protection Corporation in the event of insolvency, in any case having short term debt rated in either of the two highest categories by a Rating Agency provided that, (1) to the extent not insured, the repurchase agreements are secured by Permitted Investments of the kind specified in subsections (i) and (ii) above having at all times a fair market value of at least 100% of the value (principal plus accrued interest) of such agreement or contract, (2) the State has a perfected first security interest in such Permitted Investments, and (3) the Permitted Investments are owned by the pledgor free and clear of any kind of liens or security interests other than that of the State; the security for any repurchase agreements shall be (i) in the case of Government Obligations which can be pledged by a book entry notation under regulations of the U.S. Department of Treasury, appropriately entered on the records of a Federal Reserve Bank, or (ii) in the case of other investments, either deposited with the State of Florida, with a Federal Reserve Bank or with a bank or trust company which is acting solely as agent for the State and has a combined net capital and surplus of at least $25,000,000.

(viii) Shares or other interests in any mutual fund, trust, investment company or similar entity or portfolio which invests solely in Permitted Investments of the types described in subparagraphs (i), (ii), (iv), (v) or (vi) above or any combination thereof;

(ix) Commercial paper rated in either of the two highest rating categories by a Rating Agency or commercial paper backed by a letter of credit or line of credit rated in either of the two highest rating categories; and

(x) Public Housing Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America; or temporary notes, preliminary loan notes or project notes issued by public agencies or municipalities, in each case, fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America.

"Principal Payment Date" shall mean, for each Series of Bonds, such dates of each Fiscal Year on which principal of Outstanding Bonds of such Series is payable, as set forth in a subsequent resolution of the Division.

"Qualified Interest Rate Agreement" shall mean an insurance policy, surety bond, or interest rate cap or exchange agreement, provided with respect to Variable Rate Bonds issued from time to time, that either places a limit on the required annual payments related to such Variable Rate Bonds or results in a fixed annual payment requirement. Such Qualified Interest Rate Agreement shall be provided by an insurer rated in the highest rating category by A. M. Best & Company or a banking association or financial institution whose senior unsecured debt is rated in one of the two highest full rating categories by a Rating Agency.

"Rating Agency" shall mean Moody's Investors Service (or its successor), Standard & Poor's Corporation (or its successor), and Fitch Ratings (or its successor).

"Rebate Amount" shall have the meaning ascribed to that term in Section 5.15 of this Resolution.

"Rebate Fund" shall be the Rebate Fund created and established pursuant to Section 5.15 of this Resolution.

"Rebate Year" shall mean, with respect to a particular Series of Bonds issued hereunder, (i) the twelve-month period commencing on the anniversary of the "closing date" with respect to such Bonds in each year and ending on the day prior to the anniversary of the "closing date" in the following year, except that the first Rebate Year with respect to each Series of Bonds shall commence on the "closing date" for such Bonds and the final Rebate Year with respect to each Series of Bonds shall end on the date of final maturity of such Bonds or (ii) such other period as regulations promulgated or to be promulgated by the United States Department of Treasury may prescribe. "Closing date" as used herein shall mean with respect to a particular Series of Bonds issued hereunder the date of issuance and delivery of such Bonds to the original purchaser thereof.

“Record Date” shall mean with respect to each Series of Bonds, except Variable Rate Bonds, the 15th day of the calendar month next preceding the month of an Interest Payment Date. The Record Date for Variable Rate Bonds shall be as determined by subsequent resolution of the Division.

“Registered Owner” shall mean the owner of any Bond or Bonds as shown on the registration book of the Board kept by the Bond Registrar/Paying Agent.

“Reserve Account Credit Facility” shall mean a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other comparable insurance or financial product, if any, deposited in a debt service reserve sub-account in lieu of or in partial substitution for cash or securities on deposit therein. The issuer providing such Reserve Account Credit Facility shall be rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Insurance Policy” shall mean the insurance policy, surety bond or other acceptable evidence of insurance, if any, deposited in a debt service reserve sub-account, if any, in lieu of or in partial substitution for cash or securities on deposit therein. The issuer providing such Reserve Account Insurance Policy shall be an insurer rated in one of the two highest full rating categories of a Rating Agency.

“Reserve Account Letter of Credit” shall mean the irrevocable, transferable letter of credit, if any, deposited in a debt service reserve sub-account, if any, in lieu of or in partial substitution for cash or securities on deposit therein. The issuer providing such letter of credit shall be a banking association, bank or trust company or branch thereof whose letter of credit results in the rating of municipal obligations secured by such letter of credit to be rated in one of the two highest full rating categories of a Rating Agency.

“Resolution” shall mean this resolution.

“Revenues” or “Gross Revenues” shall mean all Tolls, revenues, rates, fees, charges, receipts, rents and other income derived from or in connection with the operation of the Florida Turnpike. “Revenues” or “Gross Revenues” shall also include, unless otherwise indicated by this Resolution, income from investments of funds and accounts created by this Resolution deposited in the Revenue Fund created in Section 4.01 below, and the proceeds of any use and occupancy insurance relating to the Florida Turnpike.

“Serial Bonds” shall mean the Bonds of a Series which shall be stated to mature in periodic installments.

“Series” shall mean all of the Bonds authenticated and delivered on original issuance and pursuant to this Resolution or any supplemental resolution authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof, regardless of variations in maturity, interest rate or other provisions.

“State Bond Act” shall mean Sections 215.57 through 215.83, Florida Statutes, as amended from time to time.

“Taxable bonds” shall mean bonds the interest on which is not, in any manner, exempt from federal income taxation or excludable from gross income for federal income tax purposes.

“Term Bonds” shall mean the Bonds of a Series which shall be stated to mature on one date and for the amortization of which payments are required to be made into the Bond Amortization Account in the Sinking Fund, hereinafter created, as may be provided in a subsequent resolution of the Division.

“Toll” or “Tolls” shall mean the charge or charges for the privilege of using the Turnpike System except those non-Toll roads designated as part of the Turnpike System. A “Toll road” or “Toll facility” shall generally mean a limited access highway, road, bridge, or other facility of the Turnpike System for which use a charge is required of non-exempt persons. A “non-Toll road” or “non-Toll facility” shall generally mean a highway, road, bridge or other facility of the Turnpike System for use of which a charge is not required.

“Traffic Engineers” shall mean the engineer or engineering firm or corporation retained by the Department pursuant to Section 5.14 of this Resolution.

"Turnpike Improvement" shall mean any betterment necessary or desirable for the operation of the Toll roads or Feeder Roads of the Turnpike System, including, but not limited to, widenings, resurfacings, Toll plazas, machinery, and equipment.

"Turnpike Plan" shall mean, collectively, those projects described in Section 1.03(D) of Article I of this Resolution.

"Turnpike Project" shall mean those projects described in Section 1.03(D) (1) (2) & (3) of this Resolution and any Turnpike Improvement or any extension to the Turnpike System statewide including Toll roads and associated Feeder Roads and other related structures, interchanges, appurtenances, or rights as may be approved in accordance with the Florida Turnpike Law.

"Turnpike System" shall mean those Toll roads and associated Feeder Roads and other related structures, appurtenances, or rights previously designated, acquired or constructed pursuant to the Florida Turnpike Law and other additional Turnpike Projects as may be acquired or constructed as approved by the Legislature in accordance with Section 11(e), Article VII, of the State Constitution, or in accordance with Section 339.135, Florida Statutes, and such other roads and facilities as are designated part of the Turnpike System pursuant to the provisions of the Florida Turnpike Law.

"Unit Priced Bonds" shall mean a portion of a Series of Variable Rate Bonds, which may be either Serial Bonds or Term Bonds and which also may be Option Bonds, issued such that the determinations of interest rate and the duration of the interest period for each Bond of such Series are made independently of the determinations for any other Bond of such Series.

"Variable Rate Bonds" shall mean Bonds, which may be either Serial Bonds or Term Bonds, and which also may be Option Bonds, issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term of such Bonds at the date of issue. Variable Rate Bonds shall also include Unit Priced Bonds.

Words importing singular number shall include the plural number, and vice versa, and words importing persons shall include firms and corporations, wherever the text so requires.

SECTION 1.03. FINDINGS. It is hereby found, determined, and declared as follows:

(A) That the Florida Turnpike is predominately a limited-access facility and for most of its length it is a four-lane, divided highway. Access to and from Toll roads is provided at major road interchanges. No persons are permitted to use any Toll facility without payment of a Toll, except for specifically exempted persons, and the failure to pay a prescribed Toll constitutes a noncriminal traffic infraction pursuant to Section 338.155, Florida Statutes (1987). In order to better integrate the Florida Turnpike into the urban expressway systems of Dade, Broward and Palm Beach counties, the Department intends to change, and is in the process of converting, the method of collecting Tolls on the southern section of the Florida Turnpike between Golden Glades and Lantana, a distance of approximately 45 miles. The Department is presently converting this section from a ticket system of Toll collection to a barrier/ramp system of Toll collection which, like the ticket system, is designed to prevent unauthorized use of a Toll facility. Some of the original portions of the Florida Turnpike were constructed and managed by the Florida State Turnpike Authority. Pursuant to Chapter 69-106, Laws of Florida, Acts of 1969, the Department succeeded to all the powers, properties and assets of the Florida State Turnpike Authority. The Department has maintenance facilities at several Turnpike System locations and operates eight Turnpike System service plazas.

(B) That the Department, in accordance with the Florida Turnpike Law, is authorized to acquire, construct, maintain and operate the Turnpike System; and that under the State Bond Act and the Florida Turnpike Law, the Division is authorized to issue revenue bonds on behalf of the Department to finance all or any part of the cost of any one or more Turnpike Projects.

(C) That the Department has determined after studies to assess needs that various Turnpike Projects should be undertaken in the public interest in order to facilitate vehicular traffic and to promote the safety and welfare of the State and its citizens and visitors.

(D) That the Department has requested the Division to issue on its behalf bonds in aggregate principal amount not to exceed $4,419,997,419.20 for the purpose of financing a portion of the cost of the Turnpike Plan which is more fully described as follows:

> (1) Those projects listed in Alternative IV of the April 1987 report on the Future of Florida's Turnpike as recommended to the Legislature by the Secretary of the Department. A copy of the 1987 report is hereby incorporated herein by reference.

(2) An extension to the existing Turnpike System beginning at the present northern terminus of the Florida Turnpike near Wildwood in Sumter County, to a point at Lebanon Station in Levy County, a distance of approximately 43 miles, the exact route and termini to be determined by the Department.

(3) An extension of the Sawgrass Expressway, a project of the Broward County Expressway Authority, providing a connection from the present northern terminus of the Expressway to Interstate 95.

(4) Such other Turnpike Projects as are approved by the Legislature in accordance with the Florida Turnpike Law and s. 11(e), Art. VII of the State Constitution.

(E) That the Net Revenues from the Florida Turnpike will be pledged for the payment of, and will be sufficient to pay, the principal of and interest on the Bonds and to make all other payments provided for in this Resolution; and that the Department shall at all times fix, adjust, charge, and collect such Tolls for the use of the Turnpike System, except on non-Toll roads, as are required in order to provide an amount sufficient with other Revenues to pay the Cost of Maintenance and Cost of Operation of the Turnpike System; to pay the principal of and interest on the Bonds as the same become due and payable; and to create reserves for all such purposes.

(F) That in 1955, 1961, 1970, and 1973 revenue bonds were issued to finance various portions of the Florida Turnpike and Revenues were pledged to their payment. The liens of those bonds on Revenues have been defeased in the following manner: the 1955 bonds were refunded by the 1961 bonds; the indebtedness of the 1961 and 1970 bonds were retired early pursuant to provisions of a 1961 trust indenture and a 1970 supplemental trust indenture; the 1973 bonds matured on August 1, 1988 and provision for their payment has been made.

(G) That the Annual Debt Service Requirement of the Bonds for each Fiscal Year and the Cost of Maintenance and Cost of Operation and other payments provided for in this Resolution will be paid solely from the Revenues, and, except as to the Net Revenues, the Bonds shall not constitute a debt or charge against the State of Florida or any agency thereof or a lien on any properties of the State of Florida or any agency thereof.

(H) That the Turnpike Plan shall be constructed substantially in accordance with the plans and specifications to be filed in the office of the Department. The cost of the Turnpike Plan, including financing, planning, design, right-of-way acquisition, construction and related costs shall be deemed to include the cost of actual construction of the Turnpike Projects of the Turnpike Plan, and other facilities therefor including rights of way; reimbursement to the Department for advances made by the Department for acquisition and construction; materials and labor; the acquisition of all lands or interest therein and any other property, real or personal, appurtenant to or useful in the construction and operation of the Turnpike Projects of the Turnpike Plan; technical engineering fees including preliminary engineering expenses incurred by the Department; legal fees; fees and expenses of the Division; advertising of resolutions, notices of sale and other proceedings; reasonable amounts for contingencies; expenses for plans, specifications and surveys, and estimates of costs; and all other costs and expenses of the Division and the Department, including any Cost of Issuance, necessary to the financing, acquisition, construction, and placing in operation of the Turnpike Plan.

(I) That the not-to-exceed $4,419,997,419.20 aggregate principal amount of Bonds authorized to be issued by this Resolution may be issued at one time or in one or more Series from time to time as determined by the Division.

SECTION 1.04. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time this Resolution shall be deemed to be and shall constitute a contract between the Department and such Bondholders; and the covenants and agreements herein set forth to be performed by the Department shall be for the equal benefit, protection, and security of the legal Holders of any and all of the Bonds, all of which shall be of equal rank and without preference, priority, or distinction as to any of the Bonds over any other thereof, except as expressly provided in or permitted by this Resolution.

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION, REGISTRATION, AND ISSUANCE OF THE BONDS

SECTION 2.01. AUTHORIZATION OF THE BONDS; TEMPORARY BONDS. Subject and pursuant to the provisions of this Resolution, the Bonds are hereby authorized to be issued by the Division on behalf of the Department in the aggregate principal amount of not to exceed $4,419,997,419.20 for the purpose of financing a portion of the cost of the Turnpike

Plan, which Bonds may be issued all at one time or from time to time in one or more Series, and if in Series, may be dated, numbered, and designated as to Series as shall be determined by subsequent resolution or resolutions of the Division.

Pending the preparation of definitive Bonds, the Division may execute and deliver temporary Bonds. Temporary Bonds shall be issuable as registered Bonds without coupons, of any authorized denomination, and substantially in the form of the definitive Bonds but with such omissions, insertions, and variations as may be appropriate for temporary Bonds, all as may be determined by the Division. Temporary Bonds may contain such reference to any provisions of this Resolution as may be appropriate. Every temporary Bond shall be executed and authenticated upon the same conditions and in substantially the same manner, and with like effect, as the definitive Bonds. As promptly as practicable the Division shall execute and shall furnish definitive Bonds and thereupon temporary Bonds may be surrendered in exchange for definitive Bonds without charge at the principal office of the Bond Registrar/Paying Agent, and the Bond Registrar/Paying Agent shall authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits under this Resolution as definitive Bonds.

SECTION 2.02. DESCRIPTION OF THE BONDS. Unless otherwise specified by the Division in a subsequent resolution, the Bonds shall be payable, with respect to interest, principal and premium, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; shall be issued in the form of fully registered Bonds; shall be dated as determined by subsequent resolution of the Division relating to the issuance of such Series of Bonds; shall bear interest, which may be fixed or variable, from their date at a rate not exceeding the legal rate per annum, with interest payments to be mailed, or in certain cases made by wire transfer as provided by subsequent resolution of the Division, to the registered Holder thereof by the Bond Registrar/Paying Agent at the address shown on the registration books of the Board held by the Bond Registrar/Paying Agent as of the Record Date, provided, however, that if the Record Date is a Saturday, Sunday or holiday, then to the registered Holder and at the registered address shown on the registration books of the Board at the close of business on the day next preceding such Record Date which is not a Saturday, Sunday or holiday, except for (i) Capital Appreciation Bonds which shall bear interest as described under the defined term Accreted Value, payable only upon redemption, acceleration or maturity thereof and (ii) Capital Appreciation and Income Bonds which shall bear interest as described under the defined term Appreciated Value, (such interest accruing on or prior to the Interest Commencement Date being payable at maturity and such interest accruing after the Interest Commencement Date being payable periodically), payable on the amount due at maturity but only from and after the Interest Commencement Date; shall be lettered and shall be numbered in such manner as determined by subsequent resolution of the Division; shall be in denominations as determined by supplemental resolution of the Division and shall mature on such dates, in such years and in such amounts, as determined by subsequent resolution of the Division.

SECTION 2.03. NO PLEDGE OF FULL FAITH AND CREDIT OF STATE OF FLORIDA. The payment of the principal of and interest on the Bonds is secured only by the Net Revenues, as defined herein, generated by the Florida Turnpike in the manner set forth herein. The Bonds do not constitute general obligations or indebtedness of the State of Florida or any of its agencies and shall not be a debt of the State or of any agency.

SECTION 2.04. BONDS MAY BE ISSUED AS SERIAL BONDS OR TERM BONDS. The Bonds issued hereunder may be Serial Bonds or Term Bonds and may be Variable Rate Bonds (including Unit Priced Bonds), Capital Appreciation Bonds, Capital Appreciation and Income Bonds, Option Bonds and Taxable Bonds, as determined by subsequent resolution of the Division.

SECTION 2.05. PROVISIONS FOR REDEMPTION. The Bonds of each Series may be made redeemable in such manner and upon such terms and conditions as determined by subsequent resolution adopted by the Governing Board of the Division prior to the sale of the Bonds or any Series thereof.

A notice of the redemption prior to maturity of any of the Bonds shall be mailed by first class mail (postage prepaid) at least thirty days prior to the date fixed for redemption to the Registered Owner of the Bonds, except Variable Rate Bonds, to be redeemed, of record on the books kept by the Bond Registrar/Paying Agent, as of forty-five days prior to the date fixed for redemption. The notice period for Variable Rate Bonds shall be as determined by subsequent resolution of the Division. Such notice of redemption shall specify the serial or other distinctive numbers or letters of the Bonds to be redeemed, if less than all, the date fixed for redemption, and the redemption price thereof and, in the case of Bonds to be redeemed in part only, the principal amount thereof to be redeemed. Failure so to give any such notice by mailing to any Bondholder, or any defect therein, shall not affect the validity of the proceedings for the redemption of any Bond or portion thereof with respect to which no such failure has occurred. Any notice mailed as provided above shall be conclusively presumed to have been given, whether or not the Registered Owner of such Bond receives such notice.

The Bond Registrar/Paying Agent shall not be required (a) to issue, transfer or exchange any Bonds during a period beginning at the opening of business on the 15th business day next preceding the date fixed for redemption and ending at the close of business on the date fixed for redemption; or (b) to transfer or exchange any Bonds selected, called or being called for redemption in whole or in part.

Notice having been published and mailed in the manner and under the conditions hereinabove provided, the Bonds or portions of Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Bonds or portions of Bonds on such date. On the date so designated for redemption, notice having been published and mailed and moneys for payment of the redemption price being held in separate accounts by an escrow agent, the Board, or Bond Registrar/Paying Agent, in trust for the Registered Owners of the Bonds or portions thereof to be redeemed, all as provided in this Resolution, interest on the Bonds or portions of Bonds so called for redemption shall cease to accrue, such Bonds and portions of Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and the Registered Owners of such Bonds or portions of Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the following paragraph, to receive Bonds for any unredeemed portion of the Bonds.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the requirements of this paragraph; provided, however, that failure of such notice or payment to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above in this Section.

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being redeemed; (iv) the maturity date of each Bond being redeemed; (v) the publication date of the official notice of redemption; (vi) the name and address of the Bond Registrar/Paying Agent; and (vii) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company, New York, New York, Midwest Securities Trust Company, Chicago, Illinois, Pacific Securities Depository Trust Company, San Francisco, California and Philadelphia Depository Trust Company, Philadelphia, Pennsylvania) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each further notice of redemption shall be published one time in the Bond Buyer of New York, New York or, if such publication is impractical or unlikely to reach a substantial number of the holders of the Bonds, in some other financial newspaper or journal which regularly carries notices of redemption of other obligations similar to the Bonds, such publication to be made at least thirty (30) days prior to the date fixed for redemption.

(d) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds redeemed with the proceeds of such check or other transfer.

In case part but not all of an Outstanding Bond shall be selected for redemption, the Registered Owner thereof shall present and surrender such Bond to the Bond Registrar/Paying Agent for payment of the principal amount thereof so called for redemption, and the Bond Registrar/Paying Agent shall execute and deliver to or upon the order of such Registered Owner, without charge therefor, for the unredeemed balance of the principal amount of the Bond so surrendered, a Bond or Bonds fully registered as to principal and interest.

Bonds or portions of Bonds that have been duly called for redemption under the provisions of this Section, and with respect to which amounts sufficient to pay the principal of, redemption premium, if any, and interest to the date fixed for redemption shall be delivered to and held in escrow in separate accounts by an escrow agent, the Board, or Bond Registrar/Paying Agent in trust for the Owners thereof, as provided in this Resolution, shall not be deemed Outstanding under the provisions of this Resolution and shall cease to be entitled to any lien, benefit or security under this Resolution, except to receive the payment of the redemption price on or after the designated date of redemption from moneys so deposited with or held by such escrow agent, the Board, or Bond Registrar/Paying Agent, as the case may be, for such redemption of Bonds and, to the extent provided in this Section, to receive Bonds for any unredeemed portion of Bonds. Any and all of the Bonds redeemed prior to maturity shall be duly cancelled by the Bond Registrar/Paying Agent, and shall not be reissued.

SECTION 2.06. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Division on behalf of the Department by the Governor, as Chairman of the Division, and attested by the Secretary of the Division, or such other officers as may be designated by resolution, and the corporate seal of the Division or a facsimile thereof shall be affixed thereto or reproduced thereon. The facsimile signatures of the Governor, as Chairman, and the Secretary, or such other officer, may be imprinted or reproduced on the Bonds, provided that, in accordance with the laws of Florida in effect on the date of the adoption of this Resolution, at least one signature, which may be that of the Bond Registrar/Paying Agent, required to be placed on the Bonds shall be manually subscribed. In the event that the laws of Florida relevant to the requirements for facsimile or manual signatures are changed prior to the delivery of the Bonds, then the signatures which are actually imprinted, reproduced, or manually subscribed on the Bonds shall be in compliance with the new laws. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the Division before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the Division by such person as at the actual time of the execution of such Bonds shall hold the proper office, although at the date of such Bonds such person may not have held such office or may not have been so authorized.

A certification as to Circuit Court validation, in the form hereinafter provided, shall be executed with the facsimile signature or manual signature of any present or future Chairman of the Governing Board of the Division.

SECTION 2.07. NEGOTIABILITY. The Bonds shall have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida. The original holder and each successive holder of any of the Bonds shall be conclusively deemed by his acceptance thereof to have agreed that the Bonds shall be and have all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida.

SECTION 2.08. REGISTRATION. The Bonds shall be issued only as fully registered bonds without coupons. The Bond Registrar/Paying Agent shall be responsible for maintaining the books for the registration of and for the transfer of the Bonds in compliance with the Registrar, Paying Agent and Transfer Agreement, dated October 1, 1983, or successor agreement, between Citibank, N.A[6]., and the Board.

Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his attorney duly authorized in writing, the Bond Registrar/Paying Agent shall deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive.

The principal amount of the Bonds shall be paid to the Registered Owner or registered assigns on the maturity date of the Bonds, unless redeemed prior thereto as provided in a subsequent resolution of the Division upon presentation and surrender of the Bonds at the principal office of the Bond Registrar/Paying Agent.

Interest shall be paid on the Interest Payment Dates to the Registered Owner of record whose name appears on the books of the Bond Registrar/Paying Agent as of 5:00 p.m. (local time, New York, New York) on the Record Date, by check or draft mailed (or transferred by a mode at least equally as rapid as mailing) from the Bond Registrar/Paying Agent to the Bondholder, or in certain cases shall be paid by wire transfer as provided by subsequent resolution of the Division, except for (i) Capital Appreciation Bonds which shall bear interest as described under the defined term Accreted Value, payable only upon redemption, acceleration or maturity thereof and (ii) Capital Appreciation and Income Bonds which shall bear interest as described under the defined term Appreciated Value (such interest accruing on or prior to the Interest Commencement Date being payable at maturity and such interest accruing after the Interest Commencement Date being payable periodically).

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[6] U.S. Bank Trust National Association, New York, NY, effective 1/7/03.

All Bonds presented for transfer, exchange, redemption or payment (if so required by the Division or the Bond Registrar/Paying Agent) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Division and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or by his duly authorized attorney.

Neither the Division nor the Bond Registrar/Paying Agent may charge the Bondholder or his transferee for any expenses incurred in making any exchange or transfer of the Bonds. However, the Division and the Bond Registrar/Paying Agent may require payment from the Bondholder of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses shall be paid before any such new Bond shall be delivered.

New Bonds delivered upon any transfer or exchange shall be valid obligations of the Department, evidencing the same debt as the Bonds surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

The Division and the Bond Registrar/Paying Agent may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any Bond is registered may be deemed the owner thereof by the Division and the Bond Registrar/Paying Agent, and any notice to the contrary shall not be binding upon the Division or the Bond Registrar/Paying Agent.

In addition, notwithstanding the foregoing, to the extent permitted by applicable law, the Division may establish a system of registration with respect to any Series or all Series of Bonds issued hereunder and may issue certificated public obligations (represented by instruments) or uncertificated registered public obligations (not represented by instruments) commonly known as book-entry obligations, combinations thereof, or such other obligations as may then be permitted by law. The Division shall appoint such registrars, transfer agents, depositories and other agents as may be necessary to cause the registration, registration of transfer and reissuance of the Bonds within a commercially reasonable time according to the then current industry standards and to cause the timely payment of interest, principal and premium, if any, payable with respect to the Bonds. Any such system may be effective for any series of Bonds then Outstanding or to be subsequently issued, provided that if the Division adopts a system for the issuance of uncertificated public obligations, it may permit thereunder the conversion, at the option of a holder of any Bonds then Outstanding, of a certificated registered public obligation to an uncertificated registered obligation, and the reconversion of the same.

Notwithstanding the foregoing provisions of this Section 2.08, the Division reserves the right, on or prior to the delivery of the Bonds, to amend or modify the foregoing provisions relating to registration of the Bonds in order to comply with all applicable laws, rules, and regulations of the United States Government and the State of Florida relating thereto.

SECTION 2.09. AUTHENTICATION. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond substantially in the form herein set forth shall have been duly executed by the manual signature of the Bond Registrar/Paying Agent, and such executed certificate of the Bond Registrar/Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The Bond Registrar/Paying Agent's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Bond Registrar/Paying Agent, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereinafter.

SECTION 2.10. DISPOSITION OF BONDS PAID OR EXCHANGED. Whenever any Bond shall be delivered to the Bond Registrar/Paying Agent for cancellation, upon payment of the principal amount thereof or for replacement or transfer or exchange, such Bonds shall either be retained by the Bond Registrar/Paying Agent for a period of time specified in writing by the Division or the Board or, at the option of the Division or the Board, shall be cancelled and destroyed by the Bond Registrar/Paying Agent and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the Division or the Board.

SECTION 2.11. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall be mutilated, or be destroyed, stolen or lost, the Division may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the holder furnishing the Division proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Division may prescribe and paying such expenses as the Division may incur. If any such Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Division may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional, contractual obligations on the part of the Department, whether or not the lost, stolen or destroyed Bonds be at any time found by anyone and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien, source and security for payment, pursuant to this Resolution, from the Net Revenues.

SECTION 2.12. FORM OF BONDS. The text of the Bonds together with the form of the certificates to be endorsed thereon, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Resolution or any subsequent resolution adopted prior to the issuance thereof, or as may be necessary to comply with applicable laws, rules, and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

[FORM OF BOND INTENTIONALLY OMITTED]

ARTICLE III
CONSTRUCTION OF TURNPIKE PLAN; APPLICATION OF BOND PROCEEDS; SECURITY FOR THE BONDS

SECTION 3.01. DEPARTMENT TO CONSTRUCT TURNPIKE PROJECTS. Pursuant to applicable laws, the Department shall construct the Turnpike Projects of the Turnpike Plan, subject to the provisions contained in this Resolution.

SECTION 3.02. APPLICATION OF BOND PROCEEDS. Upon receipt of the proceeds of the sale of any Series of the Bonds, and after reserving and providing for the payment of the Cost of Issuance, including a reasonable service charge for the services of the Division, the Division shall transfer and deposit the remainder of the proceeds of such Series of the Bonds as follows:

(1) An amount equal to any accrued interest on such Series of Bonds shall be transferred to the Board to be deposited in the Bond Interest and Sinking Fund, hereinafter established, and used by the Board only for the payment of interest on such Series of Bonds;

(2) The amount, if any, determined in the sole discretion of the Division prior to the sale of such Series of Bonds, as being necessary to provide for the payment of interest accruing on such series of Bonds for a reasonable period of time from the date of issuance of the Bonds shall be transferred to the Board and deposited in the Bond Interest and Sinking Fund and used by the Board only for the payment of interest on such Series of Bonds; and

(3) An amount of money shall be deposited to the credit of the sub-account in the Debt Service Reserve Account established for such Series of Bonds in the aggregate amount necessary to make the amount to the credit of such sub-account equal to the Debt Service Reserve Requirement for such sub-account. The Debt Service Reserve Account need not be fully funded at the time of issuance of such Series of Bonds if (i) the Division elects by resolution adopted prior to issuance of such Series of Bonds, subject to the limits described below, to fully fund the applicable sub-account in the Debt Service Reserve Account over a period specified in such resolution not to exceed sixty (60) months, during which it shall make substantially equal monthly installments in order that the amounts on deposit therein at the end of such period shall equal the Debt Service Reserve Requirement for such sub-account, or (ii) it provides on the date of issuance of any Series of Bonds in lieu of such funds a Reserve Account Credit Facility in an amount equal to the difference between the Debt Service Reserve Requirement and the sums then on deposit (or required to be on deposit over a specified period as authorized above) in the applicable sub-account in the Debt Service Reserve Account. Such Reserve Account Credit Facility as provided above must provide for payment on any Interest Payment Date or Principal Payment Date on which a deficiency exists in moneys held hereunder for a payment with respect to the Bonds which cannot be cured by funds in any other account held pursuant to this Resolution and available for such purpose, and which shall name the Bond Registrar/Paying Agent or the Board for the benefit of the Bondholders as the beneficiary thereof. In no event shall the use of such Reserve Account Credit Facility be permitted if it would cause an impairment in any existing rating on the Bonds or any Series thereof. If the applicable sub-account in the Debt Service Reserve

Account is to be funded in installments pursuant to clause (i) above upon the issuance of any Additional Bonds, the deposits required pursuant to the foregoing may be limited to the amount which will be sufficient to pay the required monthly installments specified in such resolution, plus an additional amount necessary to make up any deficiencies caused by withdrawals or resulting from the semiannual valuation of the funds on deposit therein. If a disbursement is made from a Reserve Account Credit Facility as provided pursuant to clause (ii) above, the Department shall be obligated to either reinstate the maximum limits of such Reserve Account Credit Facility immediately following such disbursement or to deposit funds into the applicable sub-account in the Debt Service Reserve Account in the amount and manner provided under Section 4.03 (4) of this Resolution.

(4) In the case of the proceeds of refunding bonds issued pursuant to Section 6.04, an amount which, together with any other available funds, is sufficient to defease and refund the Outstanding Bonds selected by the Division and to pay the amount of fees and expenses estimated to be due in connection with the defeasance and refunding, to be deposited into a separate trust fund created pursuant to the Escrow Deposit Agreement.

(5) After making the transfers provided for in subsections (1) (2) (3) and (4) above, the balance of the proceeds of the Bonds sold shall be transferred to and deposited in the Turnpike Plan Construction Fund, hereinafter created, and used for the purposes of said Fund.

SECTION 3.03. TURNPIKE PLAN CONSTRUCTION TRUST FUND. There is hereby created a trust fund in the Treasury of the State of Florida to be known as the Florida Turnpike Plan Construction Trust Fund (which herein may be referred to as "Turnpike Plan Construction Fund"). The Turnpike Plan Construction Fund shall be used only for the payment of all or a portion of the costs of the Turnpike Plan, as provided in Section 1.03(H) of the Resolution. If the Bonds are issued in Series, separate accounts within the Turnpike Plan Construction Fund shall be established from the proceeds of the sale of each Series of Bonds to pay all or a portion of the cost of implementing those Turnpike Projects of the Turnpike Plan to be financed by that Series of Bonds which Turnpike Projects shall be identified by subsequent resolution adopted by the Division prior to the sale of the Bonds issued in the Series.

Requests for withdrawal of monies from the Turnpike Plan Construction Fund shall be made by the Department. Withdrawals from the Turnpike Plan Construction Fund shall be made upon warrants signed by the State Comptroller, countersigned by the Governor of the State of Florida, and drawn upon the State Treasury, or any other method provided by law. The warrant request shall be accompanied by a certificate of the Department to the effect that such withdrawal is a proper expenditure for the cost of the Turnpike Plan and, in the event the withdrawal is for reimbursement to the Department for payment of a cost of the Turnpike Plan the liability for which was incurred prior to the date of the adoption of this Resolution, by an opinion of nationally recognized bond/tax counsel that such payment will not adversely affect the exemption from Federal and State income taxation of interest on any of the Bonds. After performance of all audit review functions required by law and of all other actions required by law with respect to such warrant request, the State Comptroller will issue its warrant for each payment so requested.

If any unexpended balance of funds shall remain in any account of the Turnpike Plan Construction Trust Fund after the completion of the Turnpike Projects of the Turnpike Plan for which the Bonds were issued such unexpended balance shall be deposited in the Bond Redemption Account in the Sinking Fund, hereinafter created, to be used to purchase or redeem Bonds, unless otherwise requested by the Department, provided that, prior to any such other application, the Department receive an opinion of nationally recognized bond/tax counsel that such application will not adversely affect the exemption from Federal and State income taxation of interest on any of the Bonds.

SECTION 3.04. INVESTMENT OF TURNPIKE PLAN CONSTRUCTION FUNDS. Any moneys in the Turnpike Plan Construction Fund, not immediately needed for the purposes of said Fund, may be temporarily invested and reinvested, but only in the securities authorized in Section 18.10, Florida Statutes; provided, however, that such investments shall mature, or be subject to redemption on demand by the holder at a price not less than 100%, not later than the date when such moneys will be required for the purposes of said Fund.

Any and all income and interest received upon any investment or reinvestment of moneys in the Turnpike Plan Construction Trust Fund shall be deposited in said Fund and all investments or reinvestments shall be liquidated whenever necessary to provide moneys needed for the purposes of said Fund.

SECTION 3.05. LIEN OF BONDHOLDERS ON TURNPIKE PLAN CONSTRUCTION TRUST FUNDS. The Holders of each Series of Bonds shall have a lien on all the proceeds of such Series of Bonds deposited in the Turnpike Plan Construction Fund until such moneys are applied as provided herein.

SECTION 3.06. SECURITY FOR THE TURNPIKE REVENUE BONDS. The Bonds shall be payable from, and secured by a first lien upon, the Net Revenues.

ARTICLE IV
PAYMENT AND APPLICATION OF REVENUES

SECTION 4.01. CREATION OF FUNDS AND ACCOUNTS. The following funds and accounts are hereby created and established:

The "Turnpike System Revenue Fund" (hereinafter referred to as the "Revenue Fund").

The "Turnpike System Operation and Maintenance Fund" (hereinafter referred to as the "O & M Fund"). There are hereby created two separate accounts in the O & M Fund to be known as the "Cost of Operation Account" and the "Cost of Maintenance Account".

The "Bond Interest and Sinking Fund" (hereinafter referred to as the "Sinking Fund"). There are hereby created five separate accounts in the Sinking Fund to be known as the "Interest Account", the "Principal Account", the "Bond Amortization Account", the "Debt Service Reserve Account" and the "Bond Redemption Account".

The "Turnpike System Renewal and Replacement Fund" (hereinafter referred to as the "Renewal and Replacement Fund" or "R & R Fund").

The "Turnpike System Operation and Maintenance Reserve Fund" (hereinafter referred to as the "O & M Reserve Fund").

The "Turnpike System General Reserve Fund" (hereinafter referred to as the "General Reserve Fund").

Except for the O & M Fund and the O & M Reserve Fund, the funds and accounts created and established by this Article IV, including the Collection Account(s), shall all constitute trust funds for the purposes provided in this Resolution, and the Holders of the Bonds shall have a lien on all moneys in such funds and accounts until applied as provided in this Article IV.

SECTION 4.02. COLLECTION OF REVENUES. From and after the time of issuance of any Bonds pursuant to this Resolution, all Revenues shall be collected by the Department and shall be deposited daily into a special account in one or more depositories. Said account shall be designated the "Florida Turnpike Collection Account" (the "Collection Account"). The Department shall transfer, no less than weekly, all moneys in the Collection Account(s) to the Board for deposit into the Revenue Fund. All such Revenues shall continue to be collected, deposited into the Collection Account(s) and transferred to the Board until provision has been made for the payment of the principal of all Bonds, premium, if any, and all interest on the Bonds.

SECTION 4.03. APPLICATION OF REVENUES. In each month while any of the Bonds remain outstanding and unpaid, the Gross Revenues received by the Board pursuant to Section 4.02 of this Resolution shall be deposited by the Board into the Revenue Fund.

The moneys in the Revenue Fund shall be applied in the following manner and for the following purposes:

(1) Revenues shall first be used, to the fullest extent necessary, on the fifteenth (15th) day of each month, beginning with the fifteenth (15th) day of the first calendar month following the date on which any of the Bonds are delivered to the purchaser thereof:

(a) for deposit into the Cost of Operation Account such sums as shall be sufficient to pay one-twelfth of the Cost of Operation for such Fiscal Year as set forth in the Annual Budget of the Department.

(b) for deposit into the Cost of Maintenance Account such sums as shall be sufficient to pay one-twelfth of the Cost of Maintenance for such Fiscal Year as set forth in the Annual Budget of the Department.

No distinction shall exist in the use of the moneys on deposit in the Revenue Fund for payment into the Cost of Operation Account and the Cost of Maintenance Account, such accounts being on a parity with each other as to payment from the Revenue Fund. References to Annual Budget of the Department shall be deemed to include any amendment thereto made in accordance with the Resolution with the monthly payments increased or decreased, as appropriate, to reflect such amendment.

(2) Revenues shall next be used, to the full extent necessary, for deposit into the Interest Account in the Sinking Fund, on the fifteenth (15th) day of each month, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds are delivered to the purchaser thereof, such sums as shall be sufficient to pay one-sixth of the interest becoming due on the Bonds on the next semi-annual Interest Payment Date, provided, however, that such monthly deposits for interest shall not be required to be made into the Interest Account to the extent that money on deposit therein is sufficient for such purpose and, provided further, that in the event the Division has issued Variable Rate Bonds pursuant to the provisions of the Resolution, Revenues shall be deposited at such other or additional times and amounts as necessary to pay interest becoming due on the Variable Rate Bonds on the next Interest Payment Date, all in the manner provided in the subsequent resolution of the Division authorizing such Variable Rate Bonds. Such subsequent resolution shall require Revenues to be deposited no less frequently than monthly and in an amount equal to either:

(a) the interest accrued during the preceding month on such Variable Rate Bonds, or

(b) substantially equal monthly amounts reasonably calculated to provide sufficient amounts to pay the interest accrued as of the succeeding Interest Payment Date, plus an amount to be deposited in the month prior to the Interest Payment Date not less than the difference between (i) the sum of the monthly deposits since the preceding Interest Payment Date and (ii) the interest payable on the next Interest Payment Date.

In the event that the period to elapse between Interest Payment Dates will be other than six (6) months, then such monthly payments shall be increased or decreased as appropriate, in sufficient amounts to provide the required interest amount due on the next Interest Payment Date. Any monthly payment out of Revenues to be deposited as set forth above, for the purpose of meeting interest payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of Interest Payment Dates applicable to such Series.

(3) Revenues shall next be used, to the full extent necessary:

(a) for deposit in the Principal Account on the fifteenth (15th) day of each month in each year, in the case of Serial Bonds which mature semi-annually, one-sixth (1/6th) of the principal amount of the Serial Bonds which will mature and become due on such semi-annual maturity dates and, in the case of Serial Bonds which mature annually, one-twelfth (1/12th) of the principal amount of the Serial Bonds which will mature and become due on such annual maturity dates, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds are delivered to the purchaser thereof, or on such date as shall hereafter be determined by subsequent resolution of the Division; provided, however, that such monthly deposits for principal shall not be required to be made into the Principal Account to the extent that money on deposit therein is sufficient for such purpose.

In the event the period to elapse between the date of delivery of the Bonds and the next principal payment date will be other than six (6) months, in the case of Serial Bonds which mature semi-annually, or twelve (12) months, in the case of Serial Bonds which mature annually, then such monthly payments shall be increased or decreased, as appropriate, in sufficient amounts to provide the required principal amount maturing on the next principal payment date. Any monthly payment of Revenues to be deposited as set forth above for the purpose of meeting payments of principal of the Bonds, shall be adjusted, as appropriate, to reflect the frequency of principal payments applicable to such Series of Bonds.

(b) for deposit into the Bond Amortization Account on the fifteenth (15th) day of each month in each year, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds are delivered to the purchaser thereof, or on such date as determined by subsequent resolution, and in such amounts in each year as may be required for the payment of the Term Bonds payable from the Bond Amortization Account, as shall hereafter be determined by subsequent resolution of the Division.

The moneys in the Bond Amortization Account shall be used solely for the purchase or redemption of the Term Bonds payable therefrom. The Board may at any time purchase any of said Term Bonds at prices not greater than the then redemption price of said Term Bonds. If the Term Bonds are not then redeemable prior to maturity, the Board may purchase said Term Bonds at prices not greater than the redemption price of such Term Bonds on the next ensuing redemption date. The Board shall be mandatorily obligated to use any moneys in the Bond Amortization Account for the redemption prior to maturity of such Term Bonds in such manner and at such times as shall be determined by subsequent resolution of the Division. If, by the application of moneys in the Bond Amortization Account, the Board shall purchase or call for redemption in any year Term Bonds in excess of the installment requirement for such year, such excess of Term Bonds so purchased or redeemed shall be credited in such manner to the remaining amortization installments for the Term Bonds of the same Series and maturity as the Term Bonds so purchased or redeemed as the Board shall determine.

No distinction or preference shall exist in the use of the moneys on deposit in the Sinking Fund for payment into the Interest Account, the Principal Account and the Bond Amortization Account, such accounts being on a parity with each other as to payment from the Sinking Fund. Any deficiencies for prior payment into the Interest Account, the Principal Account and the Bond Amortization Account shall be restored from the first Net Revenues available to the Department.

(4) Revenues shall next be used, to the full extent necessary, for deposit into each sub-account in the Debt Service Reserve Account on the fifteenth (15th) day of each month in each year, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds issued hereunder are delivered to the purchaser thereof, such sums as shall be at least sufficient to maintain an amount equal to the Debt Service Reserve Requirement established for the Bonds unless the Division has elected to fund the Debt Service Reserve Account over a period of time, in which case this maintenance requirement shall commence when the time period to fund the Account has ended.

Notwithstanding the foregoing provisions, in lieu of the required deposits of Revenues into the Debt Service Reserve Account, the Division may cause to be deposited into one or more sub-accounts in the Debt Service Reserve Account a Reserve Account Insurance Policy, a Reserve Account Letter of Credit, or other form of Reserve Account Credit Facility for the benefit of the Registered Owners of the Bonds for which such sub-account has been established in the amount required above which Reserve Account Insurance Policy or Reserve Account Letter of Credit or other Reserve Account Credit Facility shall be payable or available to be drawn upon, as the case may be, on any Interest Payment Date or Principal Payment Date on which a deficiency exists which cannot be cured by funds in any other account held for such Bonds pursuant to this Resolution and available for such purpose. If a disbursement is made under the Reserve Account Insurance Policy, the Reserve Account Letter of Credit or other Reserve Account Credit Facility, the Department shall be obligated to either reinstate such Reserve Account Insurance Policy, Reserve Account Letter of Credit or other Reserve Account Credit Facility, immediately following such disbursement to the amount required to be maintained in the Debt Service Reserve Account or to deposit into the applicable sub-account in the Debt Service Reserve Account from the Net Revenues, as herein provided, funds in the amount of the disbursement made under such Reserve Account Insurance Policy, Reserve Account Letter of Credit or other Reserve Account Credit Facility, or a combination of such alternatives as shall equal the amount required to be maintained.

In the event that any moneys shall be withdrawn by the Board from the Debt Service Reserve Account for deposit into the Interest Account, Principal Account or Bond Amortization Account, such withdrawals shall be subsequently restored from the first Net Revenues available to the Department after all required payments have been made into the Interest Account, Principal Account and Bond Amortization Account, including any deficiencies for prior payments, unless restored by a reinstatement under a Reserve Account Insurance Policy, Reserve Account Letter of Credit or other Reserve Account Credit Facility of the amount withdrawn.

Moneys in the Debt Service Reserve Account shall be used only for deposit into the Interest Account, Principal Account and Bond Amortization Account when the other moneys in the Sinking Fund available for such purpose are insufficient therefor.

The Division shall establish one or more separate sub-accounts in the Debt Service Reserve Account. Each sub-account may be established for one or more Series of Bonds. Each sub-account shall be available only to cure deficiencies in the accounts in the Sinking Fund with respect to the Series of Bonds for which such sub-account has been established, and no amounts in the other sub-accounts in the Debt Service Reserve Account shall be available for such purpose. Such separate sub-account shall be established and designated in the supplemental resolution authorizing such Series of Bonds. Such supplemental resolution may also specify the method of valuation of the amounts held in such separate sub-account.

Any moneys in a sub-account in the Debt Service Reserve Account in excess of the amount required to be maintained therein shall first be used to cure any deficiency in any other sub-account in the Debt Service Reserve Account and any remaining monies shall be transferred by the Board to the Renewal and Replacement Fund and used as provided herein for said Fund.

Notwithstanding any other provisions of section 4.03 to the contrary, the following requirements shall apply to the extent that they are additional or more restrictive than the provisions which would otherwise apply pursuant to this Resolution in the event the Debt Service Reserve Requirement is fulfilled by a deposit of a credit instrument (other than a credit instrument issued by Financial Guaranty Insurance Company ["Financial Guaranty"]) in lieu of cash:

(a) A surety bond or insurance policy issued to the entity serving as trustee or paying agent (the "Fiduciary"), as agent of the Bondholders, by a company licensed to issue an insurance policy guaranteeing the timely payment of debt service on the Bonds (a "municipal bond insurer") may be deposited in the appropriate Debt Service Reserve sub-account to meet the Debt Service Reserve Requirement if the claims paying ability of the issuer thereof shall be rated "AAA" or "Aaa" by S&P or Moody's, respectively.

(b) A surety bond or insurance policy issued to the Fiduciary, as agent of the Bondholders, by an entity other than a municipal bond insurer may be deposited in the appropriate Debt Service Reserve sub-account to meet the Debt Service Reserve Requirement if the form and substance of such instrument and the issuer thereof shall be approved by Financial Guaranty.

(c) An unconditional irrevocable letter of credit issued to the Fiduciary, as agent of the Bondholders, by a bank may be deposited in the appropriate Debt Service Reserve sub-account to meet the Debt Service Reserve Requirement if the issuer thereof is rated at least "AA" by S&P. The letter of credit shall be payable in one or more draws upon presentation by the beneficiary of a sight draft accompanied by its certificate that it then holds insufficient funds to make a required payment of principal or interest on the Bonds. The draws shall be payable within two days of presentation of the sight draft. The letter of credit shall be for a term of not less than three years. The issuer of the letter of credit shall be required to notify the Department, the Division and the Fiduciary, not later than 30 months prior to the stated expiration date of the letter of credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date.

If such notice indicates that the expiration date shall not be extended, an amount sufficient to cause the cash or Permitted Investments on deposit in the appropriate Debt Service Reserve sub-account together with any other qualifying credit instruments, to equal the Debt Service Reserve Requirement on all Outstanding Bonds, shall be deposited in the Debt Service Reserve Account, such deposit to be paid in equal installments on at least a semi-annual basis over the remaining term of the letter of credit, unless the Reserve Account Credit Facility is replaced by a Reserve Account Credit Facility meeting the requirements in any of (a)-(c) above. The letter of credit shall permit a draw in full not less than two weeks prior to the expiration or termination of such letter of credit if the letter of credit has not been replaced or renewed. The Resolution shall, in turn, direct the Fiduciary to draw upon the letter of credit prior to its expiration or termination unless an acceptable replacement is in place or the appropriate Debt Service Reserve sub-account is fully funded in its required amount.

(d) The use of any Reserve Account Credit Facility pursuant to this paragraph shall be subject to receipt of an opinion of counsel acceptable to Financial Guaranty and in form and substance satisfactory to Financial Guaranty as to the due authorization, execution, delivery and enforceability of such instrument in accordance with its terms, subject to applicable laws affecting creditors' rights generally, and, in the event the issuer of such credit instrument is not a domestic entity, an opinion of foreign counsel in form and substance satisfactory to Financial Guaranty. In addition, the use of an irrevocable letter of credit shall be subject to receipt of an opinion of counsel acceptable to Financial Guaranty and in form and substance satisfactory to Financial Guaranty to the effect that payments under such letter of credit would not constitute avoidable preferences under Section 547 of the U.S. Bankruptcy Code or similar state laws with avoidable preference provisions in the event of the filing of a petition for relief under the U.S. Bankruptcy Code or similar state laws by or against the issuer of the Bonds (or any other account party under the letter of credit). Any discretion exercised by FGIC under this paragraph shall be exercised in a reasonable manner.

(e) The obligation to reimburse the issuer of a Reserve Account Credit Facility for any fees, expenses, claims or draws upon such Reserve Account Credit Facility shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Account Credit Facility to payment or reimbursement of its fees and expenses shall be subordinated to cash replenishment of the appropriate Debt Service Reserve sub-account, and, subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be on a parity with the cash replenishment of the appropriate Debt Service Reserve sub-account. The Reserve Account Credit Facility shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Account Credit Facility to reimbursement will be further subordinated to cash replenishment of the appropriate Debt Service Reserve sub-account an amount equal to the difference between the full original amount available under the Reserve Account Credit Facility and the amount then available for further draws or claims. If (i) the issuer of a Reserve Account Credit Facility becomes insolvent or (ii) the issuer of a Reserve Account Credit Facility defaults in its payment obligations thereunder or (iii) the claims-paying ability of the issuer of the insurance policy or surety bond falls below a S&P "AAA" or a Moody's "Aaa" or (iv) the rating of the issuer of the letter of credit falls below a S&P "AA", the obligation to reimburse the issuer of the Reserve Account Credit Facility shall be subordinate to the cash replenishment of the appropriate Debt Service Reserve sub-account

(f) If (i) the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or (ii) the rating of the claims paying ability of the issuer of the surety bond or insurance policy falls below a S&P "AAAI" or a Moody's "Aaa" or (iii) the rating of the issuer of the letter of credit falls below a S&P "AAI", either (x) an amount sufficient to cause the cash or Permitted Investments on deposit in the appropriate Debt Service Reserve sub-account to equal the Debt Service Reserve Requirement on all Outstanding Bonds shall be deposited into the appropriate Debt Service Reserve sub-account, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually or (y) such instrument shall be replaced with a surety bond, insurance policy or letter of credit meeting the requirements in any of (a)-(c) above within six months of such occurrence. In the event (i) the rating of the claims-paying ability of the issuer of the surety bond or insurance policy falls below "A" or (ii) the rating of the issuer of the letter of credit falls below "A" or (iii) the issuer of the Reserve Account Credit Facility defaults in its payment obligations or (iv) the issuer of the Reserve Account Credit Facility becomes insolvent, either (x) an amount sufficient to cause the cash or Permitted Investments on deposit in the appropriate Debt Service Reserve sub-account to equal the Debt Service Reserve Requirement on all Outstanding Bonds shall be deposited into the appropriate Debt Service Reserve sub-account, such amount to be paid over the ensuing year in equal installments on at least a monthly basis or (y) such instrument shall be replaced with a surety bond, insurance policy or letter of credit meeting the requirements in any of (a)-(c) above within six months of such occurrence.

(g) Where applicable, the amount available for draws or claims under the Reserve Account Credit Facility may be reduced by the amount of cash or Permitted Investments deposited in the appropriate Debt Service Reserve sub-account pursuant to clause (x) of the preceding paragraph (f).

(h) If the above described alternatives to a cash-funded Reserve Fund are chosen, any amounts owed to the issuer of such credit instrument as a result of a draw thereon or a claim thereunder, as appropriate, shall be included in any calculation of debt service requirements required to be made pursuant to the Authorizing Document for any purpose, e.g., rate covenant or additional bonds test.

(j) The Resolution hereby requires the Fiduciary to ascertain the necessity for a claim or draw upon the Reserve Account Credit Facility and to provide notice to the issuer of the Reserve Account Credit Facility in accordance with its terms not later than three days (or such longer period as may be necessary depending on the permitted time period for honoring a draw under the Reserve Account Credit Facility prior to each interest payment date.

(k) Cash on deposit in the appropriate Debt Service Reserve sub-account shall be used (or investments purchased with such cash shall be liquidated and the proceeds applied as required) prior to any drawing on any Reserve Account Credit Facility. If and to the extent that more than one Reserve Account Credit Facility is deposited in the appropriate Debt Service Reserve sub-account, drawings thereunder and repayments of costs associated therewith shall be made on a pro rata basis, calculated by reference to the maximum amounts available thereunder."

(5) Revenues shall next be used, to the full extent necessary, for deposits in the Renewal and Replacement Fund on the fifteenth (15th) day of each month, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds issued hereunder are delivered to the purchasers thereof, such sums as shall be sufficient to pay one twelfth (1/12th) of the amount certified by the Consulting Engineer for such Fiscal Year as necessary for the purposes of the Renewal and Replacement Fund provided, however, that (i) such required amounts for deposit may be increased or

decreased as the Consulting Engineer shall certify is necessary for the purposes of the Renewal and Replacement Fund, and (ii) in the event that the Consulting Engineer shall certify that the amounts on deposit are not necessary for the purposes of the Renewal and Replacement Fund such excess amount may be withdrawn from the Renewal and Replacement Fund by the Department and transferred to any other Fund and used as provided herein for said Fund.

The moneys in the Renewal and Replacement Fund shall be used, when necessary, for the purpose of paying the cost of replacement or renewal of capital assets or facilities, excluding non-Toll roads except Feeder Roads, of the Turnpike System, or extraordinary repairs of the Turnpike System excluding non-Toll roads except Feeder Roads. The moneys in the Renewal and Replacement Fund shall be used for payment into the Interest Account, Principal Account and Bond Amortization Account only when the moneys in the Revenue Fund and the Debt Service Reserve Account (including the Reserve Account Credit Facility, if any) are insufficient therefor.

The Renewal and Replacement Fund shall be a trust fund in the Treasury of the State of Florida. Requests for withdrawal of monies from the Renewal and Replacement Fund shall be made by the Department. Withdrawals shall be made upon warrants signed by the State Comptroller, countersigned by the Governor and drawn upon the State Treasury, or any other method provided by law. The warrant request shall be accompanied by a certificate of the Department to the effect that such withdrawal is a proper expenditure, in accordance with this Resolution, for the cost of major and non-ordinary renewal and replacement projects on the Florida Turnpike, other similar costs not included in Cost of Maintenance or Cost of Operations, or other purposes permitted herein. Investment of the moneys in the Renewal and Replacement Fund, not immediately needed for the purposes of said Fund, may be temporarily invested and reinvested, but only in the securities authorized in Section 18.10, Florida Statutes.

(6) Revenues shall next be used, to the full extent necessary, for deposit into the O & M Reserve Fund on the fifteenth (15th) day of each month, beginning with the fifteenth (15th) day of the first full calendar month following the date on which any or all of the Bonds issued hereunder are delivered to the purchasers thereof, such sums as shall be at least sufficient to maintain an amount on deposit in the O & M Reserve Fund at least equal to one-eighth (1/8th) of the sum of the Cost of Operation and the Cost of Maintenance for such Fiscal Year as set forth in the Annual Budget of the Department. The moneys in the O & M Reserve Fund shall be used, when necessary, for the purpose of curing any deficiency in the O & M Fund, except as otherwise provided by this Resolution. Any moneys in the O & M Reserve Fund in excess of the amount required to be maintained therein may be transferred at the direction of the Department to the General Reserve Fund.

(7) Thereafter, the balance of any monies remaining in the Revenue Fund not needed for the payments required in paragraphs (1) to (6), above, shall be deposited in the General Reserve Fund and applied by the Department for any lawful purpose; provided, however, that no such deposit shall be made unless all payments required in paragraphs (1) to (6), above, including any deficiencies for prior payments, have been made in full to the date of such deposit.

The General Reserve Fund shall be a fund in the Treasury of the State of Florida. Requests for withdrawal of monies shall be made by the Department in the manner provided by law. Investment of the moneys in the General Reserve Fund, not immediately needed, may be temporarily invested and reinvested as provided by law.

SECTION 4.04. INVESTMENT OF FUNDS. Unless otherwise provided, all moneys maintained at any time in the funds under the provisions of Section 4.03 may be invested in Permitted Investments; provided, however, that any investments of moneys needed to meet the requirements of Section 4.03 shall mature not later than the dates on which such moneys are needed. Unless otherwise provided herein or by subsequent resolution, any and all income and interest received upon any investments of the moneys in the funds created under Section 4.01 and administered by the Board, except such amounts required to be deposited in the Rebate Fund, shall be deposited by the Board in the Revenue Fund and used in the same manner and order of priority as other moneys on deposit therein.

SECTION 4.05. BOARD FISCAL AGENT FOR REVENUE FUND. Pursuant to Section 215.69 Florida Statutes, and other applicable statutes, from and after the date of the Bonds, the Board will administer the Revenue Fund pursuant to this Resolution.

Pursuant to the provisions of Section 215.69, Florida Statutes, after the Division receives the proceeds of the Bonds, pays its costs, and transfers the remainder of such proceeds as provided herein, the Board shall succeed to the powers, authority, duties, and discretions of the Division with regard to said Bonds and shall receive, manage, and disburse all moneys and administer and maintain all funds, and receive a fee therefor, except the Turnpike Plan Construction Fund, the Renewal and

Replacement Fund, and the General Reserve Fund, which will be administered by the Treasurer of the State of Florida pursuant to this Resolution.

SECTION 4.06. VALUATION OF FUNDS. Except as provided in Section 4.03(4), in computing the amount in any fund or account created under provisions of the Resolution for any purpose provided in the Resolution, obligations purchased as an investment of moneys therein shall be valued at the "cost" thereof, exclusive of accrued interest.

SECTION 4.07. BOND REDEMPTION ACCOUNT. Amounts held in the Bond Redemption Account shall be applied in each year as follows:

(i) The Board shall endeavor to purchase Bonds then Outstanding at the most advantageous price obtainable with reasonable diligence, such price not to exceed the principal of, and accrued interest on, such Bonds, plus the premium, if any, which would be payable on the next optional redemption date to the Registered Owners of such Bonds if such Bonds were called for optional redemption on such date.

(ii) Any remaining balance shall be applied as soon as practical to call for optional redemption or to provide for the payment of (in accordance with Section 7.01 hereof) such Bonds as the Department in its sole discretion shall determine.

However, there shall not be any obligation to redeem Bonds prior to maturity unless and until there are sufficient moneys on deposit in the Bond Redemption Account to provide for the redemption of at least Twenty-five Thousand Dollars ($25,000) principal amount of Bonds at any one time.

ARTICLE V
COVENANTS WITH BONDHOLDERS

SECTION 5.01. PLEDGE OF NET REVENUES. So long as any of the Bonds or interest thereon are outstanding and unpaid, all of the Net Revenues, as defined herein, shall be and are hereby pledged to the payment of the principal of and interest on the Bonds in the manner provided in this Resolution. The Holders of the Bonds shall have a valid and enforceable first lien on the Net Revenues until paid out and applied in the manner provided herein.

SECTION 5.02. REVENUE COLLECTION, DEPOSIT AND TRANSFER. The Department shall punctually collect, deposit and transfer the Revenues in the manner and at the times provided in this Resolution.

SECTION 5.03. ENFORCEABILITY BY BONDHOLDERS. This Resolution, including the pledge of the Net Revenues, as provided herein, shall be deemed to have been made for the benefit of, and shall be a contract with, the Holders from time to time of the Bonds, and such pledge and all the provisions of this Resolution shall be enforceable in any court of competent jurisdiction by any Holder or Holders of such Bonds, against either the Department or the Division. However, no covenant or agreement contained in this Resolution or any Bond issued pursuant thereto shall be deemed to be the covenant or agreement of any officer or employee of the State of Florida, in his or her individual capacity and neither the officers nor employees of the State of Florida nor any official executing any of the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 5.04. MAINTENANCE BY DEPARTMENT. The Florida Turnpike shall be maintained by the Department or as otherwise may be provided by law.

SECTION 5.05. IMPLEMENTATION OF TURNPIKE PLAN. Upon receipt of the proceeds of any Series of the Bonds, the Department shall promptly proceed with the construction of those Turnpike Projects of the Turnpike Plan to be financed, in whole or in part, by the proceeds of such Series of Bonds in accordance with the plans and specifications prepared therefore and approved by the Department; the Department shall complete such construction with reasonable expedition in accordance with such plans and specifications, or such modifications or alterations thereof, including changes in design, alignment or location, which in the judgment of the Consulting Engineers will not substantially increase the cost of the Turnpike Plan and in the judgment of the Traffic Engineers will not materially adversely affect the Tolls.

SECTION 5.06. OPERATION BY DEPARTMENT. The Department shall be in full and complete charge of the operation of the Florida Turnpike and shall comply fully with the provisions of this Resolution relating to such operation.

SECTION 5.07. TOLL COVENANTS. (A) As long as any of the Bonds are Outstanding, the Department shall fix, establish and collect Tolls for the use of the Florida Turnpike (except non-Toll roads) and, in fixing and determining the rates of such Tolls, the Department shall take into consideration the amounts needed for the payment of the principal of and interest on the Bonds and the other payments required to be made under this Resolution.

(B) The Tolls shall at all times be fixed and established at such rates, and revised from time to time whenever necessary, so that the Gross Revenues shall be sufficient in each Fiscal Year to pay at least one hundred percent (100%) of an amount equal to the Cost of Maintenance and Cost of Operation, and so that the Net Revenues shall be sufficient in each Fiscal Year to pay at least one hundred twenty percent (120%) of an amount equal to the Annual Debt Service Requirement for the Bonds and at least one hundred percent (100%) of all other payments required by the terms of this Resolution.

The collection of the Revenues in any Fiscal Year in an amount in excess of the estimated Toll revenues specified above for such Fiscal Year shall not be taken into account as a credit against the requirement specified above for any subsequent Fiscal Year or Years. The Toll rates shall be established in the manner provided by law.

(C) The Department shall be without power to reduce Toll rates or remove Tolls from all or a portion of the Turnpike System except in the manner provided herein, until all the Bonds and interest thereon have been fully paid and discharged, or such payment has been fully provided for. For purposes of this Section 5.07, conversion from one system of Toll collection (such as a ticket system) to another system of Toll collection (such as a barrier/ramp system) shall not be considered a removal of Tolls.

(D) Any such reduction of the Toll rates or removal of Tolls from all or a portion of the Turnpike System shall be based upon a survey and recommendation of the Traffic Engineers who shall certify that in their opinion the amount of Tolls to be produced by said reduced rates or Toll removal in each Fiscal Year thereafter will be sufficient to comply with (B) above.

(E) On or before February 1 in each Year the Department will review the financial condition of the Florida Turnpike and the Bonds in order to estimate whether the Revenues for the following Fiscal Year will be sufficient to comply with the provisions of (B) above and shall by resolution make a determination with respect thereto. Copies of such resolutions, properly certified, together with a certificate of an Authorized Officer of the Department setting forth a reasonably detailed statement of the actual and estimated Revenues and other pertinent information for the year upon which determination was made, shall be filed with the Board on or before said February 1. If the Department determines that the Revenues for the following Fiscal Year may not be sufficient for such purpose, the Department will forthwith cause the Traffic Engineers to make a study and to recommend a schedule of Tolls which will provide Revenues sufficient to comply with the provisions of (B) above in the following Fiscal Year and to restore any deficiency at the earliest practicable time; and, if there shall be such a deficiency indicated, the Department shall place such schedule of Tolls in effect as soon as practicable but not later than the next July 1.

(F) Provided there is not a failure to pay the interest of and principal on the Bonds, as the same become due or mature, failure to comply with the Toll covenant contained in (B) above will not constitute a default if (i) the Department complies with the provisions of (E) above, or (ii) the Traffic Engineers are of the opinion that a Toll schedule which will comply with such Toll covenant is impracticable at that time, and so certifies, and the Department establishes a schedule of Tolls which is recommended by the Traffic Engineers to comply as nearly as practicable with such Toll covenant.

(G) The Department may increase Toll rates and may increase the number of toll gates at any time and from time to time upon the written recommendation of the Traffic Engineers. The Department may make any other adjustment or reclassification of Toll rates or establish special Toll rates, except for Toll rate reduction, provided that such action (i) is recommended by the Traffic Engineers and affects traffic of a character specified by such Engineers accounting for less than 10% of the Revenues, as evidenced by a certificate of the Traffic Engineers and (ii) will not result in a reduction of Net Revenues for the then current or any future Fiscal Year, as determined by a certificate of the Traffic Engineers setting forth estimated Revenues and of the Department setting forth estimated payments for the Cost of Operation and the Cost of Maintenance. Toll rate reduction can be accomplished only as provided in (D), above.

(H) The Department covenants that forthwith upon the adoption of any schedule of Tolls or revision thereof, certified copies thereof will be filed with the Board.

(I) Nothing in the Resolution shall prevent the Department from continuing to collect Tolls after the Bond Retirement Date if the Department is authorized to do so pursuant to provisions of law.

SECTION 5.08. NO FREE USE OF FLORIDA TURNPIKE. The Department shall not allow or permit any free use of the Toll roads of the Florida Turnpike, except to officials or employees of the Department whose official duties in connection with the Florida Turnpike require them to travel over the Florida Turnpike, or except as may be provided by laws in effect on the date of the adoption of this Resolution. No discrimination in rates shall be made between users of the Florida Turnpike within the same class. Provided, however, that nothing in this Section 5.08 shall restrict the power of the Department to promulgate reasonable rules for the use of the Florida Turnpike or to provide for one-way Toll roads, nor affect the provisions of any Department rule in effect on the date of the adoption of this Resolution.

SECTION 5.09. ANNUAL BUDGETS. The Department shall annually, at least forty-five days preceding the beginning of each of the Fiscal Years, or at any other time as requested by the Board, prepare a detailed budget of the estimated expenditures for Cost of Operation and Cost of Maintenance of the Florida Turnpike during the succeeding fiscal year. The budget shall be adopted by resolution of the Department, and shall not be changed during the Fiscal Year except by the same procedure by which it was adopted. Copies of the annual budget and any changes therein shall be filed with the Board and, upon request, mailed to the original purchasers of the Bonds and any Bondholder.

SECTION 5.10. INSURANCE. The Department covenants that it will at all times cause to be maintained, to the extent reasonably obtainable, the following kinds and the following amounts of insurance, with such variations as shall reasonably be required to conform to applicable standard or customary insurance practice and subject to such exceptions and permissible deductions as are ordinarily required:

(a) Multi-risk insurance on the facilities of the Turnpike System which are of an insurable nature and of the character usually insured by those operating similar facilities, covering direct physical loss or damage thereto from causes customarily insured against, in such amounts as the Consulting Engineers shall certify to be necessary or advisable to provide against such loss or damage and to protect the interest of the Department and the Bondholders;

(b) Use and occupancy insurance covering loss of Revenues by reason of necessary interruption, total or partial, in the use of facilities of the Turnpike System, due to loss or damage to any such facility on which multi-risk insurance is maintained as provided in this Section, in such amount as the Consulting Engineers shall certify will provide income during the period of interruption, but in no event less than 12 months, in the event of the occurrence of any such loss or damage, equal to the amount of the loss of Revenues, computed on the basis of Revenues for the corresponding period during the preceding calendar year, or if such facility was not in operation during the preceding calendar year, then computed on the basis of the Consulting Engineers' estimate, attributable to such loss or damage;

(c) War risk insurance, if obtainable from the United States Government or any agency thereof, covering direct physical loss or damage, and loss of Revenue attributable thereto, on the facilities of the Turnpike System which are insurable thereunder, in each case in the respective amount, as nearly as practicable, provided under clauses (a) and (b) above;

(d) During the period of construction or reconstruction of any portion of the facilities of the Turnpike System, the Department shall require contractors constructing any such portion of the facilities of the Turnpike System to file bonds or undertakings for the full performance of such contracts, and under which all risks from any cause whatsoever, without any exceptions, during the period of such construction, shall be assumed by such contractors; and

(e) Any additional or other insurance covering (i) loss or (ii) damage for which the Department is or may become liable.

The proceeds of the insurance policies referred to above, except use and occupancy insurance, shall be paid to the Department and used only for the purpose of restoring or replacing the damaged portions of the Florida Turnpike, excluding non-Toll roads except Feeder Roads, redeeming the Outstanding Bonds, as hereinafter provided, or reimbursing the Department when the Department has advanced its funds for such restoration or replacement. If such proceeds are more than sufficient for the purpose of restoration or replacement, the balance remaining shall be paid to the Board and deposited in the Bond Redemption Account in the Sinking Fund. If such proceeds shall be insufficient to restore or replace the damaged portions of the Florida Turnpike, excluding non-Toll roads except Feeder Roads, the deficiency shall be supplied by the Department to the extent permitted by law from available funds, provided, however, that if such insurance proceeds shall be sufficient to provide for the redemption of all Bonds then Outstanding and provide for the payment of all interest thereon, the Department may, in its discretion, direct the Board to provide for the redemption of all Bonds then Outstanding, and provide for the payment of all interest thereon, instead of restoring the Florida Turnpike, or parts thereof, as provided herein. In such event, such proceeds shall be deposited in the Bond Redemption Account in the Sinking Fund and redemption made therefrom in the manner provided herein. Any restoration or replacement of the Florida Turnpike shall be promptly commenced and diligently prosecuted and completed according to plans approved by the Consulting Engineer. The proceeds of the use and occupancy insurance shall be deposited in the Revenue Fund.

Notwithstanding the foregoing, the Department may elect not to restore or replace part or all of the damaged portions of the Florida Turnpike if:

(i) The Department shall obtain and furnish the Division a certificate of the Consulting Engineer stating that in the opinion of the Consulting Engineer (a) failure to restore or replace such damaged portion will not impair the ability of the Department to comply with the Toll Covenant set forth in Section 5.07 hereof; or (b) restoration or repair of such damaged portion is not economically feasible; and

(ii) The insurance proceeds shall be deposited into the Bond Redemption Account and used for the purposes thereof.

All policies of insurance on the Florida Turnpike, or any parts thereof, shall be taken in the name of the Department, shall reference this Resolution and shall be filed with the Department.

SECTION 5.11. BOOKS AND RECORDS. The Department shall keep books and records of the acquisition and construction of the Turnpike Projects of the Turnpike Plan and the operation of the Florida Turnpike, which shall be separate and apart from all other books, records and accounts of the Department, in which complete and correct entries shall be made of the daily Tolls and other Revenues collected and of all transactions relating to the Turnpike Plan and the Florida Turnpike. Any Bondholder shall have the right at all reasonable times to inspect the Florida Turnpike upon payment of the regular Tolls for use of the Florida Turnpike and to inspect all records, accounts and data of the Department relating thereto.

The Board will keep books and records of the operation of the Revenue Fund provided for in this Resolution. Any holder of a Bond or Bonds will have the right at all reasonable times to inspect all records, accounts and data of the Board relating to such funds.

The Department covenants that, at least once each year, all the books, records and accounts relating to the Revenue Fund and other funds established by this Resolution, the acquisition and construction of the Turnpike Projects of the Turnpike Plan and the operation of the Florida Turnpike, including the collection of Tolls, are to be properly audited. Copies of the reports of such audits shall be mailed to the Board, and also, upon request, to any Bondholder. The provisions of this Section 5.11 shall fully apply until the Bond Retirement Date.

In the event that the holders of not less than twenty percent of the Bonds then Outstanding shall so request, the Department shall cause the audits referred to in this Section 5.11 to be made by a nationally known and recognized firm of certified public accountants (not more often, however, than once in any three year period) and the cost thereof shall be a Cost of Operation.

SECTION 5.12. BONDING OF OFFICIALS OR EMPLOYEES OF DEPARTMENT. All officials, employees, or agents of the Department engaged in the operation of the Florida Turnpike and handling in any way any of the Tolls or Revenues derived from the Florida Turnpike shall be required by the Department to furnish adequate bonds for the faithful accounting of all moneys likely to come into their hands.

SECTION 5.13. CONSULTING ENGINEER. Until all the Bonds and interest thereon have been paid or payment thereof has been provided for, the Department will retain, on an annual basis, a firm of nationally known and recognized engineers, as Consulting Engineer, to supervise generally the construction of the Turnpike Plan by making periodic construction inspections and reports. The Consulting Engineer will also advise and confer with the Department concerning the budget for operation, maintenance and repair of the Florida Turnpike, excluding non-Toll roads except Feeder Roads, and will annually make an independent inspection and a report concerning the condition thereof. Such reports, or reasonable summaries thereof, shall be mailed to the Holders of any Bond or Bonds requesting the same and filing his or her name and address with the Department, and shall also be mailed to the Board, and upon request to the original purchasers of the Bonds.

SECTION 5.14. TRAFFIC ENGINEERS. The Department shall retain a firm of nationally known and recognized Traffic Engineers whenever necessary to advise the Department with reference to Tolls and methods of collection of the same and for the performance of any acts or duties provided for such Traffic Engineers in this Resolution. The Traffic Engineer will annually provide a traffic and earnings report to the Department.

SECTION 5.15. COMPLIANCE WITH TAX REQUIREMENTS; REBATE FUND. (A) Except with respect to Taxable Bonds, in addition to any other requirement contained in this Resolution, the Division, the Board, and the Department hereby covenant and agree, for the benefit of the Holders from time to time of the Bonds, that each will comply with the requirements contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended, and temporary, proposed or permanent implementing regulations promulgated thereunder (the "Code") as shall be set forth in the non-arbitrage certificate of the Department dated and delivered on the date of original issuance and delivery of the Bonds. Specifically, without intending to limit in any way the generality of the foregoing, the Department covenants and agrees:

(i) to pay or cause to be paid by the Board to the United States of America from the Revenues and any other legally available funds, at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all nonpurpose investments (as defined in Section 148(f)(6) of the Code) over the amount which would have been earned if such nonpurpose investments were invested at a rate equal to the yield on the Bonds, plus any income attributable to such excess (the "Rebate Amount");

(ii) to maintain and retain or cause to be maintained and retained all records pertaining to and to be responsible for making or causing to be made all determinations and calculations of the Rebate Amount and required payments of the Rebate Amount as shall be necessary to comply with the Code;

(iii) to refrain from using proceeds from the Bonds in a manner that might cause the Bonds or any of them, to be classified as private activity bonds under Section 141(a) of the Code; and

(iv) to refrain from taking any action that would cause the Bonds, or any of them to become arbitrage bonds under Section 148 of the Code.

The Department, the Division and the Board understand that the foregoing covenants impose continuing obligations that will exist throughout the term of the issue to comply with the requirements of the Code.

(B) The Department covenants and agrees that it shall maintain and retain all records pertaining to and it shall be responsible for making and having made all determinations and calculations of the Rebate Amount for each Series of Bonds issued hereunder for each Rebate Year within thirty (30) days after the end of such Rebate Year and within thirty (30) days after the final maturity of each such Series of Bonds. On or before the expiration of each such thirty (30) day period, the Department shall deposit or direct the Board to deposit into the Rebate Fund which is hereby created and established, from investment earnings or moneys deposited in the other Funds and Accounts created hereunder, or from any other legally available funds of the Department, an amount equal to the Rebate Amount for such Rebate Year. The Board shall use such moneys deposited in the Rebate Fund only for the payment of the Rebate Amount to the United States as required by subsection (A) of this Section 5.15, and as directed by the Department, which payments shall be made in installments, commencing not more than thirty (30) days after the end of the fifth Rebate Year and with subsequent payments to be made not later than five (5) years after the preceding payment was due except that the final payment shall be made within thirty (30) days after the final maturity of the last obligation of the series of Bonds issued hereunder. In complying with the foregoing, the Department may rely upon any instructions or opinions from a nationally recognized bond/tax counsel.

Notwithstanding anything in this Resolution to the contrary, to the extent moneys on deposit in the Rebate Fund are insufficient for the purpose of paying the Rebate Amount and other funds of the Department are not available to pay the Rebate Amount, then the Board shall pay the Rebate Amount first from Revenues and, to the extent the Revenues are insufficient to pay the Rebate Amount, then from moneys on deposit in any of the Funds and Accounts created hereunder.

If any amount shall remain in the Rebate Fund after payment in full of all Bonds issued hereunder and after payment in full to the United States in accordance with the terms hereof, such amounts shall be paid over to the Department and may be used for other purposes authorized by law.

The Rebate Fund shall be held separate and apart from all other funds and accounts of the Department and shall be subject to a lien in favor of the Bondholders, but only to secure payment of the Rebate Amount, and the moneys in the Rebate Fund shall be available for use only as herein provided.

The Division, the Board, and the Department shall not be required to continue to comply with the requirements of this Section in the event that the Department receives an opinion of nationally recognized bond/tax counsel that (i) such compliance is no longer required in order to maintain the exclusion from gross income for Federal income tax purposes of interest on the Bonds or (ii) compliance with some other requirement will comply with the provisions of the Code in respect of arbitrage rebate, or in the event that any other agency is subsequently designated by proper authority to comply with the requirements of this Section.

SECTION 5.16. FURTHER ASSURANCE. The Department shall, at any and all times so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights and Revenues and other moneys, securities and funds pledged or assigned under the Resolution, or intended so to be, or which the Department may hereafter become bound to pledge or assign.

SECTION 5.17. SALE AND LEASE OF PROPERTY. (A) The Department covenants that, except as otherwise permitted in the Resolution, it will not sell, lease or otherwise dispose of or encumber the Turnpike System or any part thereof, or properties or facilities thereof; provided, however, that, to the extent permitted by law, the Department may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Turnpike System, including but not limited to service stations, garages, stores, hotels, restaurants, recreational areas or facilities, or other concessions, only if such lease, contract, license or right does not, in the opinion of the Consulting Engineers, as shown by a certificate filed with the Department impede or restrict the operation by the Department of the Turnpike System, and does not in the opinion of nationally recognized bond/tax counsel adversely affect the exemption from federal and state income taxation of interest on any of the Bonds.

(B) The Department may, however, to the extent permitted by law, from time-to-time sell any real property, machinery, fixtures, apparatus, tools, instruments, or other movable property acquired by it in connection with the Turnpike System, or any materials used in connection therewith, if the Department shall determine that such articles are no longer essential in connection with the Turnpike System and the proceeds thereof shall be deposited into the Revenue Fund.

(C) Notwithstanding subsection (A) of this paragraph the Department may from time-to-time, to the extent permitted by law, sell, trade or lease such other property forming part of the Turnpike System as serves no useful purpose in connection with the Turnpike System and the proceeds of any such disposition shall be deposited into the Revenue Fund.

(D) Notwithstanding subsection (A) of this paragraph, the Department may from time-to-time, to the extent permitted by law, permanently abandon, sell, trade or lease any property forming a part of the Turnpike System but only if;

(i) there shall be filed with the Board before such abandonment, sale, trade or lease, a certificate, signed by the Secretary of the Department stating:

(a) that the Department is not then in default in the performance of any of the covenants, conditions, agreements or provisions contained in the Resolution; and

(b) that in the opinion of the Traffic Engineers the Department is in full compliance with the requirements of Section 5.07 and will continue to be in compliance after giving effect to such abandonment, trade, sale or lease; and

(ii) the proceeds of the sale of any property forming part of the Turnpike System under subsection (D) of this Section shall be deposited in the Revenue Fund.

SECTION 5.18. LEGISLATIVE APPROVAL; ECONOMIC FEASIBILITY. The Department covenants that only those Turnpike Projects with prior legislative approval as required by law will be financed with Bond proceeds. Prior to any proceeding authorizing the sale of any Bonds, the Department shall have made, if required by law, a determination of economic feasibility of the Turnpike Projects identified in Section 1.03(D)(1)(2) and (3) to be financed by the proceeds of such Bonds and shall have filed with the Division a certificate by an Authorized Officer of the Department setting forth the determination and a reasonably detailed statement of the information upon which the determination was made.

SECTION 5.19. GENERAL. The Division and the Department covenant that upon the date of issuance of any of the Bonds, all conditions, acts and things required by the Constitution or statutes of the State of Florida or by the Resolution to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed. The covenants herein made shall be in effect so long as any of the Bonds are Outstanding.

ARTICLE VI
ADDITIONAL BONDS, REFUNDING BONDS
AND ISSUANCE OF OTHER OBLIGATIONS

SECTION 6.01. ISSUANCE OF ADDITIONAL BONDS. The Division shall have the power to issue Additional Bonds, after the issuance of the Bonds originally issued pursuant to this Resolution, for the purpose of financing the cost of construction or acquisition of Turnpike Projects, or for the purpose of refunding Bonds, but only under the following terms, limitations and conditions:

(A) The Board shall approve the fiscal sufficiency of the Additional Bonds prior to the sale thereof in accordance with Florida Law.

(B) Sufficient Revenues shall have been collected by the Department and transferred to the Board to make all prior and current payments under this Resolution and neither the Division nor the Department shall be in default in the performance of any of the obligations, provisions or covenants contained in this Resolution on the date of the delivery of the Additional Bonds.

(C) All principal of and interest on the Bonds which matured and became due on or prior to the date of delivery of the Additional Bonds shall have been fully paid.

(D) A certificate shall be filed with the Board and the Division signed by an Authorized Officer of the Department setting forth the amount of Net Revenues collected during the immediately preceding Fiscal Year or any twelve (12) consecutive months selected by the Department out of the fifteen (15) months immediately preceding the date of such certificate.

(E) A certificate shall be filed with the Board and the Division by the Traffic Engineer stating his estimate of the amount of Net Revenues to be collected during the current Fiscal Year and in each Fiscal Year thereafter to and including the third (3rd) complete Fiscal Year immediately succeeding the Consulting Engineer's estimated date for the completion and placing in operation of the Turnpike Project(s) to be financed by the Additional Bonds then proposed to be issued, taking into account any adopted revisions, to be effective during such period, of the Tolls, fees, rates, receipts, charges, rents and other income derived from or in connection with the operation of the Florida Turnpike.

(F) Determinations must be made by both the Board and the Division as follow:

(1) that the amount shown by the certificate of subsection (D) shall be not less than one hundred twenty percent (120%) of the amount of the Annual Debt Service Requirement for the current Fiscal Year on account of all Bonds then Outstanding; and

(2) that the amount shown by the certificate of subsection (E) for the current Fiscal Year and for each Fiscal Year to and including the first (1st) complete Fiscal Year immediately succeeding the Consulting Engineer's estimated date for the completion and placing in operation of the Turnpike Project(s) to be financed by the Additional Bonds then proposed to be issued shall be not less than one hundred twenty percent (120%) of the amount of the Annual Debt Service Requirement for each such Fiscal Year on account of all Bonds then Outstanding and the Additional Bonds then proposed to be issued; and

(3) that the amount shown by the certificate of subsection (E) for each of the three (3) complete Fiscal Years immediately succeeding the Consulting Engineer's estimated date for the completion and placing in operation of the Turnpike Project(s) to be financed by the Additional Bonds then proposed to be issued shall be not less than one hundred twenty percent (120%) of the Maximum Annual Debt Service for each such Fiscal Year on account of all Bonds then Outstanding and the Additional Bonds then proposed to be issued.

In making the determinations of this subsection (F), the debt service requirement of Bonds to be refunded, and defeased, from the proceeds of the Additional Bonds proposed to be issued should not be counted in addition to the debt service requirement of the refunding Additional Bonds.

SECTION 6.02. ADDITIONAL BONDS SECURED BY ORIGINAL RESOLUTION. All such Additional Bonds shall be deemed to have been issued pursuant to the Resolution authorizing the issuance of the Bonds. All of the provisions of this Resolution (except as to details inconsistent therewith) shall be deemed to be part of the proceedings authorizing such Additional Bonds, and except as to any necessary differences such as in the maturities thereof, or the rate or rates of interest, or the provisions for redemption or purchase and any differences respecting the use of moneys in various sub-accounts in the Debt Service Reserve Account for one or more Series of Bonds or the differences in Credit Facilities thereof, such Additional Bonds shall be on a parity as to lien on the Net Revenues and shall be entitled to the same benefit and security of this Resolution as the Bonds originally authorized and issued pursuant to this Resolution. Provided, however, that nothing in this Resolution shall prohibit the issuance of Additional Bonds for Turnpike Projects of a type different from those financed by the Bonds originally issued pursuant to this Resolution.

Whenever the words “Bond” or “Bonds” are used in this Resolution authorizing the issuance of the Bonds, such words shall be deemed to include, and shall include, any Additional Bonds hereafter issued and the terms, limitations and conditions in this Article VI.

SECTION 6.03. REFUNDING BONDS. All of the Bonds originally issued pursuant to this Resolution then outstanding, together with all Additional Bonds theretofore issued and then outstanding, may be refunded as a whole or in part. This Section 6.03 shall not be construed as a limitation on the Division's authority to issue refunding obligations that are junior to the Bonds or refunding Bonds for the purpose of refunding junior obligations. If the Annual Debt Service Requirement of the refunding Bonds in each Fiscal Year is equal to or less than the Annual Debt Service Requirement of the refunded Bonds, then the provisions of Section 6.01(D), (E) & (F) of this Resolution shall not apply to the issuance of the refunding Bonds.

SECTION 6.04. ISSUANCE OF OTHER OBLIGATIONS. The Division and Department covenant that until the Bonds are defeased as provided herein, they will not issue any other obligations, except the Bonds and Additional Bonds nor voluntarily create or cause to be created any other debt, lien, pledge, assignment, encumbrance or other charge, having priority to or being on a parity with the lien of the Holders of the Bonds issued pursuant to this Resolution upon the Net Revenues pledged as security for such Bonds in this Resolution. Any such other obligations hereafter issued by the Division and Department secured by the Net Revenues, in addition to the Bonds authorized by this Resolution and such Additional Bonds provided for in this Resolution, shall contain an express statement that such obligations are junior, inferior, and subordinate to the Bonds theretofore or thereafter issued, as to lien on and source and security for payment from the Net Revenues defined herein. The Department further covenants that it will not issue any obligations, or create, or cause or permit to be created, any debt, lien, pledge, assignment, encumbrance, or any charge upon any of the properties of the Florida Turnpike except for the Net Revenues or as otherwise provided in this Resolution.

SECTION 6.05. ASCENDING JUNIOR LIEN OBLIGATIONS. The Division shall have the power to issue obligations which are junior, inferior, and subordinate to the Bonds as to lien on and source and security for payment from the Net Revenues and to provide that such junior obligations shall ascend to parity status with the Bonds as to lien on and source and security for payment from the Net Revenues upon compliance with the conditions and requirements for Additional Bonds and upon such other terms, conditions and requirements as provided by subsequent resolution of the Division.

ARTICLE VII
MISCELLANEOUS

SECTION 7.01. DEFEASANCE. The covenants, liens and pledges entered into, created or imposed pursuant to the Resolution may be fully discharged and satisfied with respect to the Bonds in any one or more of the following ways:

(a) By paying the principal of and interest on Bonds when the same shall become due and payable; or

(b) By depositing in the Interest Account, the Principal Account and the Bond Amortization Account and/or in such other accounts which are irrevocably pledged to the payment of Bonds, as the Department and the Division may hereafter create and establish by resolution, certain moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof; or

(c) By depositing in the Interest Account, the Principal Account and the Bond Amortization Account and/or such other accounts which are irrevocably pledged to the payment of Bonds as the Department and the Division may hereafter create and establish by resolution moneys which, together with other moneys lawfully available therefor when invested in such Defeasance Obligations as are described in clause (i) of the definition of "Defeasance Obligations" in Article I of this Resolution, will provide moneys (principal and interest thereof at maturity) which shall be sufficient to pay the principal, redemption premium, if any, and interest due and to become due on said Bonds on or prior to a date fixed for redemption or the maturity date thereof.

Upon such payment or deposit in the amount and manner provided in this section 7.01 of this Resolution, Bonds shall be deemed to be paid and shall no longer be deemed to be Outstanding for the purposes of the Resolution and all liability of the Department or Division with respect to said Bonds shall cease, terminate and be completely discharged and extinguished, and the Holders thereof shall be entitled for payment solely out of the moneys or securities so deposited.

(d) As to Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (a), (b) and (c) above, the amount required for the interest thereon shall be calculated at the maximum rate permitted by the terms of the provisions which authorized the issuance or sale of such Variable Rate Bonds; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and Defeasance Obligations on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds pursuant to the provisions of this Section, the Department or the Board may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under the Resolution.

(e) Notwithstanding any of the provisions of this Resolution to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (a) above or by depositing in the Interest Account, the Principal Account and the Bond Amortization Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the Department and Division may hereafter create and establish by resolution, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and redemption premium, if any, and interest on such Option Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made pursuant to this subsection (e), the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (e).

(f) Notwithstanding the foregoing, all references to the discharge and satisfaction of Bonds shall include the discharge and satisfaction of any Series of Bonds, any portion of any Series of Bonds, any maturity or maturities of any Series of Bonds, any portion of a maturity of any Series of Bonds or any combination thereof, provided that the provisions of this subsection (f) shall not affect the requirements regarding Option Bonds set forth in subsection (e).

(g) If any portion of the moneys deposited for the payment of the principal of and redemption premium, if any, and interest on any portion of Bonds is not required for such purpose, the Department or the Board may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under the Resolution.

SECTION 7.02. CONCERNING THE RESERVE ACCOUNT CREDIT FACILITY, AND THE BOND INSURANCE POLICY. As long as the Department shall have a Reserve Account Credit Facility on deposit in the Debt Service Reserve Account the Department covenants that it will comply with the provisions of the Reserve Account Credit Facility.

As long as any Series of Bonds are insured by a Bond Insurance Policy the Department covenants to comply with the requirements and conditions of the Bond Insurance Policy.

SECTION 7.03. MODIFICATION OR AMENDMENT. Except as otherwise provided in the second paragraph hereof, no material modification or amendment of the Resolution, or of any resolution amendatory thereof or supplemental thereto, may be made without the consent in writing of (i) the Holders of more than fifty percent in principal amount of the Bonds then Outstanding or (ii) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, the Holders of more than fifty percent in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or affecting the unconditional promise of the Department to fix, maintain and collect Tolls for the use of the Turnpike System, excluding non-Toll roads, or to pay the interest of and principal on the Bonds, as the same mature or become due, from the Net Revenues of the Turnpike System, or reduce the percentage of Holders of Bonds required above for such modification or amendments, without the consent of the Holders of all the Bonds.

For purposes of this Section of Article VII hereof, to the extent any Series of Bonds is insured by a Bond Insurance Policy and such Series of Bonds is then rated in as high a rating category as the rating category in which such Series of Bonds was rated at the time of initial issuance and delivery thereof by a Rating Agency, then the consent of the issuer of the Bond Insurance Policy shall constitute the consent of the Holders of such Series.

The Resolution may be amended, changed, modified and altered without the consent of the Holders of Bonds, (i) to cure any ambiguity, correct or supplement any provision contained herein which may be defective or inconsistent with any other provisions contained herein, (ii) to provide other changes including such changes as may be necessary in order to adjust the terms hereof so as to facilitate the issuance of various types of Bonds including, but not limited to, Variable Rate Bonds, Capital Appreciation Bonds, Option Bonds, Capital Appreciation and Income Bonds and Taxable Bonds which will not adversely affect the interest of such Holder of Bonds, (iii) to provide for the issuance of Bonds in coupon form if, in the opinion of a nationally recognized bond/tax counsel, such issuance will not affect the exemption from Federal income taxation of interest on the Bonds, (iv) to obtain credit enhancements or a higher rating in one of the three highest full rating categories of a Rating Agency, (v) to add to the covenants and agreements of the Division or the Department in the Resolution, other covenants and agreements to be observed by the Division or the Department which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vi) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the Division or the Department which are not contrary to or inconsistent with the Resolution as theretofore in effect, (vii) to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America and (viii) to enable the Division and the Department to comply with their covenants, agreements and obligations under Section 5.15.

SECTION 7.04. USE OF ADDITIONAL FUNDS FOR DEBT PAYMENT. Nothing herein contained shall preclude the Department, the Division or the Board from using any legally available funds, in addition to the Net Revenues, which may come into their possession, including the proceeds of sale of refunding Bonds, contributions, or grants, for the purpose of payment of principal of and interest on the Bonds, or the purchase or redemption of such Bonds in accordance with the provisions of this Resolution.

SECTION 7.05. SEVERABILITY OF INVALID PROVISION. If any one or more of the covenants, agreements, or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be hold invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions, and shall in no way affect the validity of all the other provisions of this Resolution or of the Bonds issued hereunder.

SECTION 7.06. NONPRESENTMENT OF BONDS: FUNDS HELD FOR BONDS AFTER MATURITY OF BONDS. In the event any Bond shall not be presented to the Bond Registrar/Paying Agent for payment within five years after the principal becomes due, either at maturity, or otherwise, the funds for payment of said principal on deposit with the Bond Registrar/Paying Agent shall be remitted to the Board for disposition in accordance with the laws of Florida. In the event the Bond Registrar/Paying Agent shall not have been able to pay the interest, either all or a portion thereof, on any Bond within five years after the principal thereof becomes due, either at maturity, or otherwise, the funds on deposit with the Bond Registrar/Paying Agent for the payment of said interest shall be remitted to the Board for disposition in accordance with the laws of Florida. The earnings on the funds which were held to pay the principal and the interest on said Bond shall be governed by the Registrar, Paying Agent and Transfer Agreement.

SECTION 7.07. BOND ANTICIPATION NOTES. Notwithstanding any other provision of this Resolution, if the Division shall deem it advisable, short-term obligations (hereinafter "Notes") are hereby authorized to be issued by the Division on behalf of the Department in anticipation of the sale and delivery of Bonds, to pay a portion of the costs of the Turnpike Plan. The Notes shall be payable from the proceeds received from the sale of the Bonds and, in the interim, from the Net Revenues. The Notes may be issued in such denomination or denominations, in the aggregate principal amount (in combination with Bonds, not to exceed $4,419,997,419.20), in the form, may bear interest at the lawful rate or rates payable on such dates (not to exceed five (5) years from the date of issue) and may be subject to such conditions and terms as the Division shall deem necessary or desirable in connection with such Notes, all as shall be provided by resolution of the Division adopted at or before sale of the Notes, in accordance with Section 215.68(7), Florida Statutes.

SECTION 7.08. CAPITAL APPRECIATION BONDS; CAPITAL APPRECIATION AND INCOME BONDS. (a) For the purposes of (i) receiving payment of the redemption price if a Capital Appreciation Bond is redeemed prior to maturity, or (ii) computing the amount of the Maximum Annual Debt Service and of Bonds held by the Registered Owner of a Capital Appreciation Bond in giving to the Department any notice, consent, request or demand pursuant to the Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

(b) For the purposes of (i) receiving payment of the redemption price if a Capital Appreciation and Income Bond is redeemed prior to maturity, or (ii) computing the amount of the Maximum Annual Debt Service and of Bonds held by the registered owner of a Capital Appreciation and Income Bond in giving to the Department any notice, consent, request or demand pursuant to the Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation and Income Bond shall be deemed to be its Appreciated Value.

SECTION 7.09. DEPARTMENT TO REPURCHASE OBLIGATIONS. The Department and the Board shall have the power to purchase Bonds and other obligations out of any funds available therefor. The Department and the Board may hold, cancel or resell such Bonds and other obligations subject to and in accordance with the proceedings of the Division.

SECTION 7.10. VALIDATION AUTHORIZED. The attorneys for the Division are herein and hereby authorized to institute proceedings to validate the proposed issue of Bonds.

SECTION 7.11. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions and parts of resolutions heretofore adopted pertaining to the subject matter of this Resolution, to the extent that they are inconsistent with this Resolution, are hereby repealed, revoked, and rescinded.

SECTION 7.12. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

Adopted on October 25, 1988; amended and restated on May 17, 2005.

FORTY-FIRST SUPPLEMENTAL TURNPIKE REVENUE BOND RESOLUTION

A RESOLUTION (THE FORTY-FIRST SUPPLEMENTAL RESOLUTION) OF THE GOVERNING BOARD OF THE DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA SUPPLEMENTING THE TURNPIKE REVENUE BOND AUTHORIZING RESOLUTION, AS SUPPLEMENTED AND AMENDED; AUTHORIZING THE ISSUANCE AND THE COMPETITIVE SALE OF STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES 2015 (TO BE DETERMINED); AUTHORIZING A NOTICE OF BOND SALE; PROVIDING FOR APPLICATION OF THE PROCEEDS OF THE SERIES 2015 (TO BE DETERMINED) BONDS; AUTHORIZING A PRELIMINARY AND A FINAL OFFICIAL STATEMENT; PROVIDING FOR OTHER TERMS AND AUTHORIZATIONS IN CONNECTION WITH THE SALE AND ISSUANCE OF THE SERIES 2015 (TO BE DETERMINED) BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, acting on behalf of the State of Florida Department of Transportation (the "Department"), the Governor and Cabinet sitting as the governing board (the "Governing Board") of the Division of Bond Finance of the State Board of Administration of Florida (formerly the Division of Bond Finance of the State of Florida Department of General Services) (the "Division") adopted a resolution on October 25, 1988 authorizing the issuance of State of Florida, Department of Transportation Turnpike Revenue Bonds, which resolution, as restated on May 17, 2005 (the "Authorizing Resolution"), was adopted to secure the issuance by the Division from time to time of one or more series of Turnpike Revenue Bonds, subject to the terms and conditions of the Authorizing Resolution; and

WHEREAS, the Department has adopted a resolution requesting the Division to proceed with the issuance and sale of State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2015 (to be determined) (the "Refunding Bonds") to refund all or a portion of the callable Outstanding State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2006A (when refunded, the "Refunded Bonds"); and

WHEREAS, the Governing Board has determined to sell the Refunding Bonds on behalf of the Department, under and pursuant to the Authorizing Resolution and pursuant to the request of the Department of Transportation; and

WHEREAS, the Governing Board wishes to authorize the publication of a Notice of Bond Sale for the competitive sale of the Refunding Bonds (the "Notice of Bond Sale"), and

WHEREAS, upon the adoption of this Forty-first Supplemental Resolution and the completion of certain actions required hereunder and under the Authorizing Resolution, the execution and delivery of the Refunding Bonds will have been duly authorized and all things necessary to make the Refunding Bonds, when executed and authenticated in the manner set forth in the Authorizing Resolution, valid and binding legal obligations of the State of Florida and the Department and to make the Authorizing Resolution, as supplemented by this Forty-first Supplemental Resolution, a valid and binding agreement with the Registered Owners of the Refunding Bonds, will have been done;

NOW, THEREFORE, BE IT RESOLVED by the Governor and Cabinet of the State of Florida sitting as the Governing Board of the Division of Bond Finance of the State Board of Administration of Florida, on behalf of the State of Florida Department of Transportation, as follows:

SECTION 1. DEFINITIONS. All terms used in this Forty-first Supplemental Resolution are used with the same meaning throughout this Forty-first Supplemental Resolution unless the context clearly requires otherwise. All terms used in this Forty-first Supplemental Resolution that are defined in the Authorizing Resolution have the same meaning as in the Authorizing Resolution unless the context clearly requires otherwise.

SECTION 2. AUTHORITY FOR THIS FORTY-FIRST SUPPLEMENTAL RESOLUTION. This Forty-first Supplemental Resolution is adopted pursuant to the provisions of the Act and constitutes a resolution authorizing bonds pursuant to the Act.

SECTION 3. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any and all of the Refunding Bonds by those who shall own the same from time to time, the Authorizing Resolution, as supplemented by this Forty-first Supplemental Resolution, shall be deemed to be and shall constitute a contract between the Department and the Registered Owners from time to time of the Refunding Bonds; and the security interest granted and the pledge made in the Authorizing Resolution, as supplemented by this Forty-first Supplemental Resolution, and the covenants and agreements therein set forth to be performed on behalf of the Department shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Refunding Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Refunding Bonds over any other thereof except as expressly provided in or permitted by the Authorizing Resolution, as supplemented by this Forty-first Supplemental Resolution.

SECTION 4. AUTHORIZATION OF ISSUANCE AND SALE OF THE REFUNDING BONDS.

(A) The not exceeding $195,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2015 (to be determined) (or such other designation as may be provided by the Director) are hereby authorized to be issued and sold at competitive sale on the date and at the time to be determined by the Director. The Refunding Bonds may be sold at different times in more than one series. If sold in more than one series, the authorizations contained in this resolution shall apply to each of such series. The Refunding Bonds may also be sold separately or combined with any other Turnpike System Revenue Bonds authorized to be sold. The final maturity date of the Refunding Bonds shall not be later than 35 years from their date of issue. The Refunding Bonds shall be issued in fully registered form in denominations of $1,000 or integral multiples thereof. The Refunding Bonds shall be dated and bear interest from such date, and be payable in each year, as indicated or provided for in the Notice of Bond Sale. The interest rates of the Refunding Bonds, not to exceed the maximum lawful rate on the date of sale of the Refunding Bonds, shall be determined in accordance with the Notice of Bond Sale, and the Refunding Bonds shall mature as determined by the Director in the Notice of Bond Sale. Interest on the Refunding Bonds will be paid by check or draft mailed on each Interest Payment Date [or by wire transfer, at the election of a Registered Owner, in the manner and under the terms provided for in the State's agreement with the Bond Registrar/Paying Agent (provided that such Registered Owner advances to the Bond Registrar/Paying Agent the amount, if any, necessary to pay the wire charges or authorizes the Bond Registrar/Paying Agent to deduct the amount of such payment)] to the Registered Owner thereof as of 5:00 p.m. on the Record Date at the address shown on the registration books maintained by the Bond Registrar/Paying Agent for the Refunding Bonds. Principal of the Refunding Bonds will be payable to the Registered Owners thereof upon their presentation and surrender when due at the corporate trust office of the Bond Registrar/Paying Agent.

(B) The Director or an Assistant Secretary of the Governing Board is authorized to determine the most advantageous date and time of a public sale and to provide notice pursuant to applicable law of such sale, at a time and in such manner as determined by the Director to be appropriate to provide adequate notice to potential bidders. Bids for the purchase of the Refunding Bonds will be received at the offices of the Division in Tallahassee, Florida, or at another location designated in the Notice of Bond Sale, until the time and date of sale determined by the Director.

(C) The Director is hereby authorized to distribute a Notice of Bond Sale and a form of proposal for the sale of the Refunding Bonds. The Notice of Bond Sale shall be in such form as shall be determined by the Director, with the advice of bond counsel, and shall contain such information as required by applicable law. Any prior distribution of a Notice of Bond Sale and form of proposal is hereby ratified.

(D) The Director or the Secretary or an Assistant Secretary of the Governing Board is authorized to award the sale of the Refunding Bonds in an aggregate principal amount not exceeding $195,000,000 and to pay the costs, fees and expenses associated therewith. Such award by the Director or the Secretary or an Assistant Secretary shall be based on his or her determination of the best bid submitted in accordance with the terms of the Notice of Bond Sale and such award shall be final. The sale shall be reported to the Governing Board after award of the Refunding Bonds.

(E) In the event that conditions preclude, or circumstances render unnecessary or undesirable, the sale of the maximum principal amount of the Refunding Bonds authorized to be sold by this Forty-first Supplemental Resolution, then in such event the Director or the Secretary or an Assistant Secretary of the Governing Board is hereby authorized to offer for sale a lesser principal amount than that set forth in the Notice of Bond Sale and to adjust the maturity schedule and redemption provisions for the Refunding Bonds, if necessary, to reflect the issuance of such lesser amount, and to modify the Notice of Bond Sale as may be required.

(F) The Refunding Bonds shall be subject to redemption as provided in the Notice of Bond Sale.

(G) The Director or the Secretary or an Assistant Secretary of the Governing Board is authorized to provide in the Notice of Bond Sale that the purchase price for the Refunding Bonds may include a discount to par not to exceed the statutory amount.

(H) The Chairman, Secretary or an Assistant Secretary of the Governing Board or their duly authorized alternative officers are hereby authorized on behalf of the Division to execute the Refunding Bonds (including any temporary bond or bonds) as provided in the Authorizing Resolution and any of such officers is hereby authorized, upon the execution of the Refunding Bonds in the form and manner set forth in the Authorizing Resolution, to deliver the Refunding Bonds in the amounts authorized to be issued hereunder to the Bond Registrar/Paying Agent for authentication and, upon receipt of payment of the purchase price (together with accrued interest), for delivery to or upon the order of the original purchaser of the Refunding Bonds, and to distribute the proceeds of the Refunding Bonds as provided herein and in the Authorizing Resolution.

(I) The Chairman, Secretary or any Assistant Secretary of the Governing Board, the Director, and such other officers and employees of the Division as may be designated as agents of the Division in connection with the issuance and delivery of the Refunding Bonds, are authorized and empowered, collectively or individually, to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other action on behalf of the Division, in each case as they may deem necessary or desirable, in connection with the sale, execution and delivery of the Refunding Bonds.

SECTION 5. SECURITY FOR THE REFUNDING BONDS.

(A) The Refunding Bonds authorized by this Forty-first Supplemental Resolution shall be payable on a parity and rank equally as to lien on and source and security for payment from the Net Revenues of the Turnpike System and in all other respects with the Outstanding Bonds.

(B) The Refunding Bonds authorized by this Forty-first Supplemental Resolution shall be deemed to have been issued pursuant to the Authorizing Resolution as fully and to the same extent as the Outstanding Bonds and all of the covenants and agreements contained in the Authorizing Resolution shall be deemed to have been made for the benefit of the Registered Owners of the Refunding Bonds as fully and to the same extent as the Registered Owners of the Outstanding Bonds. The amount of Refunding Bonds herein authorized to be issued is in addition to the amount of Turnpike Revenue Bonds previously authorized in the Authorizing Resolution.

All of the covenants, agreements, and provisions of the Authorizing Resolution, except to the extent inconsistent herewith, shall be deemed to be part of this Forty-first Supplemental Resolution to the same extent as if incorporated verbatim in this Forty-first Supplemental Resolution, and shall be fully enforceable in the manner provided in the Authorizing Resolution by any of the Registered Owners of the Refunding Bonds.

SECTION 6. APPLICATION OF PROCEEDS. (A) Upon receipt of the proceeds of the Refunding Bonds, the Division shall transfer and apply such proceeds as follows:

(i) The amount necessary to pay all costs and expenses of the Division in connection with the preparation, sale and issuance of the Refunding Bonds, including a reasonable charge for the services of the Division, shall be transferred to the Division to be deposited in the Bond Proceeds Trust Fund, subject to disbursement of the funds to the Bond Fee Trust Fund and the Arbitrage Compliance Fund pursuant to written instructions at the delivery of the Refunding Bonds unless such amount shall be provided from another legally available source.

(ii) The accrued interest on the Refunding Bonds, if any, shall be deposited into the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Refunding Bonds.

(iii) The amount necessary to fund the Debt Service Reserve Requirement for the Refunding Bonds shall be deposited into the Debt Service Reserve SubAccount designated by the Director pursuant to Section 7 of this resolution.

(iv) All remaining proceeds shall be transferred to the Board for deposit into a trust fund, hereby created, to be known as the "State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2015 (to be determined) Escrow Deposit Trust Fund" (hereinafter referred to as the "Escrow Deposit Trust Fund"). Such amount, together with the income on the investment thereof, and other legally available funds, if required, shall be sufficient to pay when due the entire principal of the Refunded Bonds, together with interest accrued and to accrue thereon to their respective maturity dates or, if called for redemption prior to maturity, such prior redemption dates and redemption premiums, if any, and the expenses and fees listed in the Escrow Deposit Agreement as hereinafter provided in Section 6(B)(i) below.

(B) The moneys deposited by the Board in the Escrow Deposit Trust Fund shall be administered and applied as follows:

(i) The Escrow Deposit Trust Fund shall be held in irrevocable trust by the Board and, except as provided in Section 6(B)(ii) below, shall be applied solely to refund the Refunded Bonds and to the payment of the fees and expenses incurred in connection with such refunding. The application of the moneys in the Escrow Deposit Trust Fund shall be made for said purposes pursuant to an Escrow Deposit Agreement hereby authorized to be entered into by the Division and the Board and endorsed and accepted by the Department, in a form normally utilized by the Board.

(ii) Moneys on deposit in the Escrow Deposit Trust Fund shall be used to purchase Federal Obligations (as defined in the Escrow Deposit Agreement) in accordance with the schedules given in the Escrow Deposit Agreement. The maturing Federal Obligations, the earnings thereon, if required, and the cash on deposit in the Escrow Deposit Trust Fund shall be sufficient to accomplish the refunding described above. In the alternative, in the discretion of the Director of the Division of Bond Finance, moneys on deposit in the Escrow Deposit Trust Fund shall be invested in the State Treasury, or in such other legally authorized investments, or held uninvested, until such time as such funds, together with other legally available funds, if necessary, are needed to effect the redemption of the Refunded Bonds.

(C) The proceeds derived from the sale of the Refunding Bonds shall be applied and disbursed pursuant to the provisions of the Act and this Forty-first Supplemental Resolution. The Registered Owners of the Refunding Bonds shall not have any responsibility whatsoever for the application or use of any of the proceeds derived from the sale of the Refunding Bonds, and the rights and remedies of the Registered Owners of Refunding Bonds and their right to payment, pursuant to the Authorizing Resolution as supplemented by this Forty-first Supplemental Resolution, shall not be affected or impaired by the application or use of such proceeds. Upon the issuance of the Refunding Bonds, all the covenants and agreements between the Board and the Registered Owners of the Refunding Bonds contained in the Authorizing Resolution and this Forty-first Supplemental Resolution shall be valid and binding covenants and agreements between the Division and the Registered Owners of the Refunding Bonds without regard to the application of the proceeds of the Refunding Bonds.

SECTION 7. RESERVE REQUIREMENT. The Refunding Bonds shall be secured, together with the Outstanding Turnpike Revenue and Revenue Refunding Bonds, and any other Series of Turnpike Bonds designated to be secured thereby, by the Debt Service Reserve Subaccount in the Debt Service Reserve Account securing the Series 2006A through Series 2015B Bonds or in such other Debt Service Reserve Subaccount as may be established, as needed, by the Director.

SECTION 8. BOND REGISTRAR/PAYING AGENT. U.S. Bank Trust National Association, New York, New York, is hereby designated as the Bond Registrar/Paying Agent for the Refunding Bonds on the terms and conditions set forth in the Registrar, Paying Agent and Transfer Agreement between the State of Florida and U.S. Bank Trust National Association.

SECTION 9. AUTHORIZATION OF OFFICIAL STATEMENT. The Division is hereby authorized to prepare and distribute preliminary and final Official Statements in connection with the Refunding Bonds, on behalf of the Department, pursuant to the State Bond Act. The Chairman, Secretary or an Assistant Secretary of the Governing Board and the Director are hereby authorized to execute the final Official Statement in connection with the Refunding Bonds, and the execution thereof shall be conclusive evidence that the Governing Board has approved the form and content of the Final Official Statement. The Division is further authorized to have up to 3,000 copies of the Preliminary Official Statement and 3,000 copies of the Final Official Statement relating to the Refunding Bonds printed and distributed; to contract with national rating services; to make a determination that the Preliminary Official Statement is "deemed final" for purposes of SEC Rule 15c2-12(b)(1); to conduct information meetings; and to take such other actions as may be deemed appropriate for the dissemination of information relating to the sale of the Refunding Bonds. Any prior printing and distribution of a Preliminary Official Statement is hereby ratified.

SECTION 10. FORM OF REFUNDING BONDS. (A) Notwithstanding anything to the contrary in the Authorizing Resolution, this Forty-first Supplemental Resolution, or any other resolution relating to the Refunding Bonds (for the purposes of this section, collectively, the "Resolution"), the Refunding Bonds may be issued in book-entry only form utilizing the services of a Securities Depository (as used herein, "Securities Depository" means The Depository Trust Company, New York, New York, or its nominees, successors and assigns).

So long as a book-entry only system of evidence of transfer of ownership of all the Refunding Bonds is maintained in accordance herewith, any provision of the Resolution relating to the delivery of physical bond certificates shall be inapplicable, and the Resolution shall be deemed to give full effect to such book-entry system.

If the Refunding Bonds are issued in book-entry only form:

(1) The Refunding Bonds shall be issued in the name of the Securities Depository as the Registered Owner of the Refunding Bonds, and held in the custody of the Securities Depository or its designee.

(2) Transfers of beneficial ownership of the Refunding Bonds will be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository ("Participants" include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations, as well other organizations that clear through or maintain a custodial relationship with such organizations, either directly or indirectly).

(3) Each Participant shall be credited in the records of the Securities Depository with the amount of such Participant's interest in the Refunding Bonds. Beneficial ownership interests in the Refunding Bonds may be purchased by or through Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive Refunding Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the Participant from which such Beneficial Owner purchased its Refunding Bonds. Transfers of ownership interests in the Refunding Bonds shall be accomplished by book entries made by the Securities Depository and, in turn, by Participants acting on behalf of Beneficial Owners.

(4) Unless otherwise provided herein, the Department, the Division of Bond Finance, the Board of Administration and the Bond Registrar/Paying Agent (as used in this section, the "State and its agents") shall treat the Securities Depository as the sole and exclusive owner of the Refunding Bonds registered in its name for the purposes of

(a) payment of the principal of, premium, if any, and interest on the Refunding Bonds or portion thereof to be redeemed or purchased. Payments made to the Securities Depository of principal, premium, and interest shall be valid and effective to fully satisfy and discharge the Department's obligations to the extent of the sums so paid;

(b) giving any notice permitted or required to be given to Registered Owners under the Resolution; and

(c) the giving of any direction or consent or the making of any request by the Registered Owners hereunder. The State and its agents may rely conclusively upon

(i) a certificate of the Securities Depository as to the identity of the Participants with respect to the Refunding Bonds; and

(ii) a certificate of any such Participant as to the identity of, and the respective principal amount of Refunding Bonds beneficially owned by, the Beneficial Owners.

(5) The State and its agents shall have no responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner or any other person which is not shown on the Refunding Bond Register, with respect to

(a) the accuracy of any records maintained by the Securities Depository or any Participant;

(b) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption or purchase price of, or interest on, any Refunding Bond;

(c) the delivery of any notice by the Securities Depository or any Participant;

(d) the selection of the Participants or the Beneficial Owners to receive payment in the event of any partial redemption of the Refunding Bonds; or

(e) any consent given or any other action taken by the Securities Depository or any Participant.

(6) The requirements in the Resolution of holding, delivering or transferring Refunding Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry Refunding Bonds to produce the same effect. Any provision hereof permitting or requiring delivery of the Refunding Bonds shall, while the Refunding Bonds are in book-entry only form, be satisfied by the notation thereof on the books of the Securities Depository in accordance with applicable state law.

(B) The Division of Bond Finance may discontinue the book-entry system with the then-current securities depository, subject to the terms of its agreement with such securities depository. In this event, the Division of Bond Finance shall either

(1) identify another qualified securities depository or

(2) prepare and deliver replacement Refunding Bonds in the form of fully registered bonds to each Beneficial Owner.

SECTION 11. FEDERAL TAX MATTERS. Upon the execution of a "Federal tax certificate," "non-arbitrage certificate" or other certificate relating to compliance by the Department or the Division with Federal tax law requirements, the representations, terms and covenants in each such certificate shall be deemed to be incorporated in this Forty-first Supplemental Resolution and shall be deemed to benefit the Registered Owners of the Refunding Bonds.

Notwithstanding anything contained in the Authorizing Resolution to the contrary, it is the intent of the Governing Board that interest on the Refunding Bonds be and remain excluded from gross income for federal income tax purposes and therefore to comply with all requirements of federal tax law applicable to the Refunding Bonds, or any series thereof, whether such requirements are now in effect, pending or subsequently enacted. The officers, employees and agents of the Division of Bond Finance are hereby authorized and directed to take all actions necessary with respect to the Refunding Bonds and each series thereof to comply with such requirements of federal tax law.

SECTION 12. CONTINUING DISCLOSURE.

(A) In order to comply with Rule 15c2-12 of the Securities and Exchange Commission, the Department of Transportation hereby agrees to provide or cause to be provided such information as may be required, from time to time, under such rule.

(B) The Secretary of the Department, in conjunction with the appropriate officers of the Division, is authorized and directed to execute and deliver any documents or agreements which are necessary to comply with the requirements of Rule 15c2-12 and the Securities and Exchange Commission.

SECTION 13. INCIDENTAL ACTION. The members and officers of the Governing Board and the staff of the Division are hereby authorized and directed to execute and deliver such other documents, and to take such other actions as may be necessary or appropriate in order to accomplish the sale, issuance and securing of the Refunding Bonds pursuant to the terms of the Authorizing Resolution and this Forty-first Supplemental Resolution, and the performance of the obligations of the Division under the Authorizing Resolution.

SECTION 14. CONFIRMATION OF AUTHORIZING RESOLUTION/PRIOR RESOLUTIONS. As supplemented by this Forty-first Supplemental Resolution, the Authorizing Resolution is in all respects ratified and confirmed, and this Forty-first Supplemental Resolution shall be read, taken and construed as a part of the Authorizing Resolution. All prior or concurrent resolutions or parts of resolutions inconsistent with this Resolution are hereby amended by this Resolution, including the Notice of Bond Sale, but only to the extent of any such inconsistency.

SECTION 15. EFFECTIVE DATE. This Forty-first Supplemental Resolution shall take effect on the date of its adoption by the Governing Board.

Adopted by the Governor and Cabinet of the State of Florida sitting as the Governing Board of the Division of Bond Finance of the State Board of Administration of Florida, on behalf of the Department of Transportation, on November 10, 2015.

APPENDIX G

FORM OF APPROVING OPINION OF BOND COUNSEL
GREENBERG TRAURIG, P.A.,
MIAMI, FLORIDA

________, 2016

State of Florida
State Board of Administration
Division of Bond Finance
1801 Hermitage Boulevard, Suite 200
Tallahassee, Florida 32308

$173,385,000
STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION
TURNPIKE REVENUE REFUNDING BONDS
SERIES 2016A

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance and sale by the Division of Bond Finance of the State Board of Administration of Florida (the "Division"), on behalf of the Florida Department of Transportation (the "Department"), of $173,385,000 aggregate principal amount of State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2016A (the "2016A Bonds"), initially issued and delivered on this date pursuant to the Constitution, Article VII, Section 11(d), and laws of the State of Florida, including particularly the State Bond Act, Sections 215.57-215.83, Florida Statutes, as amended, and the Florida Turnpike Enterprise Law, Sections 338.22-338.241, Florida Statutes, as amended (hereinafter collectively referred to as the "Act"), and pursuant to the Division's Turnpike Revenue Bond Resolution (the "Original Resolution"), adopted by the Governor and Cabinet of the State of Florida, sitting as the governing board of the Division (in such capacity, the "Board"), on behalf of the Division and on behalf of the Department on October 25, 1988 and certain resolutions amending and supplementing the Original Resolution (collectively the "Resolution").

The 2016A Bonds are dated and mature on the dates in the principal amounts and bear interest at the rates determined pursuant to the Resolution and are issuable only as fully registered bonds without coupons in denominations of $1,000 or any integral multiple thereof. Principal and redemption price of and interest on the 2016A Bonds will be paid by U.S. Bank Trust National Association, New York, New York, as paying agent, or by any alternate or successor paying agent, to the registered owners or registered assigns thereof. The 2016A Bonds are subject to redemption by the Division prior to maturity at the times, in the manner and upon the terms provided in the 2016A Bonds and determined pursuant to the Resolution.

Proceeds of the 2016A Bonds are being used to refund a portion of the outstanding State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2006A, and to pay costs of issuance associated with the 2016A Bonds.

The 2016A Bonds shall be payable solely from and secured as to the payment of the principal and redemption price thereof, and interest thereon, in accordance with their terms and the provisions of the Resolution solely from the Net Revenues (as defined in the Resolution and as described below). The 2016A Bonds will be on a parity as to lien and security for payment from Net Revenues with Bonds (as defined in and outstanding under the Resolution), and with additional bonds, if any, issued under and secured by the Resolution that may be outstanding from time to time. The 2016A Bonds shall not constitute a general obligation of the State of Florida or any of its agencies or political subdivisions, nor shall the full faith and credit of the State of Florida or any of its agencies or political subdivisions be pledged to the payment of the principal or redemption price of the 2016A Bonds or the interest on the 2016A Bonds.

As defined in the Resolution, Net Revenues means Gross Revenues (all Tolls, revenues, rates, fees, charges, receipts, rents and other income derived from or in connection with the operation of the Florida Turnpike, including, unless otherwise indicated by the Resolution, income from investments of funds and accounts created by the Resolution deposited in the Revenue Fund and the proceeds of any use and occupancy insurance relating to the Florida Turnpike) remaining after any necessary contribution to fund the Cost of Maintenance (all costs and expenses which are usually and ordinarily the obligation of the Department in keeping the Turnpike System as defined in the Resolution open to public travel, excluding all costs included in Cost of Operation, and excluding all costs for non-Toll roads, except feeder roads) and the Cost of Operation (all costs and expenses which arise by virtue of portions of the Turnpike System being operated as toll facilities and including the cost of collecting and accounting for Tolls, insurance, employee bond premiums, fees of consulting engineers, and all other expenses which would not be incurred if the entire Turnpike System were being operated as a non-Toll facility), after taking into account other sources of funds available to fund the Cost of Maintenance and the Cost of Operation. In this regard, it should be noted that the Department has covenanted to pay such costs from moneys in the State Transportation Trust Fund.

The Division is authorized under the Act and the Resolution to issue turnpike revenue bonds on behalf of the Department in addition to the 2016A Bonds, upon the terms and conditions set forth in the Resolution, and such bonds, when issued shall, with all other such bonds theretofore and thereafter issued, be entitled to the equal benefit, protection and security of the provisions, covenants and agreements of the Resolution.

In rendering the opinion in paragraph number 4 below, we have assumed continuing compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met after the issuance of the 2016A Bonds in order that interest on the 2016A Bonds not be included in gross income for federal income tax purposes. The failure by the Division, the State Board of Administration or the Department to meet such requirements may cause interest on the 2016A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2016A Bonds. The Division, the State Board of Administration and the Department have covenanted in the Resolution to comply with the requirements of the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the 2016A Bonds.

In connection with the issuance of the 2016A Bonds, we have examined the Act, the Resolution, certified copies of certain proceedings of the Division, the State Board of Administration and the Department and such other documents, instruments, proceedings and opinions as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations furnished to us by the Division and the Department, without undertaking to verify such representations by independent investigation.

Based upon the foregoing, we are of the opinion that:

(1) Pursuant to the Act, the Department is empowered to request the issuance of the 2016A Bonds and the Division is empowered to issue the 2016A Bonds on behalf of the Department.

(2) The Resolution has been duly adopted by the Board, is valid and binding upon the Division and the Department and is in full force and effect and enforceable in accordance with its terms. The 2016A Bonds are entitled to the benefits and security of the Resolution for the payment thereof in accordance with the terms of the Resolution.

(3) The 2016A Bonds have been duly authorized, executed and issued in accordance with the Act and the Resolution. The 2016A Bonds represent valid special obligations of the Division and of the Department, enforceable in accordance with their terms and the terms of the Resolution. The 2016A Bonds are payable solely from the sources and in the manner described in the Resolution.

(4) Under existing statutes, regulations, rulings and court decisions, and assuming continuing compliance by the Division, the State Board of Administration and the Department with their respective covenants in the Resolution, interest on the 2016A Bonds is excluded from gross income for federal income tax purposes. Interest on the 2016A Bonds is not an item of preference for purposes of the alternative minimum tax imposed on individuals and corporations, however interest on the 2016A Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations.

(5) The 2016A Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes imposed by Chapter 198, Florida Statutes, as amended, and taxes imposed by Chapter 220, Florida Statutes, as amended, on interest income or profits on debt obligations owned by corporations as defined therein.

The opinions set forth in the numbered paragraphs 2 and 3 above are subject to state and federal laws and equitable principles affecting the enforcement of creditors' rights.

Except as set forth in numbered paragraph 4 above, we express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of the 2016A Bonds.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof.

We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

Respectfully submitted,

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APPENDIX H

FORM OF CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "Disclosure Agreement") is executed and delivered by the State of Florida Department of Transportation (the "Department") and the Division of Bond Finance of the State Board of Administration of Florida (the "Division") in connection with the issuance of $173,385,000 State of Florida, Department of Transportation Turnpike Refunding Revenue Bonds, Series 2016A (the "Bonds"). This Disclosure Agreement is being executed and delivered pursuant to Section 12 of the resolution adopted by the Governor and Cabinet, as the Governing Board of the Division on November 10, 2015, providing for the sale of the Bonds. The Department and the Division covenant and agree as follows:

SECTION 1. PURPOSE OF THE DISCLOSURE AGREEMENT. This Disclosure Agreement is being executed and delivered by the Department and the Division for the benefit of the Registered Owners and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC"). It shall inure solely to the benefit of the Department, the Division, the Registered Owners, the Beneficial Owners and the Participating Underwriters.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the resolution of the Governor and Cabinet of the Division of Bond Finance adopted on October 25, 1988, as amended and restated on May 17, 2005 (the "Resolution"), which apply to any capitalized term used in this Disclosure Agreement, the following capitalized terms shall have the following meanings:

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

SECTION 3. CONTINUING DISCLOSURE. (A) Information To Be Provided. The Department assumes all responsibilities for any continuing disclosure as described below. In order to comply with the Rule, the Department hereby agrees to provide or cause to be provided the information set forth below, or such information as may be required to be provided, from time to time, under the Rule.

(1) Financial Information and Operating Data. For fiscal years ending on June 30, 2016, and thereafter, annual financial information and operating data shall be provided within nine months after the end of the State's fiscal year. Such information shall include:

(a) Revenue, Expense and Debt Service Coverage;
(b) Planned Toll Changes;
(c) Comparative Passenger Car Tolls;
(d) Total Toll Revenues;
(e) Concession Revenue;
(f) Operating Expenses; and
(g) STTF Funds available for O&M.

(2) Audited Financial Statements. If not submitted as part of the annual financial information, a copy of the Turnpike System's audited financial statements, prepared in accordance with generally accepted accounting principles, will be provided when and if available.

(3) Material Events Notices. Notice of the following events relating to the Bonds will be provided in a timely manner, not in excess of ten business days after the occurrence of the event:

(a) principal and interest payment delinquencies;
(b) non-payment related defaults;
(c) unscheduled draws on debt service reserves reflecting financial difficulties;
(d) unscheduled draws on credit enhancements reflecting financial difficulties;
(e) substitution of credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
(g) modifications to rights of security holders, if material;
(h) bond calls, if material, and tender offers;
(i) defeasances;
(j) release, substitution or sale of property securing repayment of the securities, if material;
(k) rating changes
(l) bankruptcy, insolvency, receivership or similar event of the obligated person;
(m) the consummation of merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

(4) Failure to Provide Annual Financial Information; Remedies.

(a) Notice of the failure of the Department to provide the information required by paragraphs (A) (1) or (A)(2) of this Section will be provided in a timely manner.

(b) The Department acknowledges that its undertaking pursuant to the Rule set forth in this Section is for the benefit of the Beneficial Owners and Registered Owners of the Bonds and shall be enforceable only by such Beneficial Owners and Registered Owners; provided that the right to enforce the provisions of such undertaking shall be conditioned upon the same enforcement restrictions as are applicable to the information undertakings in the Resolution and shall be limited to a right to obtain specific enforcement of the Department's obligations hereunder.

(B) Methods of Providing Information.

(1) (a) Annual financial information and operating data described in paragraph 3(A)(1) and the audited financial statements described in paragraph 3(A)(2) shall be transmitted to the Municipal Securities Rulemaking Board (hereafter "MSRB") using the MSRB's Electronic Municipal Market Access System ("EMMA") or by such other method as may be subsequently determined by the MSRB.

(b) Material event notices described in paragraph 3(A)(3) and notices described in paragraph 3(A)(4) shall also be transmitted to the MSRB using EMMA or by such other method as may be subsequently determined by the MSRB.

(2) (a) Information shall be provided to the MSRB in an electronic format as prescribed by the MSRB, either directly, or indirectly through an indenture trustee or a designated agent.

(b) All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(C) If this Disclosure Agreement is amended to change the operating data or financial information to be disclosed, the annual financial information containing amended operating data or financial information will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

(D) The Department's obligations hereunder shall continue until such time as the Bonds are no longer Outstanding or until the Department shall otherwise no longer remain obligated on the Bonds.

(E) This Disclosure Agreement may be amended or modified so long as:

(1) any such amendments are not violative of any rule or regulation of the SEC or MSRB, or other federal or state regulatory body;

(2) the amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligated person, or type of business conducted;

(3) this Disclosure Agreement, as amended, would have complied with the requirements of Rule 15c2-12 of the SEC at the time of the primary offering, after taking into account any amendments or interpretations of the rule, as well as any change in circumstances; and

(4) the amendment does not materially impair the interests of Beneficial Owners or Registered Owners, as determined either by parties unaffiliated with the issuer or obligated person (such as bond counsel), or by approving vote of the Beneficial Owners and Registered Owners pursuant to the terms of the Resolution at the time of the amendment.

SECTION 4. ADDITIONAL INFORMATION. If, when submitting any information required by this Disclosure Agreement, the Department chooses to include additional information not specifically required by this Disclosure Agreement, the Department shall have no obligation under this Disclosure Agreement to update such information or include it in any such future submission.

Dated this ______ day of __________________, 2016.

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION	DIVISION OF BOND FINANCE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA
By________________________________ Authorized Officer	By________________________________ Assistant Secretary

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PROVISIONS FOR BOOK-ENTRY ONLY SYSTEM OR REGISTERED BONDS

The Depository Trust Company and Book-Entry Only System

THE INFORMATION IN THIS SECTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DIVISION BELIEVES TO BE RELIABLE; HOWEVER, THE DIVISION TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

The Depository Trust Company, ('DTC") New York, NY, will act as securities depository for the State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2016A (the "Series 2016A Bonds"). The Series 2016A Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2016A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities and Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants" and together with Direct Participants, the "Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at **www.dtcc.com**.

Purchases of the Series 2016A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2016A Bond (a "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2016A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2016A Bonds, except in the event that use of the book-entry system is discontinued.

To facilitate subsequent transfers, all Series 2016A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2016A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2016A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2016A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2016A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2016A Bond documents. For example, Beneficial Owners of Series 2016A Bonds may wish to ascertain that the nominee holding the Series 2016A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2016A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2016A Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Division as soon as practicable after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2016A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2016A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Bond Registrar/Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, (nor its nominee), the Bond Registrar/Paying Agent, the Division, or the Florida Department of Transportation (the "Department"), subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Registrar/Paying Agent; disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services with respect to the Series 2016A Bonds at any time by giving reasonable notice to the Division or Bond Registrar/Paying Agent and discharging its responsibilities with respect thereto under applicable law. The Division may decide to discontinue use of the system of book-entry transfers for the Series 2016A Bonds through DTC (or a successor securities depository). Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the Series 2016A Bonds will be printed and delivered as provided in the documents authorizing the issuance and sale of the Series 2016A Bonds.

For every transfer and exchange of beneficial interests in the Series 2016A Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other government charge that may be imposed in relation thereto.

So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2016A Bonds, references herein to the Registered Owners or Holders of the Series 2016A Bonds shall mean Cede & Co. and not mean the Beneficial Owners of the Series 2016A Bonds unless the context requires otherwise.

The Division, the Department and the Bond Registrar/Paying Agent will not have any responsibility or obligation with respect to:

(i) the accuracy of the records of DTC, its nominee or any DTC Participant or any successor securities depository, participants thereof or nominee thereof with respect to any beneficial ownership interest in the Series 2016A Bonds;

(ii) the delivery to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any notice with respect to any Series 2016A Bond, including, without limitation, any notice of redemption;

(iii) the payment to any DTC Participant or participant of any successor securities depository or any other person, other than a registered owner, as shown in the Bond Register, of any amount with respect to the principal of, premium, if any, or interest on the Series 2016A Bonds, or the purchase price of, any Series 2016A Bond;

(iv) any consent given by DTC or any successor securities depository as registered owner; or

(v) the selection by DTC or any DTC Participant or by any successor depository or its participants of the beneficial ownership interests in the Series 2016A Bonds for partial redemption.

So long as the Series 2016A Bonds are held in book-entry only form, the Division, the Department and the Bond Registrar/Paying Agent may treat DTC and any successor Securities Depository as, and deem DTC and any successor Securities Depository to be, the absolute owner of the Series 2016A Bonds for all purposes whatsoever, including, without limitation:

(i) the payment of the principal of, premium, if any, and interest on the Series 2016A Bonds;

(ii) giving notices of redemption and other matters with respect to the Series 2016A Bonds;

(iii) registering transfers with respect to the Series 2016A Bonds; and

(iv) the selection of the beneficial ownership interests in the Series 2016A Bonds for partial redemption.

Payment, Registration, Transfer and Exchange

The following provisions shall only be applicable if the book-entry-only system of registration is discontinued; for provisions which are applicable while the book-entry only system of registration is in effect, see "Book-Entry Only System" above.

The Division, the Department and the Bond Registrar/Paying Agent may treat the Registered Owner of any Series 2016A Bond as the absolute owner for all purposes, whether or not such Series 2016A Bond is overdue, and will not be bound by any notice to the contrary.

Principal of and premium, if any, on the Series 2016A Bonds will be payable upon presentation and surrender of the Series 2016A Bonds when due at the corporate trust office of U.S. Bank Trust National Association, New York, New York, as Bond Registrar/Paying Agent.

Each Series 2016A Bond will be transferable or exchangeable only upon the registration books by the Registered Owner or an attorney duly authorized in writing, upon surrender of such Series 2016A Bond to the Bond Registrar/Paying Agent together with a written instrument of transfer (if so required) satisfactory in form to the Division of Bond Finance and the Bond Registrar/Paying Agent, duly executed by the Registered Owner or a duly authorized attorney. Upon surrender to the Bond Registrar/Paying Agent for transfer or exchange of any Series 2016A Bond, duly endorsed for transfer or accompanied by an assignment in accordance with the Resolution, the Bond Registrar/Paying Agent will deliver in the name of the transferee(s) a fully registered Series 2016A Bond of authorized denomination of the same maturity for the aggregate principal amount which the Registered Owner is entitled to receive.

Neither the Division nor the Bond Registrar/Paying Agent may charge the Registered Owner or transferee for any expenses incurred in making any exchange or transfer of the Series 2016A Bonds. However, the Division and the Bond Registrar/Paying Agent may require payment from the Registered Owner of a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation thereto. Such governmental charges and expenses must be paid before any such new Series 2016A Bond is delivered.

The Bond Registrar/Paying Agent will not be required to issue, transfer or exchange any Series 2016A Bonds on the Record Date.

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