

FLORIDA'S TURNPIKE SYSTEM

LEADING WITH VISION



Comprehensive Annual Financial Report
Fiscal Years Ended June 30, 2014 and 2013



An Enterprise Fund of the Florida Department of Transportation

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Florida Department of Transportation

RICK SCOTT
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

ANANTH PRASAD, P.E.
SECRETARY

December 31, 2014

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

Dear Secretary Prasad:

On behalf of the Turnpike System, we are pleased to submit this Comprehensive Annual Financial Report (CAFR) for fiscal years 2014 and 2013. The responsibility for the accuracy of the data and the completeness and fairness of the presentation in this report, including all disclosures, rests with the management of the Turnpike Enterprise and the Florida Department of Transportation (Department). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Turnpike System which is reported as an enterprise fund. Florida's Turnpike System is an agency of the State of Florida and is presented as a blended enterprise fund in the financial reports of the State of Florida. The enclosed CAFR reflects the results of operations and the financial condition for the Turnpike System only. The report has been prepared in accordance with standards prescribed by the Governmental Accounting Standards Board (GASB) and other rulemaking bodies. We believe the report contains all disclosures necessary for the reader to understand the Turnpike System's financial affairs.

Fiscal year 2014 toll revenues of \$796 million exceeded the prior year by 5.4 percent. The increase is primarily due to traffic growth and an annual toll rate index of 2.1 percent as required by statute. Additionally, a new toll facility, the I-4 Connector in Tampa, opened in January 2014 which also contributed to the increase in revenues. During fiscal year 2014, management contained operating costs consistent with the prior year. Further, operating income of \$553 million increased by \$59 million, or 12 percent, from prior year. The increase in net position, after accounting for all revenues and expenses for the year, was \$786 million. With the significant increase in operating income, the Turnpike's ability to reinvest in transportation projects to support the Department's mission continues to grow.

The Turnpike System's existing roadway serves as an integral part of the State's transportation network in moving people and goods. In addition, the Turnpike accomplished a number of production objectives this year, including renovation of the Canoe Creek service plaza, interchange improvements in Palm Beach, Miami-Dade, Seminole and Orange counties, and completion of several resurfacing projects. Additionally, the Turnpike continues to seek partnership opportunities with other toll agencies and is leading the effort towards national toll interoperability. Already interoperable with the North Carolina Turnpike Authority, the Turnpike became interoperable with the Georgia State Road and Tollway Authority in November 2014.

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

The preparation of the Comprehensive Annual Financial Report is accomplished through the collaborative efforts and dedication of the Department's Office of the Comptroller and Turnpike Enterprise staff. The Turnpike Enterprise, together with the Department, remains committed to investing in transportation infrastructure which plays a vital role in the State's economic development.

Respectfully submitted,

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

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

Robin M. Naitove, CPA
Comptroller
Florida Department of Transportation

GOVERNANCE AND PRINCIPAL OFFICIALS

The Turnpike Enterprise (Enterprise) mission is to help meet the State's growing transportation needs, ensure value to customers, protect investors and manage the Turnpike (System) in a business-like manner. The Enterprise is responsible for the management of Florida's Turnpike System and the collection of tolls on seven other facilities owned or operated by the Florida Department of Transportation (FDOT or Department). The Florida State Legislature created Florida's Turnpike in 1953 as the Florida State Turnpike Authority, which subsequently became part of the Department in 1969. In 2002, the Turnpike became an Enterprise within the Department. As such, the System is reported as an enterprise fund within the State of Florida financial statements.

In accordance with Florida Statutes, the Florida Transportation Commission (FTC) serves as a citizen's oversight body for the Department. The FTC's purpose is to review major transportation policy initiatives submitted by the Department and recommend major transportation policy to the Governor and Legislature. The Commission consists of nine members with private-sector experience who are appointed by the Governor and who serve uncompensated, staggered terms of four years. Additionally, the Commission is responsible for nominating three candidates for the selection of the Secretary of Transportation (Secretary). As the head of the agency, the Secretary is appointed by the Governor and subject to confirmation by the Senate.

The Department consists of seven Districts and the Turnpike Enterprise. The District Secretaries and the Executive Director of the Enterprise report to the Department's Secretary.

FLORIDA TRANSPORTATION COMMISSION



Chairman
Ronald Howse, PE
Cocoa



Vice-Chairman
Jay Trumbull
Panama City



Secretary
Beth Kigel
West Palm Beach



Donnie Ellington
Gainesville



Maurice Ferré
Miami



Katherine Frazier
Tampa



Jim Sebesta
St. Petersburg



John Browning, Jr.
East Palatka



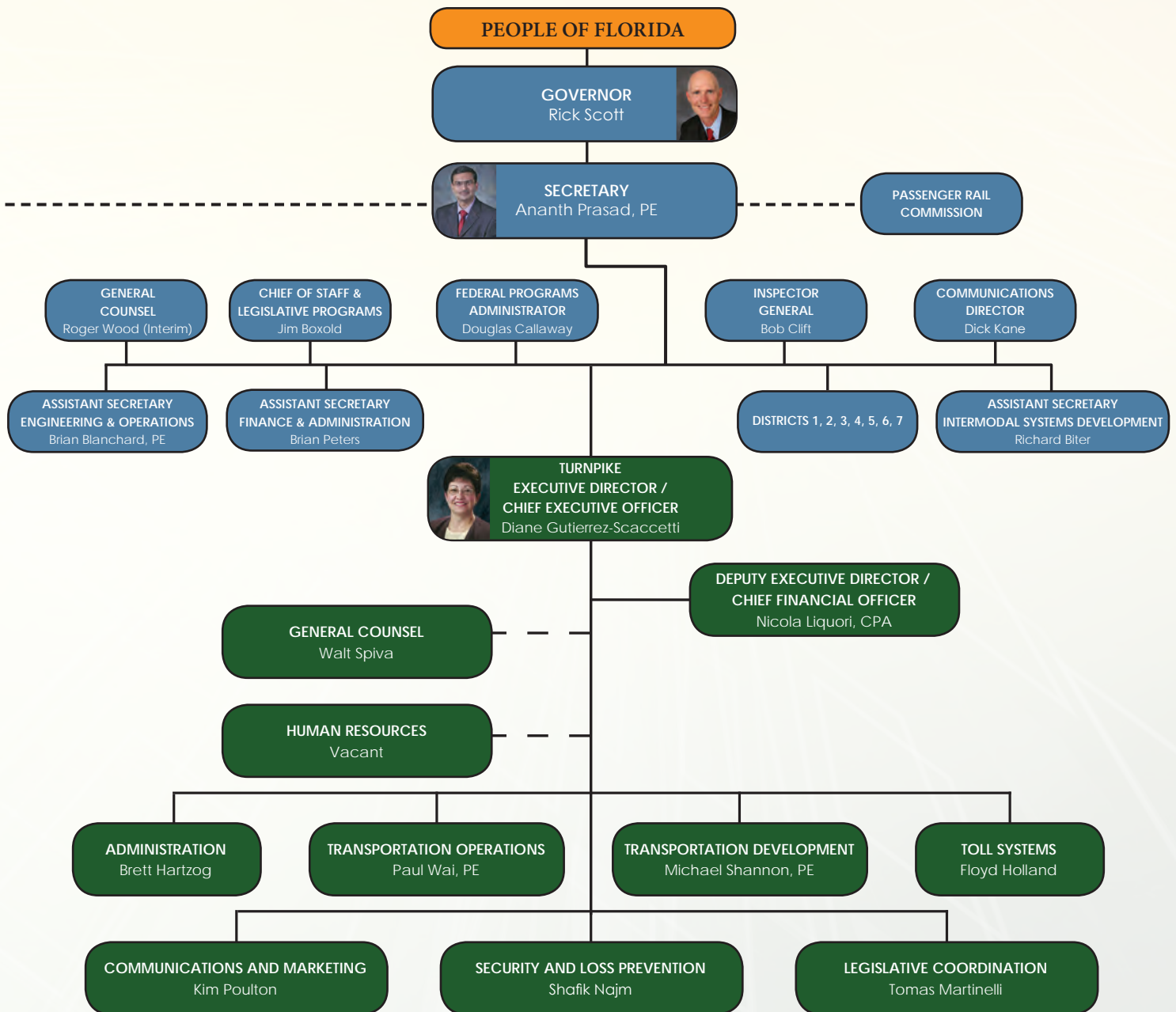
Ken Wright
Orlando

MISSION



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

Reporting to the Turnpike Executive Director are the Chief Financial Officer (CFO), Administration, Transportation Operations, Transportation Development, Toll Systems, Communications and Marketing, Security and Loss Prevention, and Legislative Coordination.



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



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

DESCRIPTION OF FLORIDA'S TURNPIKE SYSTEM

The Turnpike System consists of limited-access toll facilities. Financed primarily by toll and concession revenues, the Turnpike System provides the State's residents and visitors with a safe, efficient and pleasant means of travel. The Turnpike System consists of the Mainline system and several expansion projects, as described below:



Florida's Turnpike Mainline: A 320-mile, multi-lane facility extending from Florida City in Miami-Dade County northward to Wildwood in Sumter County.

This contiguous roadway consists of the 47-mile SR 821 Homestead Extension of Florida's Turnpike (HEFT), the 43-mile Southern Coin System, the 155-mile Ticket System, the 67-mile Northern Coin System, and the eight-mile Beachline West Expressway. The first four facilities are contiguous in a north-south direction. The Beachline West Expressway intersects with the Northern Coin System and has an east-west orientation. The Mainline opened from Miami to Fort Pierce in 1957, Fort Pierce to Orlando in 1963 and Orlando to Wildwood in 1964. The Beachline West Expressway opened in 1973, and SR 821 (HEFT) opened the following year.



Sawgrass Expressway: A 23-mile, four-lane limited-access toll facility beginning with a connection to I-595 and I-75, extending north, then east, to its interchange with Florida's Turnpike (SR 91) and SW 10th Street in Deerfield Beach. It provides a bypass of the urban Fort Lauderdale and Miami areas for motorists traveling south from the Mainline in northern Broward County. As directed by the legislature, this facility was acquired from the Broward County Expressway Authority in 1990.



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



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



Southern Connector Extension:

A six-mile, four-lane limited-access toll facility that connects the Central Florida GreeneWay southwestward to I-4 in Osceola County. The facility opened to traffic in 1996.



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



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



Western Beltway, Part C: An 11-mile, limited-access toll facility extending from I-4 in Osceola County across US 192 to

Seidel Road in Orange County. The facility provides an alternative north-south route between Florida's Turnpike and I-4. Opened in two stages, the facility fully opened to traffic in 2006.

Exit 2



I-4 Connector: A one-mile, 12-lane

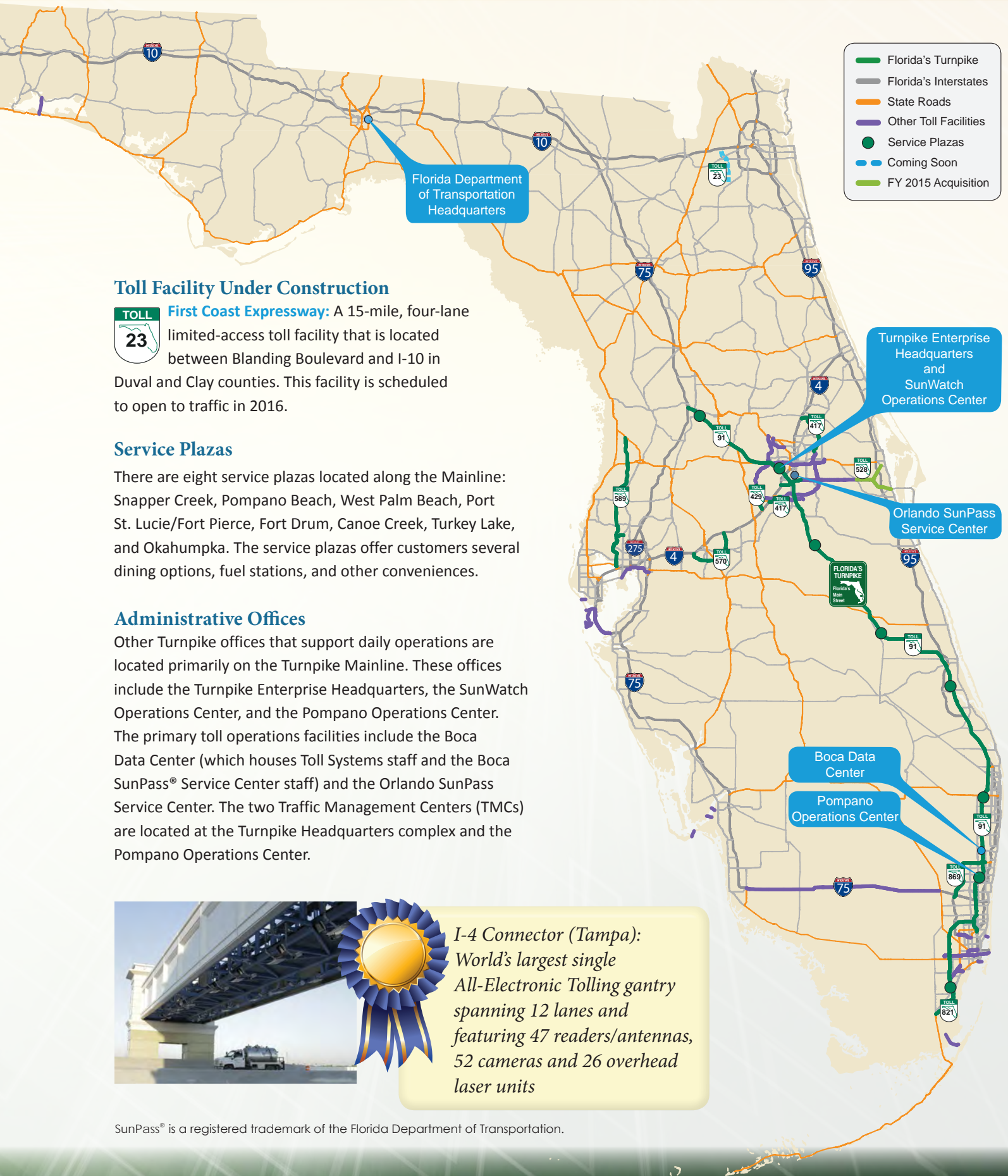
limited-access toll facility that connects I-4 to the Selmon Expressway in Hillsborough County. The facility opened to traffic in January 2014.

Toll Facility Acquisition (Fiscal Year 2015)



Beachline East Expressway: A 22-mile, four-lane toll facility that extends from SR 520 in Orange County east for six

miles into Brevard County, where it splits into two branches. The nine-mile southeast branch continues as SR 528 to a connection with the Bennett Causeway at US 1, and the seven-mile northeast branch becomes SR 407 and extends to a connection with SR 405.



ECONOMIC AND REVENUE OUTLOOK

OPERATING PERFORMANCE

Florida's Turnpike revenues reached record levels in fiscal year 2014. Toll revenues of \$796 million increased nearly \$41 million, or 5.4 percent, over the prior year. The substantial growth in revenues was primarily attributable to traffic growth and the system-wide statutory toll rate index of 2.1 percent that went into effect on July 1, 2013 for SunPass and TOLL-BY-PLATE customers. In accordance with Section 338.165, Florida Statutes, the Turnpike is required to periodically index toll rates to the Consumer Price Index. Additionally, the opening of the I-4 Connector in January 2014 also contributed to the increase in revenues. Overall, traffic increased by 4.1 percent in fiscal year 2014 compared to the preceding year. Commercial multi-axle vehicles, which generate higher toll revenues, grew significantly by 10.3 percent, and passenger vehicles increased by 3.9 percent.



The lowest operating and maintenance expense as a percent of gross operating revenue among the largest toll agencies in the nation



Toll Revenues - Turnpike System Fiscal Years 2010 - 2014 (\$ in Millions)



The Turnpike continues to control operations and maintenance costs despite growth in toll transactions. Operations and maintenance costs of \$156 million remained steady compared to the prior year. Compared to other national tolling agencies, operations and maintenance costs are the lowest in the nation at 19.5 percent of toll revenues. Overall, operating income increased by 12.0 percent from prior year. With more revenue available for investments in transportation, the Turnpike is funding new revenue-generating projects and continuing to provide safe, well-maintained roadways for greater ease of travel and toll collection efficiency.



All-Electronic Tolling is a highly efficient means of collecting tolls.

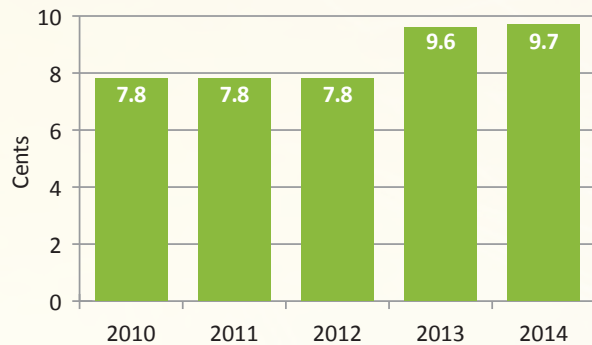
Key Performance Indicators

Fiscal Years 2010 - 2014

Affordability Index

Affordability Index is a measure of toll revenue to annual vehicle miles traveled.

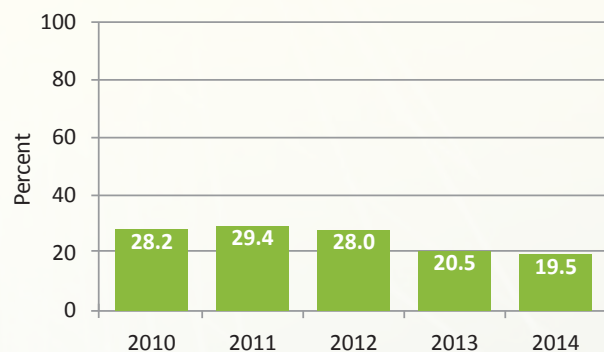
Customers traveled 8.2 billion vehicle miles on the Turnpike System at an average of 9.7 cents per vehicle mile during fiscal year 2014. The significant usage of the System demonstrates that Turnpike toll rates are highly affordable and very competitive nationally.



Operating Expense Percentage

Operating Expense Percentage is a calculation of operations and maintenance expense as a percentage of revenue.

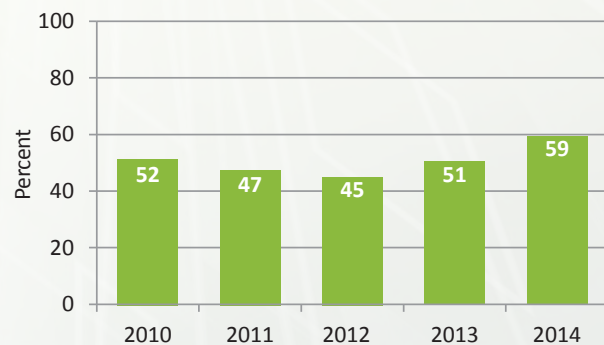
Management's continued commitment to control these costs is demonstrated by the Operating Expense Percentage reaching a five-year low of 19.5 percent.



System Transportation Asset Reinvestment (STAR)

STAR is a ratio of income before contributions to toll revenue.

The Turnpike achieved a STAR quotient of 59 percent in fiscal year 2014, an indication of substantial resources available for System reinvestment after meeting all required payments to bondholders, operation and maintenance expenses and preservation costs.



VISION



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



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

ECONOMIC AND REVENUE OUTLOOK

FUTURE TOLL REVENUES

Turnpike toll revenues are significantly influenced by population, employment levels, and tourism. For many years, Florida has been one of the most rapidly growing states in the nation and recently surpassed New York as the third most-populous state. According to the U.S. Census Bureau, Florida's population increased to nearly 19.6 million in 2014. Over the past five years, Florida's population grew by 4.6 percent outpacing the nation's population growth of 3.8 percent. The increase in population is primarily due to domestic and international migrations as more people continue to call Florida home.

Expanded use of the interstate highway system and large volumes of commuter traffic make Florida's Turnpike an attractive option to the motoring public in both rural and urban areas.

**Florida Population
2010 - 2014
(Millions)**

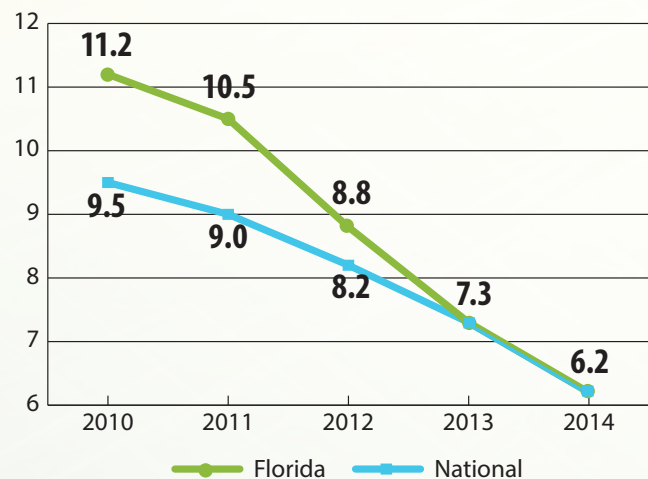


The Turnpike serves a large and diverse group of customers. These customers typically choose the Turnpike because it takes them to their destinations faster. Almost 60 percent use the Turnpike to drive to work or for business delivery. In addition, one in every four trips on the Turnpike is made for recreational or other infrequent activities. Furthermore, 95 percent of all Turnpike vehicles are

passenger cars. The remaining five percent include trucks and buses. Trucks cover a particularly wide range of vehicles from light trucks to the most heavily loaded coal, timber, and gravel haulers.

Since 2010, Florida's unemployment rate has rapidly declined. As of July 2014, Florida's unemployment rate was 6.2 percent, down 1.1 percentage points from 7.3 percent a year ago. The U.S. unemployment rate was also 6.2 percent in July. Florida's unemployment rate has been less than or equal to the national rate for 14 of the last 15 months. In fact, June marked the 47th consecutive month of positive annual job growth, with Florida's annual job growth rate exceeding the nation's rate since April 2012.

**Florida and U.S. Unemployment Rate
2010 - 2014
(Percent - as of July)**



Florida had more tourists than ever in 2013, according to VISIT FLORIDA®, the State's tourism agency. An estimated 94 million tourists visited Florida in 2013, a 2.4 percent increase over 2012, making it the third consecutive year of record numbers. Most Florida visitors were domestic, from other states and U.S. territories, and represented 1.5 percent of the increase. However, VISIT FLORIDA also reported a 4.1 percent increase in Canadian visitors to 3.7 million, as well as a 7.9 percent increase

VISIT FLORIDA® is a registered trademark of the Florida Tourism Industry Marketing Corporation.

in overseas visitors to 11.2 million. Additionally, the 2013 tourism number does not reflect the estimated 20 million in-state recreational trips taken by Florida residents.

For the first six months of 2014, a record 50.3 million people visited Florida. Calendar year 2014 is on pace to reach the Governor's goal of 100 million visitors. Tourism projections show visitation is expected to soar to 127 million tourists in 2020. Many of these visitors travel to and from tourist destinations in Florida utilizing Turnpike facilities. Tourism accounts for approximately 10 percent of the State's economy and continues to rise.



Florida is on pace to reach a record 100 million visitors in 2014

Florida Tourists 2009 - 2013 (Millions)



FUTURE NON-TOLL REVENUES

Concessions provide an additional source of revenue for the Turnpike, primarily from sales at eight service plazas along the Mainline. During fiscal year 2014, service plaza restaurant and concession sales totaled a record \$65.4 million. With the anticipated completion of the last two service plaza renovations,

Okahumpka and Port St. Lucie/Fort Pierce, by fiscal year 2016, concession revenue is projected to grow by 1.5 percent per year thereafter.

The Turnpike continues to seek new means of generating additional non-toll revenues through partnerships with the private sector. The Turnpike has contracts with third-party providers for sponsorship programs and advertisements on tollbooths and highway signage which provide for additional revenue. In addition, the Turnpike realizes revenues from the leasing of its communication towers which are utilized by cell phone providers. Non-toll revenues totaled \$7.1 million in fiscal year 2014.

Florida's Turnpike System Five-Year Revenue Forecast (Thousands)

Fiscal Year	Toll Revenue	Non-Toll Revenue	Total
2015	\$801,491	\$6,753	\$808,244
2016	827,135	6,818	833,953
2017	860,805	6,920	867,725
2018	909,214	7,023	916,237
2019	920,422	7,099	927,521

It is anticipated that toll revenues will continue to increase as a result of expansion and widening projects, normal traffic growth, and the annual indexing of toll rates. New toll roads include the acquisition of the Beachline East Expressway in fiscal year 2015 and the opening of the First Coast Expressway in fiscal year 2016. Widening projects include the addition of express lanes on the Veterans Expressway and SR 821 (HEFT) in fiscal year 2018 and Beachline West Expressway in fiscal year 2020. These projects and other System improvements will better serve the motoring public through increased capacity and enhanced mobility.

SERVING OUR CUSTOMERS

SERVICE PLAZAS

The Turnpike entered into a long-term agreement in April 2009 with a concessionaire for the operation and reconstruction of the eight Turnpike service plazas. Currently, six of the eight plazas have been renovated, and reconstruction of the final two plazas, Okahumpka and Port St. Lucie/Fort Pierce, began in fiscal year 2015.



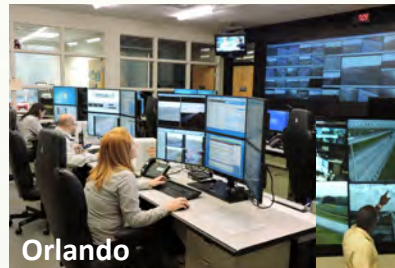
The newly renovated Canoe Creek Service Plaza in St. Cloud opened in fiscal year 2014 and offers travelers healthy dining options, a sunlit food court, shops, restrooms and fuel stations.

The service plazas are open 24 hours a day and offer customers healthy dining options, fuel stations, travel information, convenience stores, ATMs, premium coffee, dog walk areas, and other amenities. The Turnpike is committed to providing excellent service to its customers. Each year the Turnpike conducts customer satisfaction surveys to measure the quality of service, as well as the general appearance and cleanliness of restaurant buildings and fuel stations. For fiscal year 2014, 92 percent of survey respondents gave the Turnpike the highest rating, an improvement of four percentage points over last year. This increase can be attributed to the major capital investments recently made to the service plazas.



SAFETY AND ROADSIDE ASSISTANCE

Customer safety is the Department's number one priority. Florida's Turnpike relies on Intelligent Transportation System (ITS) equipment to monitor traffic in two Traffic Management Centers located along the Mainline in Pompano Beach at milepost 65 and Orlando at milepost 263. The TMC team works closely with the Florida Highway Patrol, the Road Rangers, towing vendors, FDOT Districts, "511" travel information providers, traffic media, construction and maintenance personnel, and other agencies to ensure customer safety and provide accurate and timely information. ITS equipment provides traffic engineers with up-to-date traffic information such as the speed of traffic, areas of congestion and incidents on the roadway. The TMC coordinates incident emergency response efforts in order to prevent secondary crashes and advise motorists of traffic conditions. During fiscal year 2014, the TMC managed over 127 thousand incidents with the help of one or more communication and safety partners.



Orlando

Staff at the TMCs continuously monitor the roadways.



Pompano



Easily Accessible Traffic Info:

- ✓ 511 mobile application
- ✓ *511 from your mobile device
- ✓ Online at www.FL511.com
- ✓ Twitter @fl511_turnpike
- ✓ Highway Advisory Radio 1640 AM
- ✓ Citizens Band Radio Alert System (CBRAS)



FLORIDA HIGHWAY PATROL

For decades, the Florida Highway Patrol's Troop K has provided for the safety and security of the Turnpike's roadways and service plazas. During fiscal year 2014, Troop K assisted nearly 48 thousand customers.



ROAD RANGER

The Turnpike's Road Ranger program, known as the State Farm Safety Patrol, travels Florida's Turnpike looking for stranded motorists, debris on the road, traffic accidents or other incidents. In fiscal year 2014, Road Rangers assisted nearly 47 thousand motorists and responded to approximately five thousand crashes.



Road Rangers assist more than 100 stranded motorists on the Turnpike System every day.

RAPID INCIDENT SCENE CLEARANCE (RISC)

RISC is a safety program that utilizes qualified towing companies to quickly clear major roadway obstructions, such as large vehicle crashes, rollovers, fires, or cargo spills. The program significantly reduces clearance times by providing an incentive to contractors for employing specialized recovery equipment and procedures. During fiscal year 2014, RISC towing contractors cleared 58 traffic incidents in an average of 77 minutes, well below the goal of 90 minutes.



Clearing roadway accidents quickly helps prevent secondary crashes.

SPECIALTY TOWING AND ROADSIDE REPAIR (STARR)

The STARR program facilitates safe, expedient, and efficient towing service for wrecked or disabled vehicles on the Turnpike Mainline. Qualified vendors are required to employ personnel with specialized training and industry-related certification. During fiscal year 2014, the vendors responded to more than six thousand calls dispatched by FHP and met their stated arrival time 91 percent of the time, with an average arrival time of approximately 20 minutes.



Timely and efficient towing services are essential for keeping traffic moving.

FDOT EMERGENCY RESPONSE TEAMS

FDOT Emergency Response Teams consist of trained employees who are deployed to service plazas to assist customers during emergencies. Each service plaza is equipped with industrial-size generators that can provide up to 72 hours of power. By having uninterrupted power, the public and emergency personnel are able to refuel their vehicles, have access to food and water during evacuations, and utilize restroom facilities.



Industrial-size generators provide uninterrupted power for up to 72 hours.



First to introduce incentive-based RISC program that offers bonuses to contractors for clearing accident sites within 90 minutes, minimizing traffic delays and revenue loss

SERVING OUR CUSTOMERS



First to sell transponders through retail outlets and from vending machines at Florida Welcome Centers



TRANSPONDERS

New SunPass slim portable and SunPass mini transponders are available for sale at nearly two thousand locations throughout Florida. In fiscal year 2014, two new retailers were added, Walgreens® and Amscot®. In cooperation with VISIT FLORIDA, the Turnpike now offers SunPass mini transponders in vending machines at welcome centers off major interstates. The transponders can be purchased using cash or credit card and then activated, mounted and ready for use in a matter of minutes. In addition, numerous outreach events were conducted to explain the benefits of SunPass, as well as to assist individuals with registration and activation of newly purchased transponders. Transponders can be activated via the SunPass website, at a Florida welcome center kiosk, or by calling a customer service representative at 1-888-TOLL-FLA. In fiscal year 2014, nearly 1.2 million transponders were sold.

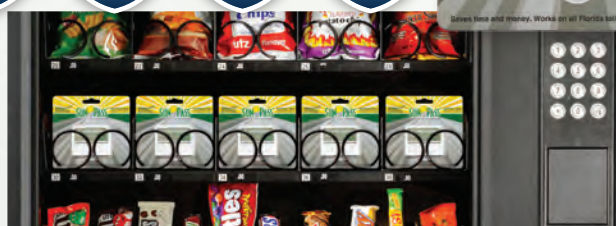


ACCOUNT PROGRAMS

Turnpike customers have the choice of two toll account programs: transponder-based and license plate-based (TOLL-BY-PLATE). The transponder-based program, SunPass, allows customers to establish a prepaid toll account with a corresponding transponder in their vehicle to record their transactions electronically at tolling points along the Turnpike System and other facilities, as well as pay for their parking at airports around the State. SunPass customers pay the lowest tolls available as SunPass toll rates are lower than cash and TOLL-BY-PLATE rates. Both the Turnpike and customers benefit from this form of electronic toll collection (ETC). The TOLL-BY-PLATE system captures license plate images as the vehicle passes through the tolling facility and matches the license plate to the registered owner of the vehicle. Customers who do not establish a prepaid account are invoiced for their tolls.

ACCOUNT PAYMENTS

The Turnpike offers its customers a variety of payment choices. Customers may establish recurring payments, as well as add money to their prepaid account using a credit card via the Web, a mobile application or by telephone. In addition, SunPass customers now have the opportunity to replenish SunPass accounts with cash at nearly 5,400 retail locations throughout the



State of Florida, including grocery, convenience and check cashing stores. In fiscal year 2014, more than 40 million replenishments were processed.

Customers without a prepaid account may pay toll invoices via the Web, telephone or mail.



First to offer reloadable cards to add funds to SunPass accounts

ACCOUNT MANAGEMENT

In fiscal year 2014, Turnpike customers took advantage of the free SmartPhone application to manage their prepaid toll accounts. SunPass customers are now able to view transponder or account activity for 90 days, modify vehicle information, and replenish their account with their previously stored credit card. The application was downloaded more than 91 thousand times in fiscal year 2014.

ADVANCES IN TOLL INTEROPERABILITY AND ELECTRONIC TOLL COLLECTION

Already interoperable with North Carolina Turnpike Authority, the Turnpike became interoperable with Georgia State Road and Tollway Authority in November 2014. Georgia Peach Pass and Cruise Card account holders are welcome to travel on all major toll roads in Florida. Likewise, SunPass and Florida interoperable agency customers are now able to travel on toll roads in either state and pay for tolls electronically. The Turnpike will continue to partner with other toll agencies to make progress towards national interoperability.

ETC participation increased from 80.9 percent in fiscal year 2013 to 81.4 percent in fiscal year 2014. In the next fiscal year, the Turnpike will convert several existing toll plazas to AET and upgrade the toll

equipment. With the planned conversion of additional Turnpike facilities to AET, it is anticipated that ETC participation will continue to grow.



The Turnpike became interoperable with the Georgia State Road and Tollway Authority in 2014.

The Turnpike processes toll transactions for FDOT-owned and FDOT-operated facilities, as well as several other Florida toll authorities. In fiscal year 2014, the Turnpike processed nearly 1.2 billion toll transactions, which represents 8 out of 10 toll transactions processed statewide. From low toll rates to ease of payment and from increasing accessibility to expanded use outside of Florida, there are numerous benefits of a being a SunPass customer.

ONE SERVICE CENTER

In collaboration with other Florida toll authorities, the Turnpike is engaged in the procurement of a new Centralized Customer Service System (CCSS). The CCSS will process customer transactions and manage customer accounts, with the goal of enhancing customer service and reducing costs by merging back-office operations. From a customer perspective, motorists utilizing any toll road in Florida will call one central number for all of their customer service needs.



A YEAR IN REVIEW



Opened the renovated \$18 million Canoe Creek Service Plaza complex located south of SR 528 at Milepost 229 in Osceola County

Completed \$4 million Mainline canal protection project in Lake County from north of JW Jones Rd. to north of CR 470



Completed \$23 million resurfacing and safety improvements on Suncoast Parkway in Pasco County



Completed \$19 million resurfacing of Polk Parkway from west of Lakeland Highlands Rd. to east of Braddock Rd. in Polk County

Began construction of safety project to provide a fire access road onto southbound Turnpike in Martin County at SR 76

**JULY
2013**

SEPTEMBER

NOVEMBER

AUGUST

OCTOBER

DECEMBER



Began construction of \$10 million SR 821 (HEFT) auxiliary lanes from NW 74th St. to NW 106th St.

Completed \$15 million resurfacing of SR 821 (HEFT) between SW 117th Ave. and Kendall Dr./SW 88th St. in Miami-Dade County

Funded \$95 million towards the First Coast Expressway, a Turnpike System expansion project, from Blanding Blvd. to I-10 in Clay and Duval counties



Completed \$2 million Orlando South Interchange improvement at Turnpike ramp and US 441/Orange Blossom Trail

Completed \$1 million heavy-truck turnaround on Mainline at Milepost 216 between Yeehaw Junction and Canoe Creek Service Plaza in Osceola County



Opened the \$391 million I-4 Connector AET facility in Hillsborough County providing a limited-access alternative route to and from downtown Tampa with truck lanes that provide direct access to and from the Port of Tampa

Let \$5 million resurfacing of Suncoast Parkway from Van Dyke Rd. in Hillsborough County to the Pasco County line



Let \$7 million resurfacing of Seminole Expressway from US 17/92 to I-4

Awarded \$2 million Seminole Expressway construction contract for safety improvements from US 17/92 to I-4

Awarded \$93 million construction contract for SR 821 (HEFT) widening from south of Killian Pkwy. to north of SW 72nd St. in Miami-Dade County

Awarded \$51 million construction contract for Veterans Expressway widening from south of Gunn Hwy. to Sugarwood Mainline Plaza

**JANUARY
2014**

MARCH

MAY

JUNE

FEBRUARY

APRIL



Let for construction \$4 million Mainline resurfacing from north of Atlantic Ave. to south of Boynton Beach Blvd. in Palm Beach County

Awarded \$1 million Suncoast Parkway construction contract for roadside safety improvements in Hillsborough County



Completed \$2 million canal protection project in Sumter County

Began construction of \$2 million Mainline ramp improvement at Okeechobee Blvd.



Contracted for \$14 million conversion of the Mainline to AET from Hollywood Blvd. to I-595

Let for construction \$27 million Turnpike Interchange at Milepost 251 in Orange County

LEADING WITH VISION

VALUES



Integrity - We always do what is right

Respect - We value diversity, talent and ideas

Commitment - We do what we say we are going to do

One FDOT - We are one agency, one team

Trust - We are open and fair

Customer Driven - We listen to our customers



Customer-focused - We provide customers premium value in return for their toll in order to encourage continued and increased usage of our facilities.

Results-oriented - Our success requires productivity and leadership from motivated managers and staff, focused on our Mission. The cornerstone of our organization is performance management.

Innovative - We value innovation and look for ways to become better, faster and more cost effective.

Entrepreneurial - Our business is to help meet the transportation needs of Florida. We will take prudent risks to achieve our Mission.

The Turnpike continues to make innovative commitments to drive growth and increase operating efficiencies. Florida's transportation infrastructure is interconnected and efficient, and supports the economic future of Florida.

During the next several years, the Turnpike will undertake many system projects, including new toll roads, widenings, interchanges, preservation, maintenance and safety projects. Such projects are designed to increase capacity, enhance the customer experience, provide consistent and reliable travel times, increase safety and provide new points of access to the transportation network. Many of the System improvements generate new

sources of revenue. The Turnpike also partners with other FDOT Districts, local toll authorities and municipalities as opportunities are identified.

NEW TOLL ROADS

Immediately subsequent to fiscal year 2014, the Turnpike acquired the Beachline East Expressway from the Department. The Beachline East Expressway, located in Orange and Brevard counties, is a major east-west corridor for the Greater Orlando region. The facility allows inter-regional travel by crossing county lines, serving several ports, and facilitating the movement of people and goods between I-95 and I-4. It is projected that this facility will generate \$5 million of toll revenue in fiscal year 2015.

Work commenced on the first phase of the First Coast Expressway in Jacksonville in 2013 and is on schedule to be completed in fiscal year 2016. This 15-mile, four-lane AET facility will link Blanding Boulevard in Clay County with I-10 in Duval County and is expected to provide significant employment opportunities as well as economic development in the area. The new toll project is being built in partnership with FDOT District Two and will allow the Turnpike to expand into a new region of the State. It is estimated that \$7 million of toll revenue will be generated in the first full year of operation.



SYSTEM IMPROVEMENT PROJECTS

The Turnpike has a number of road widening projects scheduled in the next several years. In fact, the largest component of the capital improvement plan is made up of widening projects designed to accommodate anticipated growth in traffic that will occur on key urban segments of the System over the next decade and beyond. Approximately \$1 billion of widening projects are scheduled in fiscal years 2015 through 2019.

In fiscal year 2015, three facilities will undergo widenings in preparation for the implementation of express lanes: the Veterans Expressway in Hillsborough County; SR 821 (HEFT) in Miami-Dade County; and the Beachline West Expressway in Orange County.



First to introduce an express lane concept on a turnpike facility

Turnpike express lanes, a type of managed lane, are a congestion management tool that will utilize a combination of driver choice and pricing to offer a transportation benefit. Toll rates will be established based on traffic volume, operating speeds and level of service. Rates are dynamic in that they adjust up or down based on the supply of free-flow traffic and the demand of the drivers. Express lanes are designed to be “there when you need them” meaning that drivers have a choice to stay in the general toll lanes or pay a nominal charge to use the express lanes. Future express lanes will provide free-flow for select lanes in the corridor.

In Central Florida, the Beachline West Expressway will be widened from four to eight lanes between I-4 and the Turnpike Mainline. The widening will add two express lanes in each direction. Auxiliary lanes between select interchanges will also be added. This widening will provide much needed capacity to improve travel conditions as the facility serves over 100 thousand customers every day.

In Hillsborough County, the Veterans Expressway will be widened from Memorial Highway to Van Dyke Road from four to eight lanes. As part of the widening, one express lane and one general toll lane will be added in each direction, with landscaping and noise wall improvements in select areas. Major bridge and stormwater drainage improvements will also be included.



Aerial view of Veterans Expressway widening from north of Barry Road to south of Linebaugh Road.

Farther south, various segments of SR 821 (HEFT) will undergo a variety of capacity improvements from SW 288th Street to SR 836. These improvements will enhance mobility along the largest and most heavily populated urban area in the State, with more than one-half million customers traveling this facility on a daily basis. The initial phase of express lanes will be opened in fiscal year 2016. Additional capacity improvements north of SR 836 to I-75 will commence in fiscal year 2018.

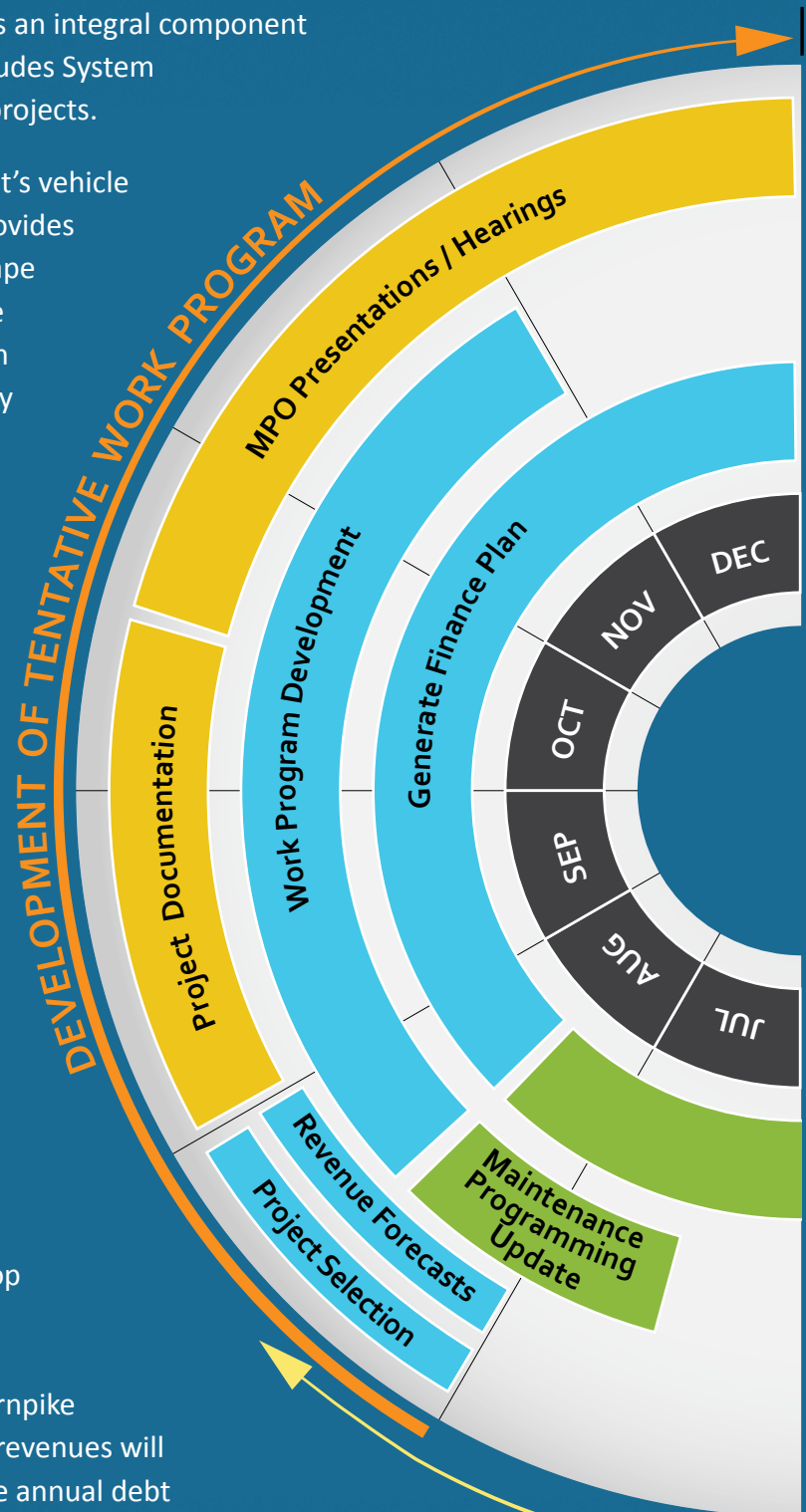
WORK PROGRAM DEVELOPMENT

The Turnpike's comprehensive Capital Plan is an integral component of the Department's Work Program and includes System improvement, expansion and preservation projects.

The Work Program serves as the Department's vehicle for infrastructure investment planning. It provides the flexibility to adjust to a changing landscape and includes strategic investments to ensure the mobility of people and goods resulting in sustained economic health and a high quality of life throughout the State. The Capital Plan is funded from a combination of bond proceeds and toll and concession revenues. For fiscal years 2015 through 2019, the program includes approximately \$3.6 billion of planned commitments.

As part of the Turnpike's rigorous planning process, the Turnpike studies potential projects to assess their feasibility and ultimately considers four factors when making a recommendation to incorporate a new expansion project into the Work Program. The criteria include project need, environmental impacts, local support, and financial feasibility.

To ensure financial stability of the Program, the Turnpike is statutorily required to develop a balanced finance plan for projects funded by Turnpike revenues and bond proceeds. For bond-funded expansion projects, the Turnpike must also demonstrate that the project net revenues will be sufficient to pay at least 50 percent of the annual debt service on the bonds associated with the project by the end of the 12th year of operation and to pay 100 percent of the debt service on the bonds by the end of the 30th year.



The Turnpike consistently expands and reinvests in the System

The identification of projects is primarily based on System needs, but is also a cooperative process designed to foster involvement by all users and partners of the System, including the business community, Metropolitan Planning Organizations (MPOs), local governments, and the traveling and general public.

Potential projects include those that increase capacity, provide new points of access, improve traffic operations, enhance safety, preserve the existing System, and promote economic development.

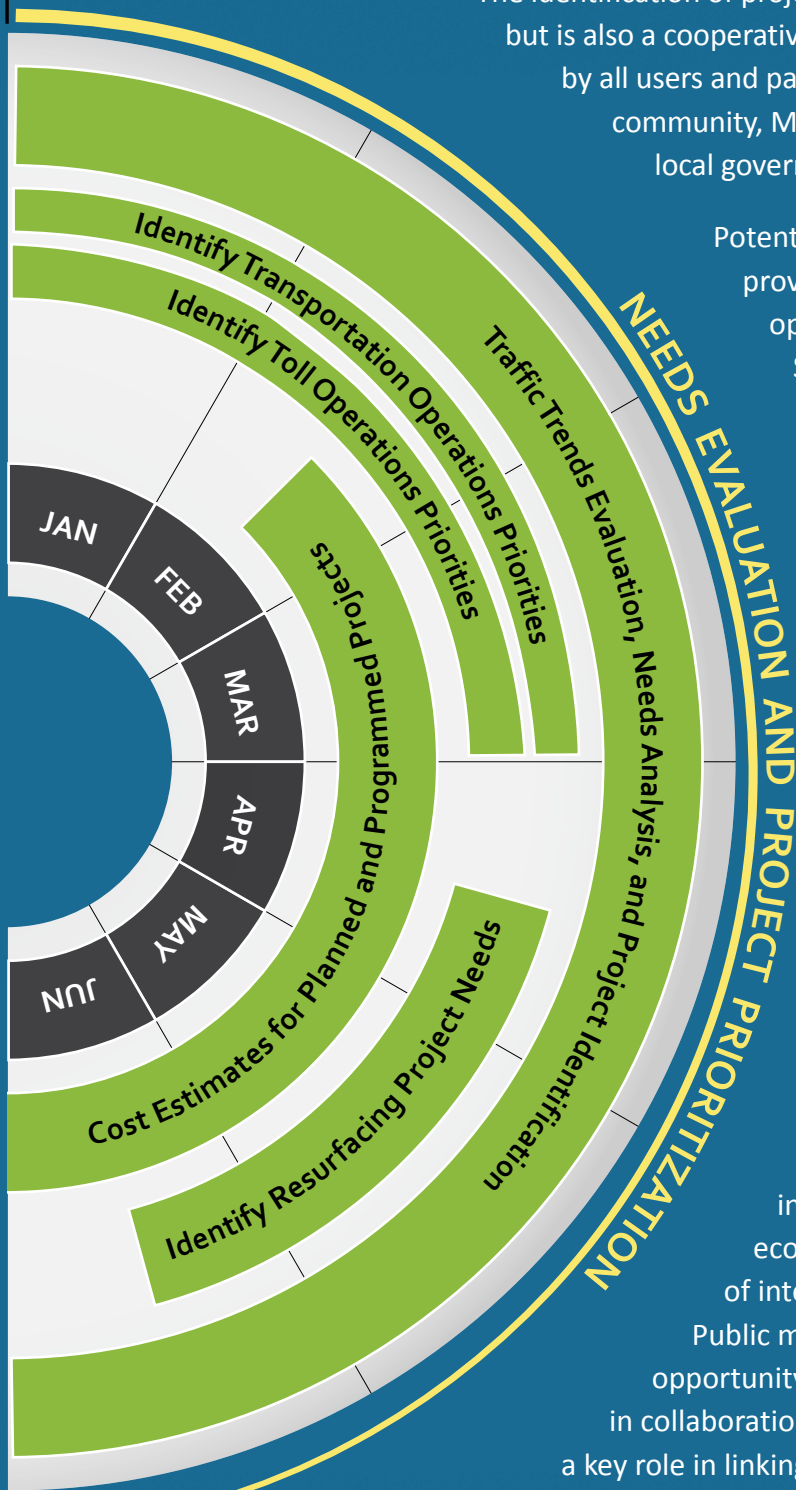
The Turnpike regularly analyzes future traffic forecasts for all facilities that comprise the System. As expansion projects are identified and deemed feasible, they are considered for inclusion in the Work Program.

While it is important to select projects that are required to better manage traffic, mitigating or avoiding impacts to the environmental footprint is critical.

In compliance with local, state and federal laws, the Turnpike's multidisciplinary team of engineers and scientists study how a project may affect the lives of nearby residents and businesses, as well as the impacts on the natural and physical environments.

The fundamental objective of public involvement is to ensure that the social, economic and environmental concerns of interested parties are identified and addressed. Public meetings provide such a forum and provide an opportunity for early input and coordination. The Turnpike, in collaboration with MPOs and local governments, serves

a key role in linking transportation projects with neighboring communities. In fiscal year 2014, nearly 60 public meetings were conducted demonstrating the Turnpike's commitment to providing local communities the ability to provide input into the development of the Work Program.



LEADING WITH VISION

In addition to the numerous planned capacity improvements, the Turnpike, in partnership with local agencies, will develop new points of access on the existing System.

Beginning in fiscal year 2015 and continuing through 2017, the Turnpike, in coordination with CFX, will construct a tolled interchange on the Turnpike Mainline at Milepost 251 where it intersects SR 417 in Orange County. This interchange will provide a direct connection between the Turnpike and SR 417. The interchange will benefit motorists by improving access to and from SR 417, the Turnpike and numerous Central Florida destinations, including tourist attractions, the Orlando International Airport and the Lake Nona medical district. The interchange is projected to serve more than 13 thousand vehicles per day. In conjunction with the interchange project, the Turnpike will widen the Mainline from four to eight lanes to include express lanes from the Osceola County line north to the Beachline West Expressway in Orange County.

In fiscal year 2015, the Turnpike is partnering with the City of Minneola to construct a new tolled interchange on the Turnpike Mainline at Milepost 279. This project will relieve congestion at the adjacent Turnpike Mainline interchanges at SR 50 (Milepost 272) and US 27 (Milepost 285) and will provide better access to the Mainline in anticipation of economic development in the area. The interchange is anticipated to be open to traffic in fiscal year 2017 and is expected to generate approximately \$3 million per year in toll revenue.

Continuing in fiscal year 2015 through 2019, interchange modifications and improvements will be made at Sunrise Boulevard in Broward County; I-75 in Sumter County; Golden Glades and Campbell Drive in Miami-Dade County; and Coral Ridge Drive in Broward County.

Complementing the comprehensive System improvement plan, the Turnpike continues to ensure all existing System components are maintained to a high standard.



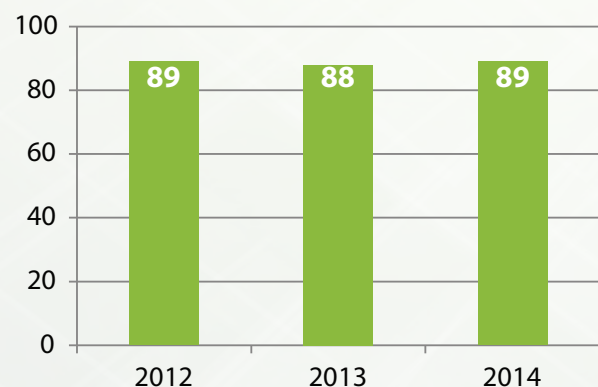
Florida is the best in the nation for quality of roadways and bridges¹

SYSTEM MAINTENANCE, PRESERVATION AND SAFETY PROJECTS

As one of the best-maintained roadways in the country, the Turnpike's maintenance and asset management programs are comprehensive in nature. These programs consist of periodic roadway resurfacing and preservation projects on existing facilities. Most Turnpike roads are resurfaced every 10 to 12 years. The Turnpike's various maintenance teams keep facilities and roads open to the traveling public, remove debris, and conduct pre-storm and post-storm inspections in the event of a disaster.

The Turnpike also participates in the State's Maintenance Rating Program (MRP). The Office of the State Maintenance Engineer performs a sampling of five specific areas to develop the maintenance rating for roadways on the state highway system. The ratings cover roadway, roadside, vegetation and aesthetics, traffic services and drainage. With an overall rating of 89 for fiscal year 2014, the Turnpike continues to exceed the benchmark rating of 80. In keeping with its high standards, the Turnpike establishes routine maintenance funding levels to provide its customers with a safe and comfortable journey.

Maintenance Rating Fiscal Years 2012 - 2014



¹ National Economic Council and the President's Council of Economic Advisers, July 2014 Report.

In fiscal years 2015 through 2019, the Turnpike has programmed \$88 million to resurface 252 lane miles of existing System roads along the Turnpike Mainline, Beachline Expressway and SR 821 (HEFT).

Customer safety is of the utmost importance at the Turnpike, and the comprehensive safety improvement program reflects this commitment. The safety program includes a wrong-way driver detection pilot project.



Illuminated signs alert drivers of wrong-way entry.

Wrong-way driving collisions occur infrequently, but when they do occur, the results can be devastating. Last year, the Turnpike conducted an analysis to identify high-risk locations for the implementation of a wrong-way driver detection pilot project. Two locations were identified — the northern section

of SR 821 (HEFT) and the southern section of the Sawgrass Expressway.

In fiscal year 2015, phase one began with the installation of oversized signs and wrong-way pavement arrows at each exit ramp within the pilot project corridors. During the second phase, new vehicle-alert technology will be installed. The new devices have the ability to detect wrong-way vehicles and send alerts to the Traffic Management Center. In the third phase, new ramp technology involving detection, cameras and solar-powered LED lights that flash in the eyes of wrong-way drivers will be installed. Phases two and three are scheduled to be completed by the end of fiscal year 2015. In the final phase, the new technologies will be integrated into the TMC's SunGuide software, the statewide traffic management platform. The pilot will be conducted for a period of two years and the

effectiveness of the countermeasures will be evaluated prior to implementation at additional locations along the Turnpike.

Fiscal year 2014 commemorates the 10th year since the inception of the Turnpike Mainline Safety Program. Over the last decade, the Turnpike has made significant safety improvements with the installation of median guardrails and barrier systems in locations where canals and other bodies of water run alongside Turnpike facilities.

Median guardrails have greatly reduced fatal cross-over accidents. Since 2004, more than 200 miles of new guardrails have been installed, in addition to 300 miles of canal protection safety barriers. Prior to the guardrail improvements, fatalities occurring on the Turnpike Mainline from median cross-over accidents averaged more than 20 per year. After the improvements, fewer than four such fatalities have occurred annually.



Median guardrails are saving lives.

It is estimated that a total of \$118 million has been invested in guardrail and barrier safety enhancements. Florida's Turnpike is committed to creating a safe environment for all motorists.

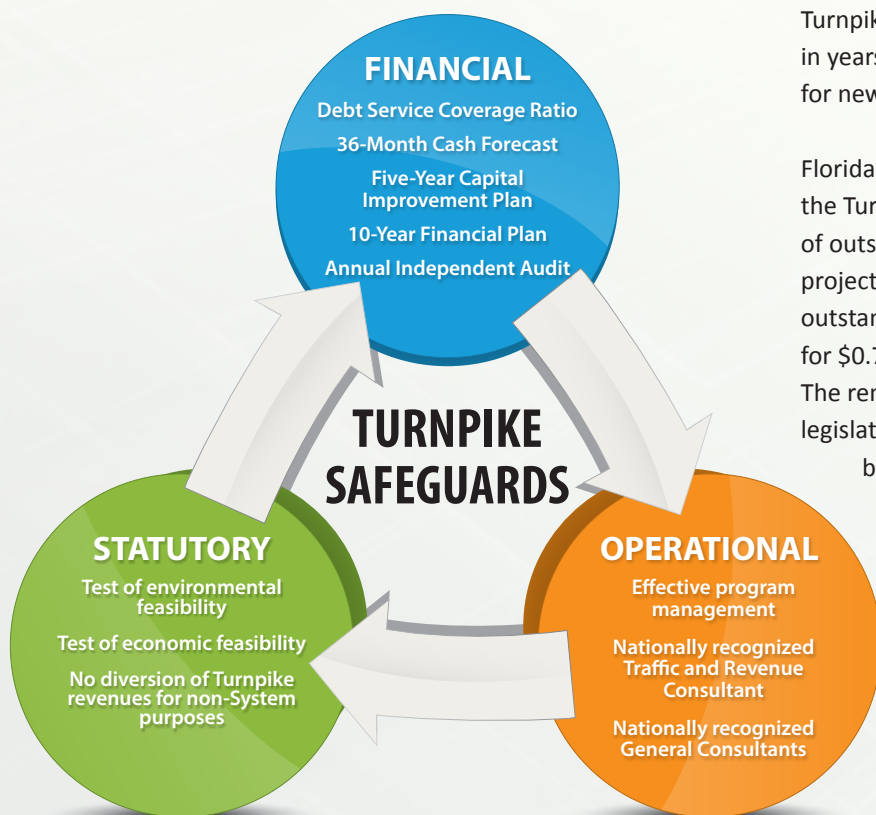
In the next three years, 112 miles of barrier protection will be installed along the roadway in Okeechobee, Broward, Polk, St. Lucie, Sumter, Palm Beach, Indian River, Osceola and Orange counties.

FINANCIAL INFORMATION

Turnpike management is responsible for safeguarding the System's assets and its financial position. At the end of fiscal year 2014, total assets reached a record high of \$10.3 billion. The Turnpike is self-sustaining from funds generated by toll and concession revenues, issuance of toll revenue bonds and investment income. The revenues of the Turnpike System are pledged to repay Turnpike bonds. The revenues and expenses of other facilities owned or operated by the Department that are not part of the Turnpike System are accounted for separately.

SAFEGUARDS AND INTERNAL CONTROLS

A number of program safeguards are in place to protect the Turnpike System including statutory and bond covenant requirements as reflected in the accompanying graphic. Turnpike management is responsible for establishing a system of internal controls over financial reporting. Management believes the existing internal control structure is such that employees would prevent, or detect and correct, in the normal course of performing their duties, a material misstatement in a timely manner.



DEBT MANAGEMENT, ISSUANCE, AND COVERAGE

The Turnpike System pledges revenue from the existing System in addition to revenues projected from new facilities when issuing bonds to construct new projects. Since opening to traffic in 1957, the Turnpike System has generated sufficient revenue to construct improvements and expansions, operate and maintain the System, and meet all debt service requirements.

During fiscal year 2014, the Turnpike took advantage of favorable interest rates by issuing new money bonds. Additionally, refunding bonds were issued resulting in a decrease of approximately \$40.1 million in future debt service costs. The Turnpike issued \$206.0 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2013B, to refund the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2003A, maturing in 2014 through 2022. The Turnpike also issued \$267.4 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2013C, to refund all of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2004A, maturing in years 2015 through 2026 and to provide proceeds for new construction.

Florida Statutes Section 338.2275 authorizes the Turnpike System to issue up to \$10 billion of outstanding revenue bonds to fund approved projects. Currently, \$2.9 billion of bonds are outstanding with a five-year Capital Plan that calls for \$0.7 billion of additional bonds to be issued. The remaining statutory limit will provide the legislative authority for the Turnpike to expand beyond the current five-year Work Program.

The Turnpike continues to maintain a healthy debt service coverage ratio due to lower expenses in recent years and the indexing of toll rates. For fiscal year 2014, the Turnpike's net debt service coverage of 2.7 exceeded the 1.2 minimum requirement under the bond covenant.

FINANCIAL RATINGS AND ACHIEVEMENTS

During fiscal year 2014, the Turnpike maintained industry leading bond ratings from all three nationally recognized bond rating agencies for its outstanding bonded debt. The agencies attribute these ratings to the consistently strong financial performance of the Turnpike and management's commitment to controlling expenditure growth.



Turnpike maintains a "double A" credit rating

Fitch Ratings

AA-

*"The rating reflects the mainline's standing as a major turnpike with history of strong traffic and increasing revenues and the strength of its service area."
- December 2014*

Moody's Investors Service

Aa3

"The stable outlook reflects Moody's view that the turnpike's fundamental strengths and improving Florida economic outlook coupled with a new tolling policy will support financial metrics in line with historic performance despite expected future leverage." - July 2014

Standard & Poors Ratings Services

AA-

"The stable outlook reflects our expectation that management will maintain strong financial margins and a strong liquidity position." - July 2014

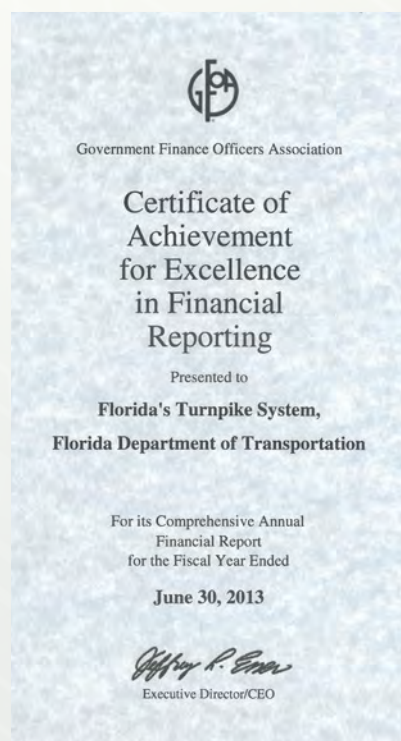
CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Turnpike for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the 22nd consecutive year that the Turnpike achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



One of the few toll agencies to receive the GFOA award for more than two decades



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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 year ended June 30, 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 audit. We conducted our audit 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 2014 financial statements referred to above present fairly, in all material respects, the financial position of the System, as of June 30, 2014, and the change in financial position and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Prior Auditors*

The financial statements of Florida's Turnpike System, as of and for the year ended June 30, 2013, were audited by other auditors whose report dated October 31, 2013 expressed an unmodified opinion on those statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not required part of the basic financial statements.

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

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

Orlando, Florida
October 27, 2014

FLORIDA'S TURNPIKE SYSTEM

DEPARTMENT OF TRANSPORTATION

STATE OF FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEARS ENDED JUNE 30, 2014 AND 2013

As management of Florida's Turnpike System ("Florida's Turnpike," "Turnpike," or the "System"), we offer readers of our annual financial report this narrative overview of the financial activities of the System for the fiscal years ended June 30, 2014 and 2013. 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

- The System's total revenues were \$835.4 million and \$777.0 million for fiscal year 2014 and 2013, respectively. Fiscal year 2014 revenues increased \$58.4 million (7.5%) from the prior year and fiscal year 2013 revenues increased \$126.8 million (19.5%) from fiscal year 2012.
- The System's total expenses were \$364.0 million and \$391.4 million for fiscal years 2014 and 2013, respectively. Fiscal year 2014 total expenses decreased \$27.4 million (7.0%) from the prior year, and fiscal year 2013 total expenses increased \$13.4 million (3.5%) from fiscal year 2012.
- The System's net position totaled \$6,864.3 million and \$6,078.8 million as of June 30, 2014 and 2013, respectively. Increases of \$785.5 million (12.9%) and \$386.8 million (6.8%) from each of the prior fiscal years indicate solid growth in the System's financial position.
- The System's total capital assets, net of accumulated depreciation and amortization, amounted to \$9,015.3 million and \$8,170.5 million as of June 30, 2014 and 2013, respectively. Increases of \$844.8 million (10.3%) and \$365.8 million (4.7%) from each of the prior fiscal years signify continued investments in capital assets.

USING THIS ANNUAL REPORT

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

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 cash receipts and cash payments, or, in other words, the sources and uses of the System’s cash and the change in cash balance during the fiscal year. The direct method of cash flows is presented, ending with a reconciliation of operating income to net cash provided by operating activities.

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

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

FINANCIAL ANALYSIS

Net position serves as an indicator of the strength of the System’s financial status. The System’s net position as of June 30, 2014 and 2013 was \$6.9 billion and \$6.1 billion, an increase of \$785.5 million and \$368.8 million, respectively, as compared to the prior fiscal year. The fiscal year 2014 increase is primarily due to the completion of the \$311.3 million I-4 Connector expansion project which opened in January 2014. In addition to the expansion project, increases in net position were also attributed to the positive operating results for the two years which were invested in the System’s capital assets (land, infrastructure, buildings, etc.), less any related outstanding debt used to acquire those assets (see Table 1). The System uses these capital assets to provide services to customers. Although the System’s investment in capital assets is reported net of related debt, it should be noted that the revenues collected by the System are utilized to repay this debt in accordance with the bond resolution.

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

	As of June 30,		
	2014	2013	2012
Current and other assets	\$ 894.2	\$ 731.2	\$ 728.1
Noncurrent restricted assets	262.8	283.1	369.0
Capital assets—net of accumulated depreciation and amortization	9,015.3	8,170.5	7,804.7
Noncurrent assets	<u>76.9</u>	<u>82.3</u>	<u>-</u>
Total assets	<u>10,249.2</u>	<u>9,267.1</u>	<u>8,901.8</u>
Deferred outflows of resources	<u>40.5</u>	<u>40.1</u>	<u>28.0</u>
Total assets and deferred outflows of resources	<u>10,289.7</u>	<u>9,307.2</u>	<u>8,929.8</u>
Current liabilities	305.4	186.8	273.8
Long-term debt outstanding and other liabilities	<u>2,974.9</u>	<u>2,901.3</u>	<u>2,964.0</u>
Total liabilities	<u>3,280.3</u>	<u>3,088.1</u>	<u>3,237.8</u>
Deferred inflows of resources	<u>145.1</u>	<u>140.3</u>	<u>-</u>
Net position:			
Net investment in capital assets	6,110.3	5,339.1	5,051.5
Restricted	121.0	149.6	166.2
Unrestricted	<u>633.0</u>	<u>590.1</u>	<u>474.3</u>
Total net position	<u>6,864.3</u>	<u>6,078.8</u>	<u>5,692.0</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 10,289.7</u>	<u>\$ 9,307.2</u>	<u>\$ 8,929.8</u>

Due to the implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in fiscal year 2014, bond refunding losses previously included in long-term debt are now classified as deferred outflows of resources. The change has been applied to all years presented.

A portion of the System's net position represents resources subject to bond covenants or other restrictions. Funds maintained in these accounts include bond sinking fund requirements and debt service reserve requirements. As of June 30, 2014 and 2013, net position subject to these restrictions totaled \$121.0 million and \$149.6 million, respectively. 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. For fiscal year 2013, this represents a decrease of \$16.6 million from the prior year. This change is primarily due to a decrease in net position restricted for renewals and replacement. Additional information on the System's debt service funding can be found in Note 9 to the financial statements.

Unrestricted net position of \$633.0 million and \$590.1 million as of June 30, 2014 and 2013, respectively, represent 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 improvements scheduled in the System's work program and to support the ongoing operations of the System. For fiscal year 2014, this represents an increase of \$42.9 million from the prior year. This change is primarily due to an increase in total net revenues. For fiscal year 2013, this represents an increase of \$115.8 million from the prior year that is primarily due to an increase in total net revenues.

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

	For the Year Ended June 30,		
	2014	2013	2012
Operating revenues from toll facilities	\$ 796.3	\$ 755.5	\$ 608.8
Operating revenues from concessions and other sources	12.1	12.5	11.4
Nonoperating investment earnings	21.5	3.3	24.1
Nonoperating interest subsidy	5.5	5.7	5.9
Total revenues	835.4	777.0	650.2
Operations and maintenance expense	(155.7)	(156.2)	(171.0)
Business development and marketing expense	(1.6)	(1.2)	(2.7)
Renewals and replacements expense	(62.7)	(81.9)	(44.1)
Depreciation and amortization expense	(35.4)	(35.1)	(31.0)
Nonoperating interest expense	(91.5)	(109.2)	(125.8)
Other nonoperating expense—net	(17.1)	(7.8)	(3.4)
Total expenses	(364.0)	(391.4)	(378.0)
Income before contributions for capital projects and contributions to other governments	471.4	385.6	272.2
Contributions for capital projects	314.1	1.2	2.3
Contributions to other governments	-	-	(5.6)
Increase in net position	785.5	386.8	268.9
Net position:			
Beginning of year	6,078.8	5,692.0	5,423.1
End of year	<u>\$ 6,864.3</u>	<u>\$ 6,078.8</u>	<u>\$ 5,692.0</u>

Total revenues for fiscal year 2014 were \$835.4 million, representing an increase of \$58.4 million compared to fiscal year 2013. This resulted primarily from an increase in toll revenues. Fiscal year 2014 reflected the second full year effect of the implementation of Section 338.165(3), Florida Statutes, requiring the Department to index toll rates on existing toll facilities. The toll rates were indexed by the annual CPI of 2.1%. Correspondingly, toll transactions increased 27.3 million to nearly 700 million transactions for the year

ended June 30, 2014. 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 Florida's Turnpike an attractive option to the motoring public in both rural and urban areas. Customers perceive the value of the Turnpike's well-maintained limited-access roadways and its high level of service. Total revenues for fiscal year 2013 were \$777.0 million, representing an increase of \$126.8 million compared to fiscal year 2012. This resulted primarily from an increase in toll revenues as fiscal year 2013 reflected the first full year of indexing toll rates.

Total expenses (including depreciation and amortization expense) for fiscal year 2014 were \$364.0 million, a decrease of \$27.4 million compared to fiscal year 2013. The decrease is primarily due to a decrease in renewals and replacements and a continued decline in operations and maintenance costs achieved through a continued decline in labor costs and increased efficiencies in new maintenance contracts. Total expenses (including depreciation and amortization expense) for fiscal year 2013 were \$391.4 million, an increase of \$13.4 million compared to fiscal year 2012. The increase is primarily due to renewals and replacements and decrease in operations and maintenance expense. 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 year 2014. (See the required supplementary information included after the Notes to Financial Statements.)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets — As of June 30, 2014 and 2013, the System reported approximately \$9.0 billion and \$8.2 billion, respectively, in constructed, purchased, and donated capital assets (net of accumulated depreciation and amortization), which was \$844.8 million and \$365.8 million higher than the prior years. The increase in 2014 included the completion of the \$311.3 million I-4 Connector expansion project. Other additions over the past two year 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 three groups: construction work in progress; those not subject to depreciation and amortization, such as land, infrastructure, and buildings associated with the service concession arrangement (SCA); and those assets subject to depreciation and amortization such as buildings and improvements, furniture and equipment, and intangible assets.

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

	As of June 30,		
	2014	2013	2012
Infrastructure	\$ 6,878.5	\$ 6,432.8	\$ 6,311.6
Construction in progress	950.6	598.9	399.2
Land	892.9	866.6	863.4
Buildings	60.3	49.0	-
Buildings and improvements—net	132.1	132.5	142.8
Furniture and equipment—net	88.0	71.3	59.4
Intangible assets—net	12.9	19.4	28.3
Total capital assets—net	<u>\$ 9,015.3</u>	<u>\$ 8,170.5</u>	<u>\$ 7,804.7</u>

Due to the implementation of Governmental Accounting Standards Board Statement No. 60 – *Accounting and Financial Reporting for Service Concession Arrangements* in fiscal year 2013, capital assets which meet the criteria of this Statement are not subject to depreciation. The System acquired buildings and infrastructure as part of this arrangement and have recorded them as non-depreciable assets. See Note 5 – *Capital Assets* and Note 11 – *Deferred Inflows of Resources* for the disclosures related to this Statement.

For fiscal years ended 2014 and 2013, major additions of capital assets, including those in progress, were as follows (in millions):

	2014	2013
Expansion projects	\$ 430.2	\$ -
Interchange and access projects	192.9	99.2
Widening and capacity improvements	170.4	61.9
All-Electronic Tolling improvements	94.8	54.3
Safety improvements	17.3	10.7
Intelligent transportation systems enhancements	1.1	-
Service plaza improvements	-	1.8
Total	<u>\$ 906.7</u>	<u>\$ 227.9</u>

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; conversion of a section of the Southern Coin (Golden Glades toll plaza to mile post 53) and the Veterans Expressway to All Electronic Tolling; a widening of the Veterans Expressway in Hillsborough County; widening of the SR 821 (HEFT) in Miami-Dade County; as well as improvements to two service plazas along the Mainline.

Planned commitments for the fiscal year ending June 30, 2015 include \$403.7 million of widening and capacity improvement projects on SR 821 (HEFT), Beachline West Expressway, and Veterans Expressway; \$165.0 million of interchange projects in Central and Southern Florida; and \$60.0 million for the acquisition of the Beachline East Expressway. 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.

Noncurrent Liabilities — At the end of fiscal year 2014, the System had outstanding revenue bonds (net of unamortized premiums/discounts) 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 in scheduled repayments of principal on outstanding bonds and current year refundings.

At the end of fiscal year 2013, the System had outstanding revenue bonds (net of unamortized premiums) and other noncurrent liabilities payable totaling \$2.9 billion. This amount represents a decrease of the System's long-term debt obligations by \$62.7 million from June 30, 2012. This decrease was primarily due to the scheduled repayments 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 revenue bonds to fund approved projects. As of June 30, 2014, the System has \$2.9 billion of outstanding revenue bonds related to the financing of the construction of expansion projects and system improvements.

The System issues revenue bonds to fund expansion and improvement projects in accordance with Turnpike Debt Management Guidelines. Pursuant to these guidelines, the System typically issues 30-year fixed-rate bonds. Bonds are issued to fund projects with an expected useful life not less than the term of the bonds. The System does not issue bonds for operations and maintenance costs. Bonds are issued through the State Board of Administration (SBA), Division of Bond Finance, in accordance with s.11(d), Article VII of the State Constitution. Turnpike revenue bonds are only issued for projects included in the System's legislatively (Section 339.135 (4), F.S.) approved Work Program.

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

The resolution authorizing the issuance of Turnpike revenue bonds requires a debt service reserve be established in an amount as defined in the resolution. The Turnpike is fully funded for fiscal years 2014 and 2013. Additional information on the System's debt service reserve requirements can be found in Note 9 to the financial statements.

The System currently holds an "AA-" rating from Standard & Poor's Ratings Services, an "Aa3" rating from Moody's Investors Service, and an "AA-" rating from Fitch Ratings for its bond issues. The System's debt service coverage ratio increased to 2.72 for fiscal year 2014 over the fiscal year 2013 ratio of 2.51. This change is primarily due to an increase of \$40.4 million of net operating revenues available for debt service. This coverage ratio exceeds the 1.2 minimum debt service coverage as required by the covenants.

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

	As of June 30,		
	2014	2013	2012
Revenue bonds (backed by System revenues)	\$ 2,795.7	\$ 2,761.6	\$ 2,812.9
Advances payable to the Florida Department of Transportation	125.9	139.1	148.9
Other noncurrent liabilities	<u>53.3</u>	<u>0.6</u>	<u>2.2</u>
Total noncurrent liabilities	<u>\$ 2,974.9</u>	<u>\$ 2,901.3</u>	<u>\$ 2,964.0</u>

Economic Conditions and Outlook — Over the past three years, Florida's economy has expanded at a steady pace. The catalysts for this improvement are a significant decline in the unemployment rate and record volumes of tourists visiting Florida each year. As a result, commuter, recreational and commercial traffic is expected to continue to grow beyond 2014.

Fiscal year 2014 toll revenues reflect the statutorily required toll rate index. On July 1, 2014 the SunPass and TOLL-BY-PLATE rates were adjusted by the annual CPI index of 1.5%. Management believes that fiscal year 2015 toll revenues will be more than sufficient to meet its obligations for debt service, operating and maintenance costs, and the preservation of the System.

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.

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

**BALANCE SHEETS
JUNE 30, 2014 AND 2013
(In thousands)**

	2014	2013
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
ASSETS		
CURRENT ASSETS:		
Pooled cash and cash equivalents (Note 3)	\$ 857,410	\$ 679,346
Receivables:		
Accounts	8,480	9,162
Interest	1,404	906
Due from other governments (Note 4)	17,542	25,268
Inventory	2,511	1,735
Other assets	6,904	1,855
Total current assets	894,251	718,272
NONCURRENT ASSETS:		
Unrestricted investments	176	-
Restricted assets:		
Restricted cash and cash equivalents (Note 3)	70,949	69,594
Restricted investments (Note 3)	191,729	213,526
Total restricted assets	262,854	283,120
Nondepreciable capital assets (Note 5):		
Construction in progress	950,605	598,831
Land	892,855	866,624
Buildings	60,367	48,981
Infrastructure — highway system and improvements	6,878,491	6,432,812
Total nondepreciable capital assets	8,782,318	7,947,248
Depreciable capital assets (Note 5):		
Buildings and improvements	247,177	247,870
Furniture and equipment	178,682	151,261
Intangible assets	44,776	41,941
Less accumulated depreciation and amortization	(237,642)	(217,777)
Total depreciable capital assets — net	232,993	223,295
Fiscal charges — net	-	12,818
Service concession arrangement receivable (Note 11)	76,751	82,308
Total noncurrent assets	9,354,916	8,548,789
Total assets	10,249,167	9,267,061
Deferred outflows of resources	40,542	40,102
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 10,289,709	\$ 9,307,163

(Continued)

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

**BALANCE SHEETS
JUNE 30, 2014 AND 2013
(In thousands)**

	2014	2013
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
LIABILITIES:		
Current liabilities:		
Construction contracts and retainage payable	\$ 154,314	\$ 36,199
Current portion of bonds payable (Notes 9, 10)	119,240	117,220
Due to Florida Department of Transportation (Notes 7, 8, 10, 14)	31,320	32,814
Due to other governments	88	106
Deposits payable	229	200
Unearned revenue	275	249
	<u>305,466</u>	<u>186,788</u>
Total current liabilities		
Noncurrent liabilities:		
Long-term portion of bonds payable — net of premiums of \$125,405 and \$106,559, respectively (Notes 9, 10)	2,795,715	2,761,634
Advances payable to Florida Department of Transportation (Notes 8, 10, 14)	125,879	139,121
Unearned revenue from other governments (Note 10)	550	600
Other long-term liabilities (Note 10)	52,725	-
	<u>2,974,869</u>	<u>2,901,355</u>
Total noncurrent liabilities		
Total liabilities	<u>3,280,335</u>	<u>3,088,143</u>
Deferred inflows of resources (Note 11)	<u>145,120</u>	<u>140,259</u>
NET POSITION:		
Net investment in capital assets	6,110,327	5,339,106
Restricted for debt service	108,317	138,716
Restricted for renewal and replacement	12,608	10,830
Unrestricted	633,002	590,109
	<u>6,864,254</u>	<u>6,078,761</u>
Total net position		
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u><u>\$ 10,289,709</u></u>	<u><u>\$ 9,307,163</u></u>

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

(Concluded)

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

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)**

	2014	2013
OPERATING REVENUES:		
Toll facilities	\$ 796,301	\$ 755,542
Concessions	7,139	7,515
Other	<u>4,934</u>	<u>4,928</u>
Total operating revenues	<u>808,374</u>	<u>767,985</u>
OPERATING EXPENSES:		
Operations and maintenance	155,696	156,185
Business development and marketing	1,647	1,203
Renewals and replacements	62,684	81,912
Depreciation and amortization (Note 5)	<u>35,419</u>	<u>35,165</u>
Total operating expenses	<u>255,446</u>	<u>274,465</u>
OPERATING INCOME	<u>552,928</u>	<u>493,520</u>
NONOPERATING REVENUES (EXPENSES):		
Investment earnings	21,547	3,327
Interest subsidy (Note 9)	5,515	5,685
Interest expense	(91,539)	(109,188)
Other — net	<u>(17,104)</u>	<u>(7,783)</u>
Total nonoperating expenses — net	<u>(81,581)</u>	<u>(107,959)</u>
INCOME BEFORE CONTRIBUTIONS FOR CAPITAL PROJECTS AND CONTRIBUTIONS TO OTHER GOVERNMENTS	471,347	385,561
CONTRIBUTIONS FOR CAPITAL PROJECTS (Note 13)	<u>314,146</u>	<u>1,224</u>
INCREASE IN NET POSITION	785,493	386,785
NET POSITION:		
Beginning of year	<u>6,078,761</u>	<u>5,691,976</u>
End of year	<u>\$ 6,864,254</u>	<u>\$ 6,078,761</u>

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

FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
OPERATING ACTIVITIES:		
Cash received from customers	\$ 805,235	\$ 752,021
Cash payments to suppliers for goods and services	(214,309)	(237,956)
Cash payments to employees	(15,661)	(14,320)
Other operating revenues	<u>10,264</u>	<u>9,425</u>
Net cash provided by operating activities	<u>585,529</u>	<u>509,170</u>
CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from the issuance of revenue bonds	521,373	542,148
Proceeds from 2009B Build America Bonds interest subsidy	5,515	5,685
Principal paid on revenue bond maturities	(111,425)	(111,680)
Interest paid on revenue bonds	(133,627)	(137,623)
Payments for bond issuance costs	(1,557)	(3,103)
Payments for advance refunding of revenue bonds	(344,818)	(477,039)
Receipts from contributions made by other governments	83	-
Payments for the acquisition or construction of capital assets	(372,191)	(423,286)
Proceeds from the sale of capital assets	1,001	402
Insurance recoveries	245	-
Fiscal charges	<u>(13,933)</u>	<u>(1,146)</u>
Net cash used in capital and related financing activities	<u>(449,334)</u>	<u>(605,642)</u>
INVESTING ACTIVITIES:		
Proceeds from the sale or maturity of investments	758,884	1,093,865
Investment earnings	21,635	8,892
Purchase of investments	<u>(737,295)</u>	<u>(1,057,258)</u>
Net cash provided by investing activities	<u>43,224</u>	<u>45,499</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS	179,419	(50,973)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:		
Beginning of year	<u>748,940</u>	<u>799,913</u>
End of year	<u>\$ 928,359</u>	<u>\$ 748,940</u>

FLORIDA'S TURNPIKE SYSTEM
DEPARTMENT OF TRANSPORTATION
STATE OF FLORIDA

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013
(In thousands)

	2014	2013
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 552,928	\$ 493,520
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense	35,419	35,165
Other noncash adjustments	(592)	(277)
(Increase) decrease in:		
Due from other governments	7,712	(5,045)
Accounts receivable	397	(384)
Prepaid expenses	-	61
Inventory	(453)	2,930
Other assets	(5,049)	(278)
Increase (decrease) in:		
Due to Florida Department of Transportation	(11,518)	(16,408)
Due to other governments	(18)	34
Deposits payable	29	-
Construction contracts and retainage payable	6,673	208
Unearned revenue	1	(356)
Total adjustments	32,601	15,650
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 585,529	\$ 509,170
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:		
Bond premium amortization — net	\$ (23,619)	\$ (13,837)
Amortization of fiscal charges	\$ 12,818	\$ 1,742
Amortization of deferred losses on early retirement of debt	\$ 7,046	\$ 5,948
Deferred losses due to refunding	\$ (11,514)	\$ (21,313)
Write-off of deferred losses, net bond discounts, and fiscal charges due to refunding	\$ 11,456	\$ 6,439
Loss on disposed capital assets	\$ 1,197	\$ 4,462
Contributions for capital projects	\$ 314,146	\$ 1,224
Capital asset contributions in other — net	\$ (391)	\$ (271)
Capital asset contributions in deferred inflow of resources	\$ 65,102	\$ 52,723
Purchases of capital assets in construction contracts and retainage payable	\$ 140,591	\$ 29,150
Purchases of capital assets in other liabilities	\$ 52,725	\$ -
Capitalized interest	\$ 24,884	\$ 18,912
Unrealized gain (loss) on investments	\$ (32)	\$ 13,628

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

FLORIDA'S TURNPIKE SYSTEM

DEPARTMENT OF TRANSPORTATION

STATE OF FLORIDA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2014 AND 2013

1. REPORTING ENTITY

Florida's Turnpike System (the "Turnpike" or the "System") is part of the Florida Department of Transportation (the "Department"), which is an agency of the State of Florida (the "State"). The Department is responsible for cash management and other financial matters of the System. The fiscal years 2014 and 2013 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 variations 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 Pronouncements*, 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, liabilities, 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. Debt that is secured by a pledge of net revenues from fees and charges and the full faith and credit of a related primary government or component unit — even if that government is not expected to make any payments — is not payable solely from fees and charges of the activity. (Some debt may be secured, in part, by a portion of its own proceeds but should be considered as payable "solely" from the revenues of the activity.)

- b. Laws or regulations require that the activity's costs of providing services, including capital costs (such as depreciation 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.

Accounts Receivable — Accounts receivable are reported at their net realizable value. Beginning in fiscal year 2013, with the implementation of GASB Statement No. 60 – *Accounting and Financial Reporting for Service Concession Arrangements*, the short-term portion of the service concession arrangement receivable is included in accounts 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. Capital assets contributed from other State of Florida agencies are recorded at historical cost net of its associated accumulated depreciation. Construction in progress consists of project costs for infrastructure highway system, 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 tax-exempt borrowings, is capitalized as part of the capital asset cost. Costs for maintenance and repairs are expensed as incurred. The System's capitalization level is \$1,000 for tangible assets and \$10,000 for intangible assets. Depreciation and amortization, on a straight-line basis, is charged over useful lives ranging from 15 to 30 years for buildings and improvements, 3 to 10 years for furniture and equipment, and 3 to 15 years for intangible assets.

Infrastructure capital assets are recorded as highway system and 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 general and administrative expenses incurred during the construction phase. Subsequent betterments are capitalized. All such costs are not reduced for subsequent replacements, as replacements are considered to be period costs and are included in renewals and replacements. These policies are consistent with practices followed by similar entities within the toll bridge, turnpike, and tunnel industry and with the modified approach for reporting infrastructure assets 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, 2014 and 2013.

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 inflows 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 outflows 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. Due to the implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* in fiscal year 2014, bond refunding losses were reclassified to deferred outflows of resources.

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 net 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 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, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

New Accounting Standards — In April 2012, the GASB issued GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources or inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012. The System implemented GASB Statement No. 65 as of July 1, 2013. See Note 6 – *Deferred Outflows of Resources* for the disclosures related to this Statement.

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

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*—an amendment to Statement No. 67. This Statement 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. Management believes GASB Statement No. 68 will not have a material effect on the financial position, changes in net position, or cash flows of the System.

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. Management believes GASB Statement No. 71 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, 2014 and 2013, the carrying amounts of the System's cash on deposit in its bank accounts were \$1.7 million and \$4.3 million, respectively. The related bank balance was \$1.4 million and \$2.9 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 \$821.1 million and \$659.6 million at June 30, 2014 and 2013, 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 \$815.6 million and \$556.2 million at June 30, 2014 and 2013, respectively. No allocation is made as to the System's share of the types of investments or their risk categories. The System's share of the assets and liabilities arising from the reverse repurchase agreements and securities lending agreements is likewise not carried on the balance sheet since the State Treasury operates on a pooled basis and, to do so, may give the misleading impression that the System itself has entered into such agreements.

The unaudited schedule below discloses the detail of the State's general pool of investments and the fair value of each investment type as of June 30, 2014 and 2013, which were used to determine the fair value of the System's participation (in thousands).

Investment Type	2014	2013
Commercial paper	\$ 460,851	\$ 529,296
Repurchase agreements	1,658,187	570,724
U.S. guaranteed obligations	5,793,196	5,921,741
Federal agencies	8,166,512	9,162,810
Bonds and notes — domestic	4,588,467	3,419,298
Bonds and notes — international	<u>738,451</u>	<u>516,219</u>
Total investments	21,405,664	20,120,088
Cash on deposit	<u>593,502</u>	<u>834,278</u>
Total	<u>\$ 21,999,166</u>	<u>\$ 20,954,366</u>

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

At June 30, 2014 and 2013, the System's cash, cash equivalents, and investments consisted of the following amounts stated at fair value (in thousands):

	2014	2013
Cash and restricted cash:		
Cash on hand	\$ 21	\$ 22
Cash on deposit	1,747	4,334
Cash held by the State Treasury	2,243	2,244
Cash held by the SBA	18,563	18
Total cash	<u>22,574</u>	<u>6,618</u>
Cash equivalents and restricted cash equivalents:		
U.S. government securities held by the SBA (maturity <90 days)	84,707	82,742
Pooled investments with the State Treasury	821,078	659,580
Total cash equivalents	<u>905,785</u>	<u>742,322</u>
Restricted investments — U.S. government securities held by the SBA	191,729	213,526
Unrestricted investments — U.S. government securities held by the SBA	176	-
Total	<u>\$ 1,120,264</u>	<u>\$ 962,466</u>

As of June 30, 2014 and 2013, cash, cash equivalents, and investments as presented in the Balance Sheets were comprised of the following (in thousands):

Cash and cash equivalents:		
Cash on hand	\$ 21	\$ 22
Cash on deposit	1,747	4,334
Cash held by the State Treasury	2,038	2,039
Cash and cash equivalents held by the SBA	92,247	78,947
Pooled investments with the State Treasury	761,357	594,004
Total	<u>857,410</u>	<u>679,346</u>
Noncurrent restricted assets:		
Restricted cash and cash equivalents:		
Cash held by the State Treasury	205	205
Cash and cash equivalents held by the SBA	11,023	3,813
Pooled investments with the State Treasury	59,721	65,576
Total restricted cash and cash equivalents	<u>70,949</u>	<u>69,594</u>
Restricted investments — U.S. government securities held by the SBA	191,729	213,526
Unrestricted investments — U.S. government securities held by the SBA	176	-
Total	<u>\$ 1,120,264</u>	<u>\$ 962,466</u>

Credit Risk — Credit risk exists when there is a possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations. GASB Statement No. 40, *Deposit and Investment Risk Disclosures — an Amendment of GASB Statement No. 3*, requires the disclosure of nationally recognized credit quality ratings of investments in debt securities, as well as investments in external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities existing at year-end, such as Standard & Poor's, Moody's, or Fitch ratings of AA, AAA, etc. Excluded from such disclosure requirements are U.S. government obligations and obligations explicitly guaranteed by the U.S. government, since those investments are deemed to have no exposure to credit risk. As of June 30, 2014, 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, 2014 was A+f. The System does not have a policy to address the credit risk that may exist for its investments in the State's uncategorized general pool. Instead, it relies on the controls and safeguards provided by Section 17.57, Florida Statutes, as discussed above.

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

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

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

Foreign Currency Risk — Foreign currency risk exists when there is a possibility that changes in exchange rates could adversely affect an investment's or deposit's fair value. GASB Statement No. 40 requires disclosures of value in U.S. dollars by foreign currency denomination and by investment type for investments denominated in foreign currencies. The System does not have a policy to address the foreign currency risk that may exist for its investments in the State's uncategorized general pool. Instead, it relies on the controls and safeguards provided by Section 17.57, Florida Statutes, as discussed above. For the years ended June 30, 2014 and 2013, the System was not exposed to any foreign currency risks.

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

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

The System's investments reported on its Balance Sheets consist of U.S. Treasury Notes held by the SBA. As of June 30, 2014 and 2013, the maturity dates of these securities and their fair values (in thousands) were as follows:

	2014	2013
July 11, 2013	\$ -	\$ 82,742
December 31, 2013	-	213,526
July 17, 2014	38,287	-
July 24, 2014	46,420	-
December 31, 2014	<u>191,905</u>	<u>-</u>
Total	<u>\$ 276,612</u>	<u>\$ 296,268</u>

4. DUE FROM OTHER GOVERNMENTS

As of June 30, 2014 and 2013, amounts due from other governments consisted of the following (in thousands):

	2014	2013
Due from the Department	\$ 17,015	\$ 24,727
Due from the Department of Financial Services	<u>527</u>	<u>541</u>
Total	<u>\$ 17,542</u>	<u>\$ 25,268</u>

The amount due from the Department of Financial Services (DFS) is attributable to escrow deposits held by DFS on behalf of local governments and organizations to fund certain construction costs. Pursuant to the agreement between the Turnpike and the local governments, the Turnpike is required to incur the construction costs before the deposits are released from escrow. In addition, at June 30, 2014 and 2013, amounts due from the Department were \$17.0 million and \$24.7 million, respectively, which were primarily comprised of toll revenue that was collected from customers and held in a Department fund at year-end. The amounts were remitted to the Turnpike subsequent to the respective year-ends.

5. CAPITAL ASSETS

Changes in the System's capital assets for the fiscal years ended June 30, 2014 and 2013 are shown below (in thousands):

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	<u>6,432,812</u>	<u>163,059</u>	<u>282,620</u>	<u>-</u>	<u>6,878,491</u>
Total nondepreciable capital assets	<u>7,947,248</u>	<u>(4,152)</u>	<u>839,277</u>	<u>(55)</u>	<u>8,782,318</u>
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	<u>(22,498)</u>	<u>-</u>	<u>(9,379)</u>	<u>-</u>	<u>(31,877)</u>
Total depreciable capital assets	<u>223,295</u>	<u>4,152</u>	<u>8,478</u>	<u>(2,932)</u>	<u>232,993</u>
Total capital assets	<u>\$ 8,170,543</u>	<u>\$ -</u>	<u>\$ 847,755</u>	<u>\$ (2,987)</u>	<u>\$ 9,015,311</u>
2013	Beginning Balance	Transfers	Additions	Retirements	Ending Balance
Nondepreciable capital assets:					
Construction in progress	\$ 399,188	\$ (81,948)	\$ 281,591	\$ -	\$ 598,831
Land	863,355	-	3,366	(97)	866,624
Buildings - SCA	-	-	48,981	-	48,981
Infrastructure — highway system and improvements	<u>6,311,641</u>	<u>73,851</u>	<u>47,320</u>	<u>-</u>	<u>6,432,812</u>
Total nondepreciable capital assets	<u>7,574,184</u>	<u>(8,097)</u>	<u>381,258</u>	<u>(97)</u>	<u>7,947,248</u>
Depreciable capital assets:					
Buildings and improvements	263,058	1,034	686	(16,908)	247,870
Furniture and equipment	152,345	5,074	25,740	(31,898)	151,261
Intangible assets	39,952	1,989	-	-	41,941
Less accumulated depreciation and amortization:					
Buildings and improvements	(120,244)	-	(9,102)	13,997	(115,349)
Furniture and equipment	(92,961)	-	(15,238)	28,269	(79,930)
Intangible assets	<u>(11,673)</u>	<u>-</u>	<u>(10,825)</u>	<u>-</u>	<u>(22,498)</u>
Total depreciable capital assets	<u>230,477</u>	<u>8,097</u>	<u>(8,739)</u>	<u>(6,540)</u>	<u>223,295</u>
Total capital assets	<u>\$ 7,804,661</u>	<u>\$ -</u>	<u>\$ 372,519</u>	<u>\$ (6,637)</u>	<u>\$ 8,170,543</u>

Capitalized Interest — The reduction to interest costs 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. The reduction to interest costs during the year ended June 30, 2013 was \$20.5 million. This is comprised of \$1.6 million of interest earned on related investments acquired with revenue bond proceeds and \$18.9 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. Therefore the System has implemented the Statement as of July 1, 2012. As a result of the implementation, in accordance with GASB Statement No. 60, 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, 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. For the year ended June 30, 2013, five of the eight service plazas were reconstructed and the System recorded additions of \$49.0 million of buildings – non-depreciable and \$45.5 million of infrastructure. See Note 11 – *Deferred Inflows of Resources* for further disclosures related to the implementation of GASB Statement No. 60.

6. DEFERRED OUTFLOWS OF RESOURCES

At June 30, 2014 and 2013, deferred outflows of resources totaled \$40.5 million and \$40.1 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 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. This 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.

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. This 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.

These advance 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, 2014 and 2013, due to the Department consisted of the following (in thousands):

	2014	2013
June operations, maintenance, in-house, and overhead reimbursement	\$ 18,078	\$ 23,037
Current portion of advances payable to the Department	<u>13,242</u>	<u>9,777</u>
Total	<u>\$ 31,320</u>	<u>\$ 32,814</u>

8. ADVANCES PAYABLE TO FLORIDA DEPARTMENT OF TRANSPORTATION

At June 30, 2014 and 2013, advances payable to the Department consisted of the following (in thousands):

	2014	2013
State Infrastructure Bank loans	\$ 42,270	\$ 45,488
Operations and maintenance subsidy	87,851	94,410
Advances from State Transportation Trust Fund	<u>9,000</u>	<u>9,000</u>
Total	<u>\$ 139,121</u>	<u>\$ 148,898</u>
As presented in Balance Sheets:		
Current portion	\$ 13,242	\$ 9,777
Long-term portion	\$ 125,879	\$ 139,121

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 2014 and 2013, with the balance due in installments through 2026. SIB loans are also being utilized as interest cost subsidies for the 2003C bond sale. Interest subsidies provided in the aggregate of \$16.9 million. Repayments on this loan were \$0.7 million for both fiscal year 2014 and 2013, and will be fully repaid by fiscal year 2034. The repayment of these loans is subordinate to the payment of bonded debt.

As provided in Section 338.223 (4), Florida Statutes, the Department is authorized to make operations and maintenance loans to the System in a fiscal year, subject to a limitation of 1.5% of state transportation tax revenues available for that fiscal year. For the years ended June 30, 2014 and 2013, \$0.5 million and \$0.7 million, respectively, were provided to the System primarily in support of the SR 80 project. Repayments on this were \$6.6 million (net of \$0.5 million subsidy provided) and \$4.5 million (net of \$0.7 million subsidy provided) for fiscal year 2014 and 2013 respectively. This loan is paid from the System’s general reserve fund and will be fully repaid by fiscal year 2016.

In the Spring of 2012, Senate Bill 1998 repealed the Toll Facility Revolving Trust Fund (“TFRTF”) and transferred those revenues and future revenues to the State Transportation Trust Fund. Through fiscal year 2009, the System was awarded and expended \$9.0 million in TFRTF loans from the Department for eligible expenditures. Repayment of these interest free loans begins in fiscal year 2015 with final payment due in fiscal year 2020.

Following are maturities of advances payable to the Department at June 30, 2014 (in thousands):

2015	\$ 13,242
2016	84,046
2017	4,717
2018	4,717
2019	4,717
2020–2024	17,588
2025–2029	6,782
2030–2034	<u>3,312</u>
Total	<u>\$ 139,121</u>

9. BONDS PAYABLE

Bonds payable as of June 30, 2014 and 2013 were as follows (in thousands):

	Maturing	Interest	2014	2013
\$267,405 Revenue Bonds, Series 2013C: Serial Bonds	2014-2043	4.00%-5.00%	\$ 266,295	
\$206,035 Revenue Bonds, Series 2013B: Serial Bonds	2014-2022	4.00%-5.00%	183,105	
\$183,140 Revenue Bonds, Series 2013A: Serial Bonds	2014-2025	5.00 %	171,270	\$183,140
\$306,065 Revenue Bonds, Series 2012A: Serial Bonds	2013-2033	2.875%-5.00%	238,505	241,795
Term Bonds	2034-2042	3.25%-4.00%	62,775	62,775
Total 2012 Series A			301,280	304,570
\$150,165 Revenue Bonds, Series 2011A: Serial Bonds	2013-2039	3.25%-5.00%	106,905	113,470
Term Bonds	2035-2041	4.75%-5.00%	33,355	33,355
Total 2011 Series A			140,260	146,825
\$251,080 Revenue Bonds, Series 2010B: Serial Bonds	2013-2031	4.50%-5.00%	118,755	123,150
Term Bonds	2032-2040	4.50%-5.00%	115,635	115,635
Total 2010 Series B			234,390	238,785
\$211,255 Refunding Bonds, Series 2010A: Serial Bonds	2013-2030	5.00 %	158,730	172,615
\$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	2013-2020	3.00%-5.00%	38,095	44,620
\$325,775 Revenue Bonds, Series 2008A: Serial Bonds	2013-2029	5.00 %	177,780	189,525
Term Bonds	2030-2037	4.50%-5.00%	81,880	81,880
Total 2008 Series A			259,660	271,405
\$256,075 Revenue Bonds, Series 2007A: Serial Bonds	2013-2030	5.00 %	136,750	142,255
Term Bonds	2031-2036	5.00 %	85,825	85,825
Total 2007 Series A			222,575	228,080
\$443,290 Revenue Bonds, Series 2006A: Serial Bonds	2013-2029	3.00%-5.00%	266,665	279,925
Term Bonds	2030-2036	4.50%-4.75%	98,975	98,975
Total 2006 Series A			365,640	378,900

(Continued)

	Maturing	Interest	2014	2013
\$93,560 Refunding Bonds, Series 2005A: Serial Bonds	2013–2029	3.375%–5.00%	<u>78,265</u>	<u>81,785</u>
\$279,180 Revenue Bonds, Series 2004A: Serial Bonds	2013–2031	4.00%–5.00%	66,815	183,850
Term Bonds	2032–2034	4.50%	<u>48,170</u>	<u>48,170</u>
Total 2004 Series A			<u>114,985</u>	<u>232,020</u>
\$445,980 Refunding Bonds, Series 2003A	2013–2022	4.25%–5.00%		<u>234,550</u>
Subtotal			2,789,550	2,772,295
Add unamortized bond premium			<u>125,405</u>	<u>106,559</u>
Total			<u>\$2,914,955</u>	<u>\$2,878,854</u>
As presented in the Balance Sheets:				
Current portion			\$ 119,240	\$ 117,220
Long-term portion			\$2,795,715	\$2,761,634

(Concluded)

As of June 30, 2014, debt service requirements to maturity, including interest at fixed rates, were as follows (in thousands):

	Principal	Interest	Total
2015	\$ 119,240	\$ 134,928	\$ 254,168
2016	124,830	129,284	254,114
2017	130,330	123,096	253,426
2018	137,725	116,595	254,320
2019	145,010	109,786	254,796
2020–2024	647,460	445,903	1,093,363
2025–2029	565,240	300,336	865,576
2030–2034	495,805	180,304	676,109
2035–2039	340,845	66,240	407,085
2040–2043	<u>83,065</u>	<u>7,273</u>	<u>90,338</u>
Total	<u>\$2,789,550</u>	<u>\$1,613,745</u>	<u>\$4,403,295</u>

The System has defeased certain bonds by placing sufficient funds from the issuance of new bonds into irrevocable trusts. The trust funds will provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the System's financial statements. The principal balance of all defeased bonds outstanding was \$11.5 million at June 30, 2013, which was subsequently paid in fiscal year 2014.

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 2014 and 2013 were \$5.5 million and \$5.7 million,

respectively, and are included in nonoperating revenues on the Statements of Revenues, Expenses, and Changes in Net Position. The decrease in the fiscal years 2014 and 2013 subsidy is 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 2013, the State of Florida issued the \$206.0 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2013B (2013B Bonds), to fund the debt service reserve account and to refund all or a portion of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2003A Bonds (2003A Bonds), and to pay costs of issuance. In February 2014, the State of Florida issued the \$267.4 million State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 2013C (2013C Bonds), to finance capital improvements to the System, to fund the debt service reserve account, to refund all or a portion of the State of Florida, Department of Transportation Turnpike Revenue Bonds, Series 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 Turnpike revenue bonds requires a debt service reserve be established in an amount as defined in the resolution. The debt service reserve requirement for each bond issue is to be funded from revenues or through a reserve account credit facility as provided for in the resolution.

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

As of June 30, 2014 and 2013, the balance in the debt service reserve account was \$202.8 million and \$217.3 million, respectively. The balance as of June 30, 2014 exceeded the requirements of \$199.9 million for all outstanding issues. The debt service reserve account has been fully funded since June 30, 2011.

10. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2014 and 2013, was as follows (in thousands):

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	<u>106,559</u>	<u>47,933</u>	<u>(29,087)</u>	<u>125,405</u>	<u>-</u>	<u>125,405</u>
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	<u>-</u>	<u>138,238</u>	<u>-</u>	<u>138,238</u>	<u>85,513</u>	<u>52,725</u>
Total	<u>\$ 3,028,401</u>	<u>\$ 659,611</u>	<u>\$ (495,098)</u>	<u>\$ 3,192,914</u>	<u>\$ 218,045</u>	<u>\$ 2,974,869</u>

2013	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Amount Due in More than One Year
Bonds payable	\$ 2,856,935	\$ 607,920	\$ (692,560)	\$ 2,772,295	\$ 117,220	\$ 2,655,075
Add unamortized amounts for issuance premiums	<u>66,093</u>	<u>52,575</u>	<u>(12,109)</u>	<u>106,559</u>	<u>-</u>	<u>106,559</u>
Total bonds payable	2,923,028	660,495	(704,669)	2,878,854	117,220	2,761,634
Advances payable to the Department	156,664	-	(7,766)	148,898	9,777	139,121
Unearned revenue from other governments	699	-	(50)	649	49	600
Other long-term liabilities	<u>2,206</u>	<u>-</u>	<u>(2,206)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,082,597</u>	<u>\$ 660,495</u>	<u>\$ (714,691)</u>	<u>\$ 3,028,401</u>	<u>\$ 127,046</u>	<u>\$ 2,901,355</u>

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 is 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. The deposit is refundable and is recorded as of June 30, 2014 and 2013, 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; therefore the System has implemented the Statement as of July 1, 2012. In conjunction with the implementation of GASB Statement No. 60, the System has implemented GASB Statement No. 63 as of July 1, 2012.

Capital Assets — For the year ended June 30, 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 year ended June 30, 2014, six of the eight reconstructed service plazas have been placed into operation and approximately \$2.3 million of the deferred inflow of resources has been recognized. See Note 5 – *Capital Assets* for disclosure on the recording of the capital assets.

For the year ended June 30, 2013, as a result of the implementation of GASB Statement No. 60 and GASB Statement No. 63, the System recorded capital assets at a fair value of \$94.5 million with a corresponding deferred inflow of resources of \$52.7 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 year ended June 30, 2013, five of the eight reconstructed service plazas have been placed into operation and approximately \$0.6 million 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 year ended June 30, 2014, the current portion of \$5.5 million is included in accounts receivable and the long-term portion of \$76.8 million is included in service concession arrangement receivable.

For the year ended June 30, 2013, as a result of the implementation of GASB Statement No. 60 and GASB Statement No. 63, 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. Beginning fiscal year 2013, the present value of the 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 2014 and 2013 was approximately \$6.4 million and \$6.6 million, respectively.

	2014	2013
Capital assets	\$ 65,102	\$ 52,723
Total SCA receivables	<u>82,308</u>	<u>88,148</u>
	<u>147,410</u>	<u>140,871</u>
Less amortization of deferred inflows of resources to capital contributions:	<u>(2,290)</u>	<u>(612)</u>
Total deferred inflows of resources	<u>\$ 145,120</u>	<u>\$ 140,259</u>

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 financial statements and other supplementary information for the FRS are included in the Comprehensive Annual Financial Report of the State of Florida, which may be obtained from the DFS. FRS also issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by contacting the State of Florida, Department of Management Services, Division of Retirement, Research, Education and Policy Section, P.O. Box 9000, Tallahassee, Florida 32315-9000 or by calling (850) 488-5706.

Retiree Health Insurance Subsidy Program — In 1987, the Florida Legislature established through Section 112.363, Florida Statutes, the Retiree Health Insurance Subsidy (“HIS”) to assist retirees of all State-administered retirement systems in paying health insurance costs. The HIS is a cost-sharing multiple-employer defined benefit pension plan. For the fiscal years ended June 30, 2014 and 2013, eligible retirees or beneficiaries received a monthly retiree health insurance subsidy payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments to individual retirees or beneficiaries were at least \$30, but not more than \$150 per month during each of the fiscal years. To be eligible to receive the HIS, a retiree under any State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS is funded by required contributions from FRS participating employers. For the years ended June 30, 2014 and 2013, the System contributed 1.20% and 1.11%, respectively of payroll for all active employees covered by the FRS, which is included in the amounts disclosed below. This contribution was added to the amount submitted for retirement contributions and was deposited in a separate trust fund from which HIS payments are authorized. If these contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

The accounting and financial reporting for the HIS is governed by GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. Further disclosures and other supplementary information for the HIS are included in the Comprehensive Annual Financial Report of the State of Florida, which may be obtained from the DFS.

Funding Policy — In the Spring of 2013, the Florida Legislature amended Chapter 121.71, Florida Statutes. This amendment established the FRS employer contribution rates for the 2013-2014 plan year. The unfunded actuarial liability (UAL) rates effective July 1, 2013, were increased. It also increased the HIS contribution rates, beginning in fiscal year 2014, to contribute 1.20% of payroll for all active employees covered by the FRS. Generally, employee participation in FRS is compulsory.

The contribution rates, which are established in Section 121.071, Florida Statutes, were as follows (including a health insurance subsidy of 1.20% for the year ended June 30, 2014 and 1.11% for the years ended 2013 and 2012):

	Through June 30,		
	2014	2013	2012
Employer contributions			
Senior management	18.31 %	6.30 %	6.27 %
Regular employees	6.95	5.18	4.91
Employee contributions			
Senior management	3.00	3.00	3.00
Regular employees	3.00	3.00	3.00

The System's contributions to the FRS for the retirement plans amounted to approximately \$1.3 million for fiscal year ended June 30, 2014 and \$0.5 million for fiscal years ended 2013 and 2012. The System remitted 100% of the required contributions for the years ended June 30, 2014, 2013, and 2012, respectively.

B. Other Postemployment Benefits

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

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

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

C. Deferred Compensation Plan

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

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

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

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

D. Compensated Absences

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

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

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, 2014 and 2013 were as follows (in thousands):

	2014	2013
I-4 Connector	\$ 311,333	\$ -
Service Concession Arrangement	2,290	612
Turnpike/I-595 Interchange	165	139
Other projects	<u>358</u>	<u>473</u>
Total	<u>\$ 314,146</u>	<u>\$ 1,224</u>

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, 2014 and 2013, (in thousands):

	2014	2013
Payments/reimbursements to the Department	\$ 172,721	\$ 173,231
Amounts due to the Department for reimbursement of operating expenses	28,103	29,596

15. OPERATING LEASES

The System leases certain equipment and office space under noncancelable operating leases. As of June 30, 2014, future minimum lease payments under noncancelable operating leases with initial or remaining terms in excess of one year are as follows (in thousands):

2015	\$ 154
2016	113
2017	79
2018	80
2019	69
2020-2027	<u>28</u>
Total	<u>\$ 523</u>

Rent expense for all operating leases was approximately \$0.3 million and \$0.4 million for the years ended June 30, 2014 and 2013, respectively.

16. COMMITMENTS AND CONTINGENCIES

Commitments and Contingencies — Commitments on outstanding System contracts total approximately \$892.3 million at June 30, 2014.

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 2014. For fiscal year 2013, there were \$0.2 million losses with \$0.2 million recovered in fiscal year 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 established in 1986 to provide reimbursement or state-contracted cleanup of qualifying sites. Under EDI, qualifying sites were exempted from departmental enforcement actions. Section 376.308 of the Florida Statutes directs facilities eligible for FDEP funding not to accrue for remediation costs until restoration funding can be committed to the facility. As of June 30, 2014, FDEP has funded approximately \$16.4 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. The future estimated remediation costs are listed below (in thousands):

	2015
West Palm Beach	\$ 37
Okahumpka	40
Fort Pierce	<u>317</u>
Total pollution remediation liabilities	<u>\$ 394</u>

These estimates were developed based on existing site studies performed under the FDEP program. Management believes that these estimates are reasonable based on the information available as of June 30, 2014. However, the System's remediation efforts are nearing the end of the design stages and estimates are subject to change based on new information obtained as the project progresses. Additionally, the System could potentially receive some funding from FDEP for the future pollution remediation; however, estimates are not available. The System has no other pollution remediation obligations for the fiscal years presented. Only the current portion remains of the liability and is included in construction contracts and retainage payable.

18. SUBSEQUENT EVENTS

In July 2014, the System acquired the Beachline East Expressway from the Department for \$60.0 million. The Beachline East Expressway is an east-west, 22-mile, 4-lane limited-access toll facility from SR 520 in Orange County east for six 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. 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.

In July 2014, the State of Florida issued \$223.6 million State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2014A (2014A bonds) of which \$114 million is to finance capital improvements. The 2014A bonds issued \$114.9 million to finance capital improvements to the System. The remaining issue refunded, together with legally available monies, State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series 2004A issues maturing in the years 2027 through 2034, in the amount of \$115.0 million. The purpose of the refunding was to achieve debt service savings.

* * * * *

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

FLORIDA'S TURNPIKE SYSTEM

DEPARTMENT OF TRANSPORTATION

STATE OF FLORIDA

TREND DATA ON THE SYSTEM'S INFRASTRUCTURE CONDITION

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 461 centerline miles of roadway and 716 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. For 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	2014	2013	2012
Percentage of pavement meeting Department standards	99 %	97 %	91 %
Percentage of bridges meeting Department standards	99 %	91 %	92 %
Overall routine maintenance rating	89	88	91

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
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)
2010	84,692	49,717	287	-	38,909	88,913	4,221

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

STATISTICAL SECTION

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

Contents

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Financial Trends

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

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Revenue Capacity

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

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Debt Capacity

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

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Demographic and Economic Information

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

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Operating Information

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

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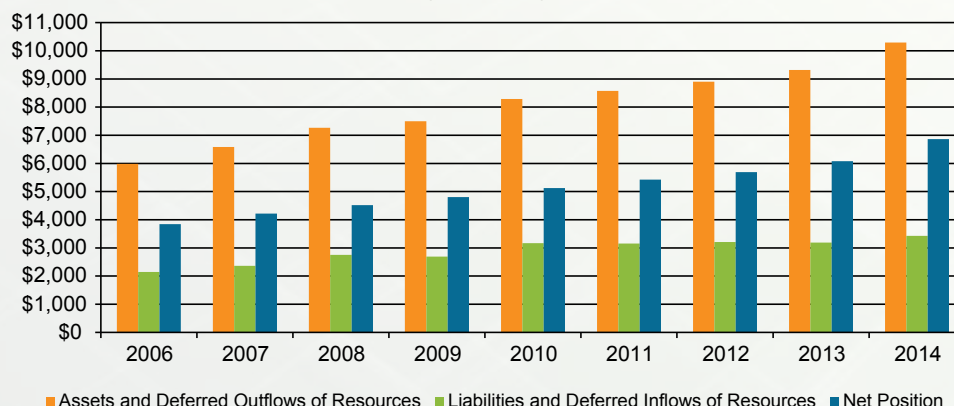
FLORIDA'S TURNPIKE SYSTEM
BALANCE SHEET
FY 2011 through FY 2014
(In Thousands)

	2014	2013	2012	2011
Assets				
Current and Other Assets	\$894,251	\$731,090	\$728,127	\$652,076
Restricted Assets	262,854	283,120	368,995	256,949
Capital Assets, net of Accumulated Depreciation	9,015,311	8,170,543	7,804,661	7,665,112
Noncurrent Assets	76,751	82,308	-	-
Total Assets	10,249,167	9,267,061	8,901,783	8,574,137
Deferred Outflows of Resources	40,542	40,102	-	-
Total Assets and Deferred Outflows of Resources	10,289,709	9,307,163	8,901,783	8,574,137
Liabilities				
Current Liabilities	305,466	186,788	273,802	258,716
Long-Term Debt Outstanding and Other Liabilities	2,974,869	2,901,355	2,936,005	2,892,313
Total Liabilities	3,280,335	3,088,143	3,209,807	3,151,029
Deferred Inflows of Resources	145,120	140,259	-	-
Net Position				
Net Invested in Capital Assets	6,110,327	5,339,106	5,051,519	4,791,948
Restricted	120,925	149,546	166,228	164,939
Unrestricted	633,002	590,109	474,229	466,221
Total Net Position	6,864,254	6,078,761	5,691,976	5,423,108
Total Liabilities, Deferred Inflows of Resources and Net Position	\$10,289,709	\$9,307,163	\$8,901,783	\$8,574,137

Effective FY 2014, the System implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities* which reclassified bond refunding losses from long-term debt to deferred outflows of resources. As such, the System has reclassified refunding losses to Deferred Outflows of Resources for the two years presented in the financial section. Beginning in FY 2013, the System implemented GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* requiring the System to record deferred inflows of resources and corresponding capital assets and service concession arrangement receivables - noncurrent.

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

FLORIDA'S TURNPIKE SYSTEM
BALANCE SHEET
(In Millions)



Sources:

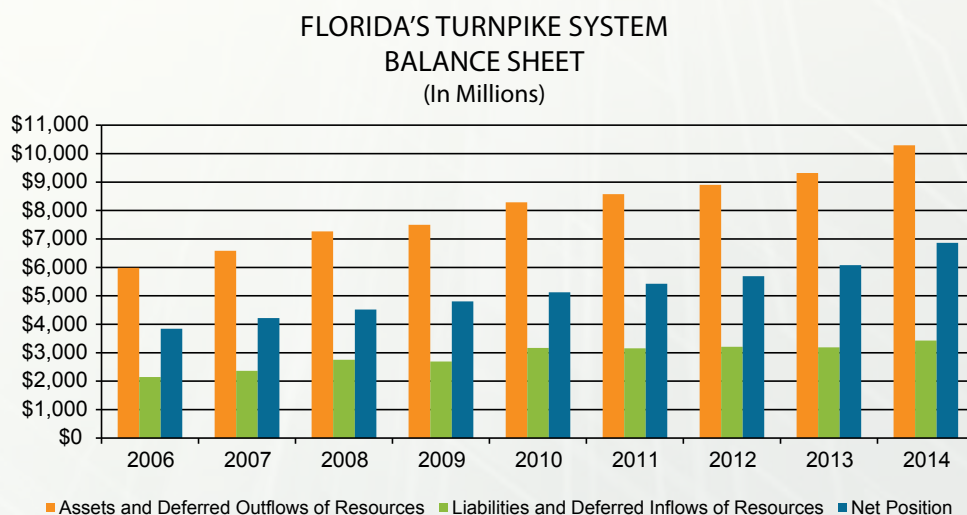
Audited Financial Statements
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM
BALANCE SHEET
FY 2006 through FY 2010
(In Thousands)

	2010	2009	2008	2007	2006
Assets					
Current and Other Assets	\$461,345	\$367,664	\$570,379	\$519,773	\$405,335
Restricted Assets	479,995	167,366	202,066	119,231	142,252
Capital Assets, net of Accumulated Depreciation	7,345,564	6,962,730	6,495,488	5,943,035	5,436,999
Noncurrent Assets	-	-	-	-	-
Total Assets	8,286,904	7,497,760	7,267,933	6,582,039	5,984,586
Deferred Outflows of Resources	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	8,286,904	7,497,760	7,267,933	6,582,039	5,984,586
Liabilities					
Current Liabilities	161,670	169,535	160,322	167,924	158,878
Long-Term Debt Outstanding and Other Liabilities	3,003,128	2,522,050	2,592,008	2,198,661	1,984,441
Total Liabilities	3,164,798	2,691,585	2,752,330	2,366,585	2,143,319
Deferred Inflows of Resources	-	-	-	-	-
Net Position					
Net Invested in Capital Assets	4,592,159	4,446,638	4,041,985	3,820,318	3,547,320
Restricted	158,071	136,453	19,504	45,929	29,065
Unrestricted	371,876	223,084	454,114	349,207	264,882
Total Net Position	5,122,106	4,806,175	4,515,603	4,215,454	3,841,267
Total Liabilities, Deferred Inflows of Resources and Net Position	\$8,286,904	\$7,497,760	\$7,267,933	\$6,582,039	\$5,984,586

Effective FY 2014, the System implemented Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities* which reclassified bond refunding losses from long-term debt to deferred outflows of resources. As such, the System has reclassified refunding losses to Deferred Outflows of Resources for the two years presented in the financial section. Beginning in FY 2013, the System implemented GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* requiring the System to record deferred inflows of resources and corresponding capital assets and service concession arrangement receivables - noncurrent.

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



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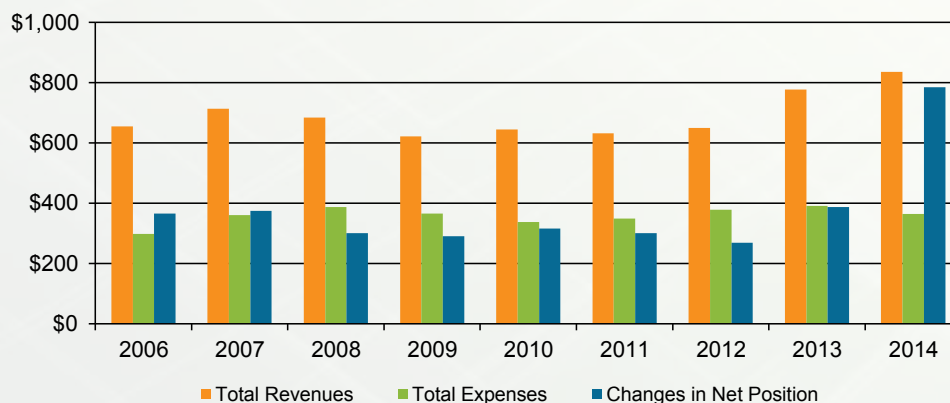
Audited Financial Statements
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FY 2011 through FY 2014
(In Thousands)

	2014	2013	2012	2011
Revenues				
Operating Revenues from Toll Facilities	\$796,301	\$755,542	\$608,812	\$600,079
Operating Revenues from Concessions and Other Sources	12,073	12,443	11,389	11,867
Nonoperating Investment Earnings	21,547	3,327	24,121	13,750
Interest Subsidy	5,515	5,685	5,943	5,943
Total Revenues	835,436	776,997	650,265	631,639
Expenses				
Operations and Maintenance Expense	155,696	156,185	171,028	176,758
Business Development and Marketing Expense	1,647	1,203	2,676	3,302
Pollution Remediation	-	-	-	(1,030)
Renewals and Replacements Expense	62,684	81,912	44,064	34,502
Depreciation Expense	35,419	35,165	31,038	19,110
Nonoperating Interest Expense	91,539	109,188	125,821	110,437
Other Nonoperating Expense, Net	17,104	7,783	3,416	5,314
Total Expenses	364,089	391,436	378,043	348,393
Income Before Contributions	471,347	385,561	272,222	283,246
Contributions for Capital Projects	314,146	1,224	2,274	23,681
Contributions to Other Governments	-	-	(5,628)	(5,925)
Increase in Net Position	785,493	386,785	268,868	301,002
Net Position, Beginning of Year	6,078,761	5,691,976	5,423,108	5,122,106
NET POSITION, END OF YEAR	\$6,864,254	\$6,078,761	\$5,691,976	\$5,423,108

As indicated in the graph below, total revenues have increased in five of the last nine years. The increases in fiscal years 2014 and 2013 are due to the annual toll rate indexing which was effective June 24, 2012. The fiscal year 2014 increase in contributions for capital projects is due to the transfer of the I-4 Connector from FDOT to the Turnpike. The decrease in FY 2011 revenue represented an increase in toll revenues offset by decreases in nonoperating investment earnings due to the decline in interest rates and a decrease in concessions and other revenue sources related to service plaza renovations (see pages 12 and 13 for ten-year toll and concession revenue trend). The decrease in FY 2008 and FY 2009 total revenue represented a decline in Florida's economic conditions. Net position, end of year has continued to increase over the last eight years reflecting the Turnpike System's strong financial position.

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



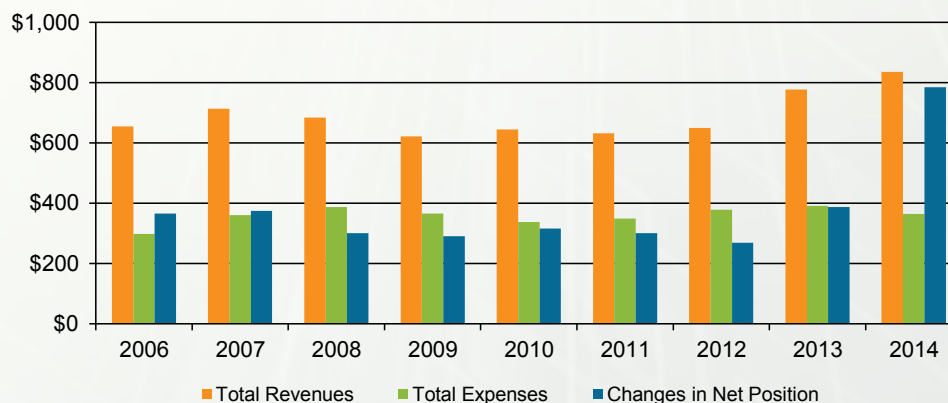
Sources:
Audited Financial Statements
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FY 2006 through FY 2010
(In Thousands)

	2010	2009	2008	2007	2006
Revenues					
Operating Revenues from Toll Facilities	\$596,173	\$590,528	\$635,571	\$663,943	\$632,846
Operating Revenues from Concessions and Other Sources	15,423	14,369	15,172	17,672	15,113
Nonoperating Investment Earnings	27,309	17,285	33,204	32,124	6,836
Interest Subsidy	5,811	-	-	-	-
Total Revenues	644,716	622,182	683,947	713,739	654,795
Expenses					
Operations and Maintenance Expense	170,262	186,608	184,218	175,386	155,357
Business Development and Marketing Expense	2,160	3,995	5,669	8,569	6,667
Pollution Remediation	-	9,502	-	-	-
Renewals and Replacements Expense	50,005	62,848	102,726	93,913	56,919
Depreciation Expense	15,268	17,613	19,628	15,147	15,252
Nonoperating Interest Expense	98,294	82,823	73,255	65,105	61,793
Other Nonoperating Expense, Net	1,642	2,715	1,808	2,757	1,511
Total Expenses	337,631	366,104	387,304	360,877	297,499
Income Before Contributions	307,085	256,078	296,643	352,862	357,296
Contributions for Capital Projects	14,177	35,153	13,922	29,703	24,212
Contributions to Other Governments	(5,331)	(659)	(10,416)	(8,378)	(16,251)
Increase in Net Position	315,931	290,572	300,149	374,187	365,257
Net Position, Beginning of Year	4,806,175	4,515,603	4,215,454	3,841,267	3,476,010
NET POSITION, END OF YEAR	\$5,122,106	\$4,806,175	\$4,515,603	\$4,215,454	\$3,841,267

As indicated in the graph below, total revenues have increased in five of the last nine years. The increases in fiscal years 2014 and 2013 are due to the annual toll rate indexing which was effective June 24, 2012. The fiscal year 2014 increase in contributions for capital projects is due to the transfer of the I-4 Connector from FDOT to the Turnpike. The decrease in FY 2011 revenue represented an increase in toll revenues offset by decreases in nonoperating investment earnings due to the decline in interest rates and a decrease in concessions and other revenue sources related to service plaza renovations (see pages 12 and 13 for ten-year toll and concession revenue trend). The decrease in FY 2008 and FY 2009 total revenue represented a decline in Florida's economic conditions. Net position, end of year has continued to increase over the last eight years reflecting the Turnpike System's strong financial position.

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



Sources:

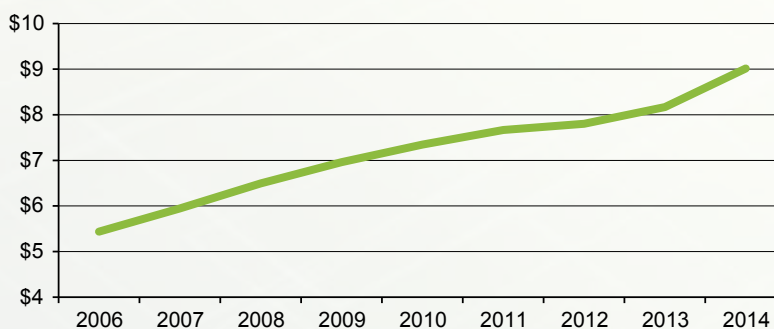
Audited Financial Statements
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM
CAPITAL ASSETS
FY 2011 through FY 2014
Net of Depreciation (In Thousands)

	2014	2013	2012	2011
Nondepreciable capital assets:				
Construction in Progress	\$950,605	\$598,831	\$399,188	\$624,870
Land	892,855	866,624	863,355	863,893
Buildings	60,367	48,981	-	-
Infrastructure	6,878,491	6,432,812	6,311,641	5,958,776
Depreciable capital assets:				
Buildings and Improvements, Net	132,129	132,521	142,814	149,254
Furniture and Equipment, Net	87,965	71,331	59,384	53,727
Intangible Assets, Net	12,899	19,443	28,279	14,592
Total Net Capital Assets	\$9,015,311	\$8,170,543	\$7,804,661	\$7,665,112

At the end of FY 2014, the Turnpike System has invested approximately \$9.0 billion in purchased and donated capital assets (net of accumulated depreciation). As indicated in the graph below, net capital assets have grown substantially in the last nine years due to the Turnpike System's significant capital improvement program. Major investments were made to provide additional capacity and access to Turnpike System facilities, to convert facilities to All-Electronic Tolling and to upgrade toll equipment systemwide. Beginning in FY 2013, the System implemented GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* requiring the System to record nondepreciable buildings for new or renovated buildings at six of the eight service plazas along the Mainline.

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



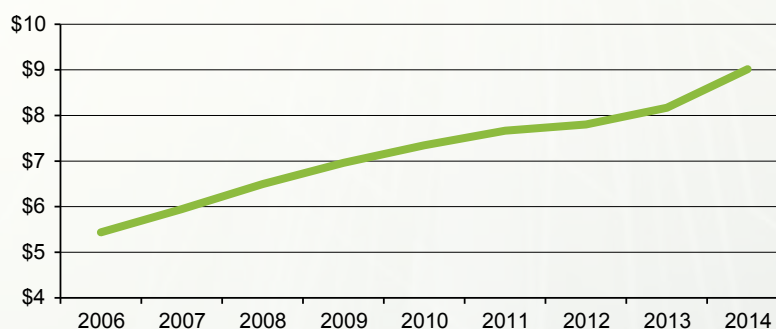
Sources:
Audited Financial Statements
Turnpike Enterprise Finance Office

FLORIDA'S TURNPIKE SYSTEM
CAPITAL ASSETS
FY 2006 through FY 2010
Net of Depreciation (In Thousands)

	2010	2009	2008	2007	2006
Nondepreciable assets:					
Construction in Progress	\$647,823	\$839,935	\$688,698	\$714,937	\$559,932
Land	866,680	865,191	851,532	826,472	813,668
Buildings	-	-	-	-	-
Infrastructure	5,641,690	5,073,715	4,775,882	4,248,171	3,924,861
Depreciable assets:					
Buildings and Improvements, Net	145,206	137,177	138,412	128,782	117,737
Furniture and Equipment, Net	44,010	46,712	40,964	24,673	20,801
Intangible Assets, Net	155	-	-	-	-
Total Net Capital Assets	\$7,345,564	\$6,962,730	\$6,495,488	\$5,943,035	\$5,436,999

At the end of FY 2014, the Turnpike System has invested approximately \$9.0 billion in purchased and donated capital assets (net of accumulated depreciation). As indicated in the graph below, net capital assets have grown substantially in the last nine years due to the Turnpike System's significant capital improvement program. Major investments were made to provide additional capacity and access to Turnpike System facilities, to convert facilities to All-Electronic Tolling and to upgrade toll equipment systemwide. Beginning in FY 2013, the System implemented GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* requiring the System to record nondepreciable buildings for new or renovated buildings at six of the eight service plazas along the Mainline.

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



Sources:

Audited Financial Statements
Turnpike Enterprise Finance Office

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FLORIDA'S TURNPIKE SYSTEM
TOLL AND RATE PER MILE^(A)
Two-Axle Vehicles
Fiscal Year 2014

Project	Length of Project (Miles)	SunPass Toll	SunPass Rate Per Mile	TOLL-BY-PLATE Toll	TOLL-BY-PLATE Rate Per Mile	Cash Toll	Cash Rate Per Mile
SR 821 (HEFT)	47	\$3.83	\$0.081	\$4.86	\$0.103	N/A	N/A
Southern Coin System ^(B)	43	2.81	0.065	N/A	N/A	\$3.53	\$0.082
Ticket System	155	9.79	0.063	N/A	N/A	12.90	0.083
Northern Coin System	67	4.09	0.061	N/A	N/A	4.50	0.067
Beachline West Expressway	8	0.77	0.096	N/A	N/A	1.00	0.125
Sawgrass Expressway	23	2.04	0.089	2.56	0.111	N/A	N/A
Seminole Expressway	18	2.04	0.113	N/A	N/A	2.25	0.125
Veterans Expressway ^(C)	15	1.79	0.119	2.28	0.152	N/A	N/A
Southern Connector Extension	6	0.77	0.128	N/A	N/A	1.00	0.167
Polk Parkway	25	3.06	0.122	N/A	N/A	3.75	0.150
Suncoast Parkway	42	3.06	0.073	N/A	N/A	3.75	0.089
Western Beltway, Part C	11	1.02	0.093	N/A	N/A	1.25	0.114
I-4 Connector ^(D)	1	0.50 - 1.00	0.50 - 1.00	0.75 - 1.25	0.75 - 1.25	N/A	N/A

^(A) Toll rates shown effective during FY 2014. New indexed SunPass and TOLL-BY-PLATE (TBP) toll rates effective July 1, 2014 are not reflected in this table.

^(B) TOLL-BY-PLATE toll rates apply on the southern section of the facility where the first phase of All-Electronic Tolling (AET) was implemented.

^(C) TOLL-BY-PLATE toll rates apply on the southern section of the facility where the first phase of the AET was implemented near the end of FY 2014. The remaining sections converted to AET in early FY 2015.

^(D) I-4 Connector is an AET facility that opened to traffic in January 2014 in Hillsborough County. This is an elevated facility with higher toll rates.

SunPass Toll Versus Cash Toll

As indicated in the above table, toll rates are differentiated between conventional cash, TBP, and customers paying through the SunPass Electronic Toll Collection (ETC) method on Turnpike System facilities. The ETC method provides for increased throughput at the toll plazas, enhanced safety, and lower transaction processing costs which allows for the Turnpike to offer a pricing preference to SunPass customers.

Three-Plus Axle Vehicle (Truck) Toll

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

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

Toll Rate Setting

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

Toll Rate Indexing

Section 338.165, Florida Statutes, authorizes the Department to index toll rates. The SunPass and TBP toll rates, where applicable, were indexed by 2.1% on all Department toll roads and bridges on July 1, 2013. The law requires that the Department index toll rates on existing toll facilities to the annual Consumer Price Index or similar inflation indicator no more frequently than once a year, and no less frequently than once every five years. SunPass and TBP rates will be adjusted annually on or before July 1 each year based on the actual change in the year-over-year Consumer Price Index, while cash rates will be indexed every five years. As such, on July 1, 2014, SunPass and TBP rates were increased by 1.5%.

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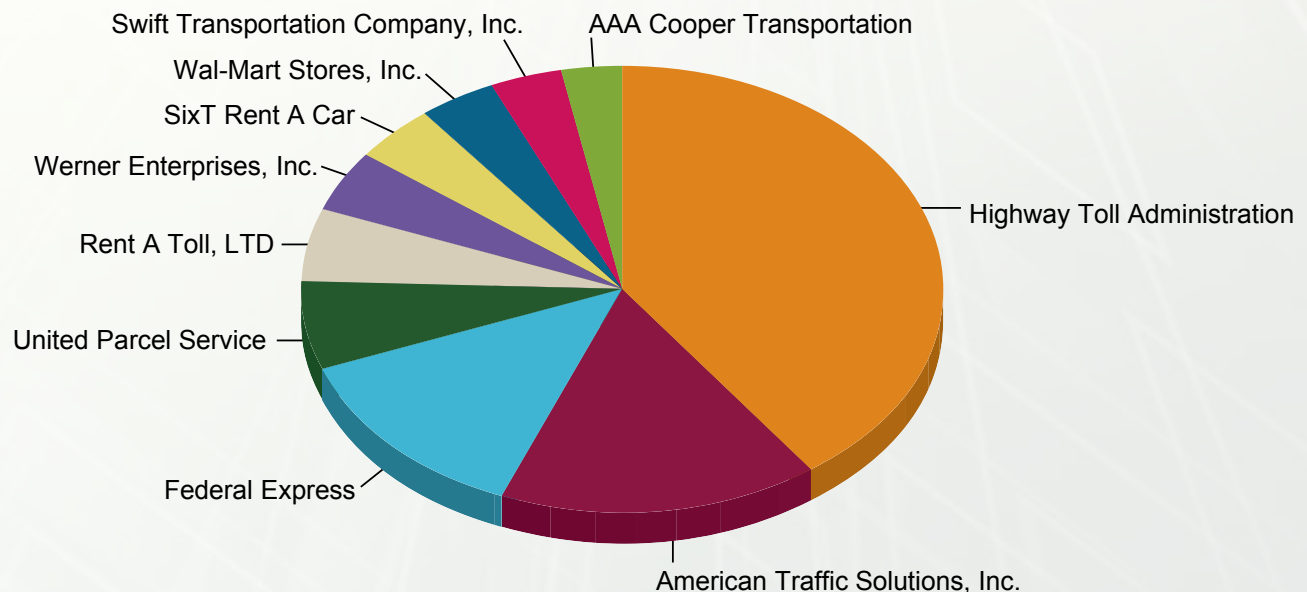
**FLORIDA'S TURNPIKE SYSTEM
PRINCIPAL CUSTOMERS^(A)
Fiscal Years 2014 and 2005**

Customer	FY 2014			FY 2005		
	Toll Revenue	Rank	% of Total Toll Revenue	Toll Revenue	Rank	% of Total Toll Revenue
Highway Toll Administration ^(B)	\$10,130,921	1	1.27%			
American Traffic Solutions, Inc. ^(B)	\$4,075,738	2	0.51%			
Federal Express	\$3,303,881	3	0.41%	\$1,827,506	1	0.31%
United Parcel Service	1,632,814	4	0.21%	895,362	3	0.15%
Rent A Toll, LTD ^(B)	1,363,482	5	0.17%			
Werner Enterprises, Inc.	1,142,107	6	0.14%	1,071,002	2	0.18%
SixT Rent A Car ^(B)	1,029,859	7	0.13%			
Wal-Mart Stores, Inc.	949,933	8	0.12%	865,252	4	0.15%
Swift Transportation Company, Inc.	912,359	9	0.11%			
AAA Cooper Transportation	763,303	10	0.10%	407,683	8	0.07%
Kenan Advantage Group				736,201	5	0.13%
Southeastern Freight Lines				597,963	6	0.10%
Waste Management				520,589	7	0.09%
Community Asphalt Corp				369,768	9	0.06%
Sysco Food Service				353,196	10	0.06%
Total	\$25,304,397		3.17%	\$7,644,522		1.30%

Note: Total toll revenue used in calculations obtained from page 12 of the CAFR statistical section.

^(A) For FY 2014 and FY 2005, the top ten Turnpike System customers comprised only 3.17 percent and 1.30 percent, respectively, of total Turnpike System toll revenues. This is attributable to the geographic diversity of the Turnpike System and the large varied customer base. Additionally, only five of the top ten customers in FY 2005 were rated in the top ten in FY 2014.

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



Source:
Turnpike Enterprise Toll Operations Office

**FLORIDA'S TURNPIKE SYSTEM
REVENUE**
FY 2010 through FY 2014
(In Thousands)

	2014 ^(A)	2013 ^(A)	2012	2011	2010
Mainline	\$581,632	\$550,715	\$439,961	\$434,230	\$432,970
Sawgrass Expressway ^(B)	69,768	66,579	51,360	50,314	49,702
Seminole Expressway ^(B)	40,919	38,473	31,457	30,763	30,882
Veterans Expressway ^(B)	39,925	41,616	32,757	32,466	31,692
Southern Connector Extension ^(B)	7,517	6,794	4,343	4,201	4,148
Polk Parkway ^(B)	24,590	23,649	22,615	21,775	21,391
Suncoast Parkway ^(B)	22,011	21,349	20,769	21,233	20,621
Western Beltway, Part C ^(B,C)	7,289	6,367	5,550	5,097	4,767
I-4 Connector ^(B,D)	2,650	N/A	N/A	N/A	N/A
Total Toll Revenue	796,301	755,542	608,812	600,079	596,173
Concession Revenue	7,139	7,515	7,169	8,382	10,757
Total Revenue	\$803,440	\$763,057	\$615,981	\$608,461	\$606,930
Total Transactions	690,584	663,267	664,279	652,857	639,426

^(A) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

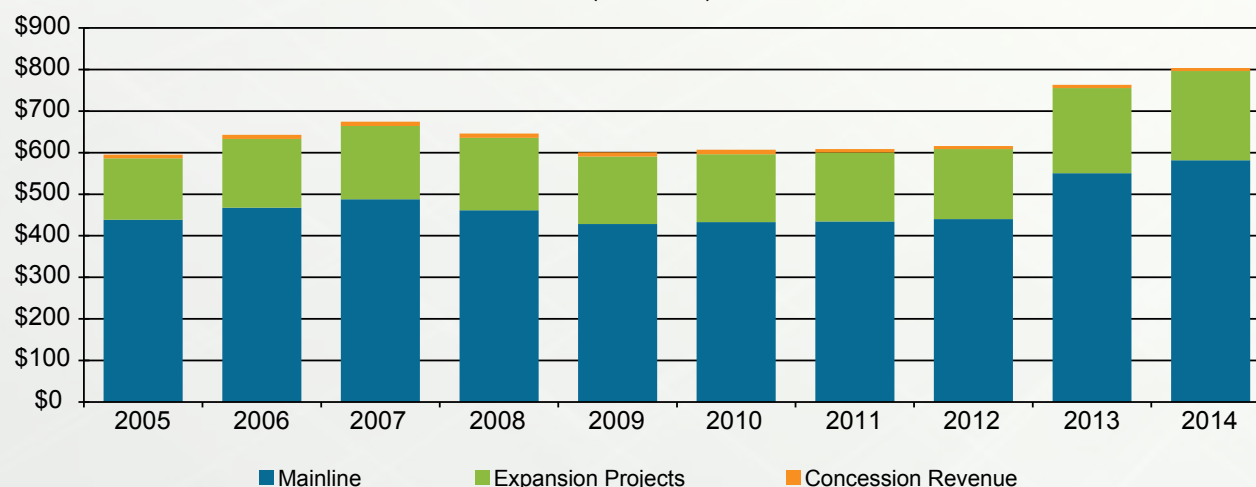
^(B) Toll facilities other than the Mainline are considered Expansion Projects and are combined as such in the graph below.

^(C) Western Beltway, Part C opened to traffic in FY 2006.

^(D) I-4 Connector opened to traffic in January 2014.

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

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant

**FLORIDA'S TURNPIKE SYSTEM
REVENUE**
FY 2005 through FY 2009
(In Thousands)

	2009 ^(E)	2008 ^(E)	2007	2006	2005
Mainline	\$428,124	\$461,567	\$487,686	\$467,807	\$438,469
Sawgrass Expressway ^(B)	48,121	50,902	52,538	50,419	47,124
Seminole Expressway ^(B)	32,488	36,138	36,539	34,542	31,221
Veterans Expressway ^(B)	30,980	33,089	34,354	33,086	29,527
Southern Connector Extension ^(B)	4,443	5,130	5,148	4,854	4,489
Polk Parkway ^(B)	21,496	22,450	22,572	21,198	18,504
Suncoast Parkway ^(B)	20,157	21,424	21,743	19,962	16,930
Western Beltway, Part C ^(B,C)	4,719	4,871	3,363	978	N/A
I-4 Connector ^(B,D)	N/A	N/A	N/A	N/A	N/A
Total Toll Revenue	590,528	635,571	663,943	632,846	586,264
Concession Revenue	10,110	10,363	10,710	10,171	8,618
Total Revenue	\$600,638	\$645,934	\$674,653	\$643,017	\$594,882
Total Transactions	630,861	667,320	690,485	661,368	617,930

^(A) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

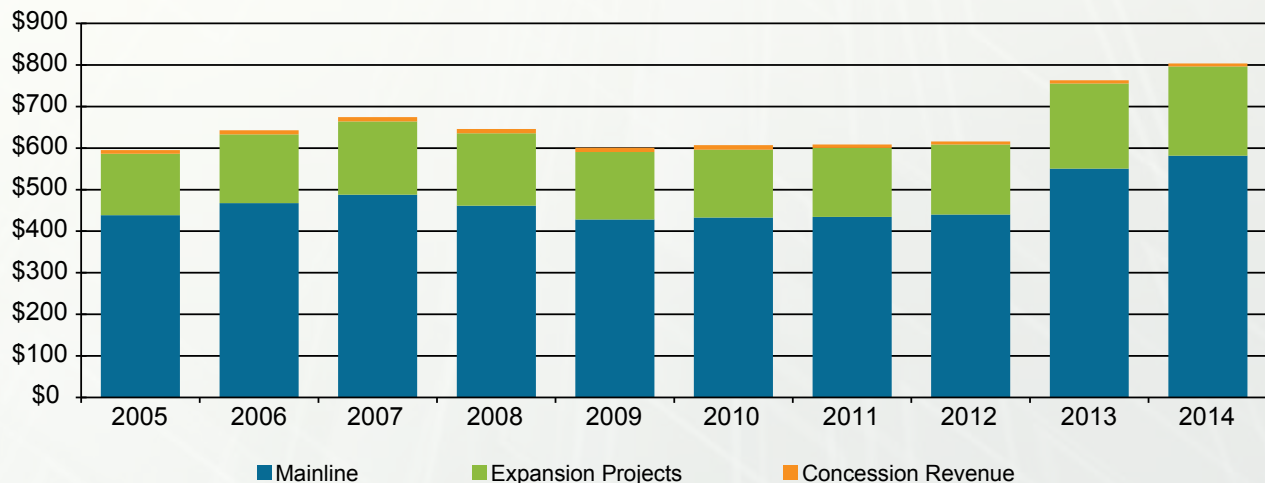
^(B) Toll facilities other than the Mainline are considered Expansion Projects and are combined as such in the graph below.

^(C) Western Beltway, Part C opened to traffic in FY 2006.

^(D) I-4 Connector opened to traffic in January 2014.

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

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant

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

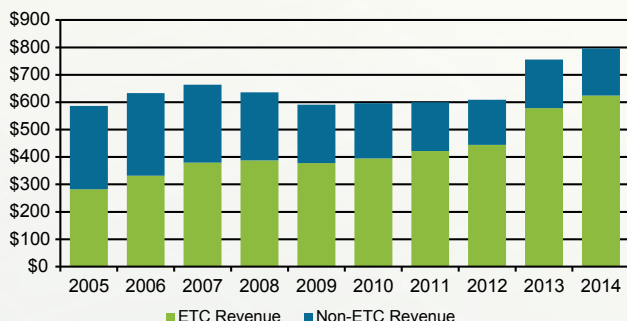
Fiscal Year	Total Toll Revenue	ETC Toll Revenue ^(A)	Percentage ETC Revenue	Total Transactions	Total ETC Transactions ^(A)	Percentage ETC Transactions
2014 ^(B)	\$796,301	\$624,064	78.37%	690,584	562,167	81.40%
2013 ^(B)	755,542	578,278	76.54	663,267	536,576	80.90
2012	608,812	443,876	72.91	664,279	525,616	79.13
2011	600,079	421,598	70.26	652,857	493,627	75.61
2010	596,173	395,202	66.29	639,426	454,012	71.00
2009 ^(C)	590,528	377,938	64.00	630,861	430,720	68.27
2008 ^(C)	635,571	387,382	60.95	667,320	437,017	65.49
2007	663,943	379,483	57.16	690,485	427,399	61.90
2006	632,846	331,924	52.45	661,368	366,709	55.45
2005	586,264	282,161	48.13	617,930	323,877	52.41

^(A) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

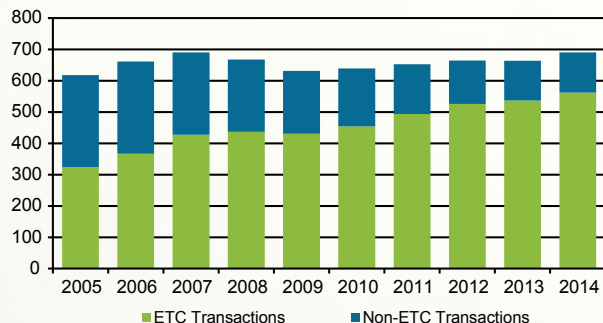
^(B) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

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

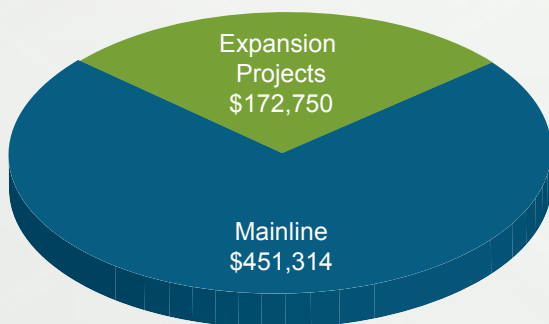
**FLORIDA'S TURNPIKE SYSTEM
TOTAL TOLL REVENUE
(In Millions)**



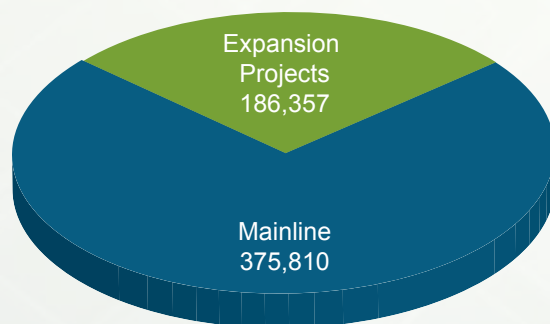
**FLORIDA'S TURNPIKE SYSTEM
TOTAL TRANSACTIONS
(In Millions)**



**ETC TOLL REVENUE
FISCAL YEAR 2014
(In Thousands)**



**ETC TRANSACTIONS
FISCAL YEAR 2014
(In Thousands)**



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant

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

Fiscal Year	Mainline Toll Revenue						Concession Revenue	Total Revenue ^(A)	Total Transactions ^(A)
	SR 821 (HEFT)	Golden Glades to Wildwood			Beachline West	Total			
		Southern Coin	Ticket	Northern Coin					
2014 ^(B)	\$153,421	\$139,645	\$150,885	\$114,822	\$22,859	\$581,632	\$6,785	\$588,417	459,759
2013 ^(B)	148,397	133,334	139,427	107,593	21,964	550,715	7,082	557,797	442,857
2012	108,203	100,861	130,482	84,707	15,708	439,961	6,713	446,674	440,023
2011 ^(C)	103,802	99,318	132,936	83,187	14,987	434,230	7,995	442,225	431,586
2010	103,164	98,660	134,525	82,474	14,147	432,970	10,237	443,207	422,237
2009 ^(D)	99,158	97,376	135,302	82,243	14,045	428,124	9,661	437,785	415,943
2008 ^(D)	106,509	104,982	145,269	88,765	16,042	461,567	10,001	471,568	441,380
2007	116,087	111,449	152,270	91,563	16,317	487,686	10,410	498,096	463,642
2006	108,230	107,160	147,815	88,383	16,219	467,807	10,026	477,833	447,905
2005	103,170	103,716	135,238	80,913	15,432	438,469	8,513	446,982	424,321

^(A) Total Revenue and Total Transactions include SunPass and all interoperable partners.

^(B) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

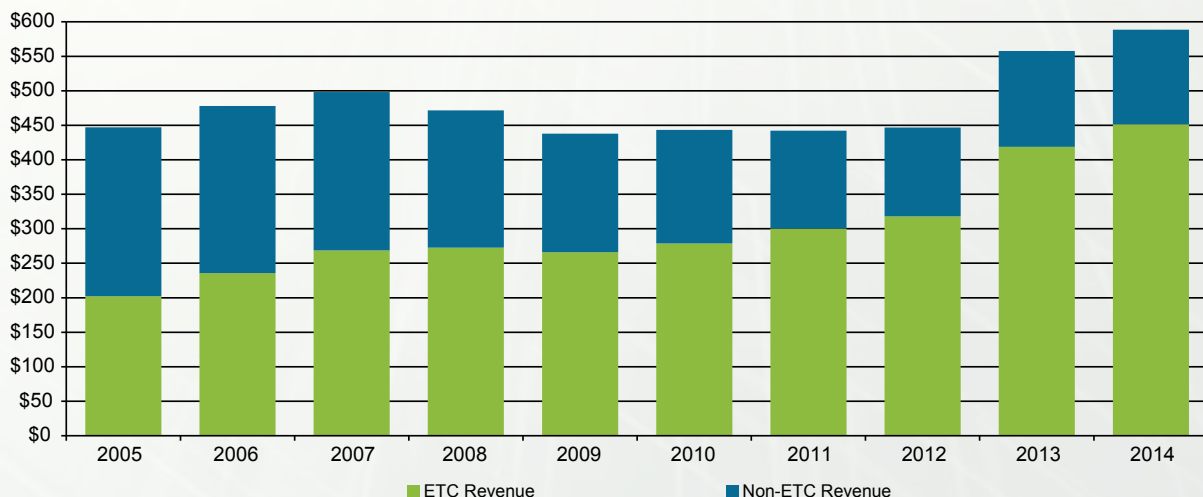
^(C) The decrease in FY 2011 Total Revenue is attributed to a decline in Concession Revenue due to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline.

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

Fiscal Year	Mainline Electronic Toll Collection						
	SR 821 (HEFT)	Golden Glades to Wildwood			Beachline West	Total Revenue ^(E)	Total Transactions ^(E)
		Southern Coin	Ticket	Northern Coin			
2014	\$141,220	\$114,939	\$104,983	\$74,718	\$15,454	\$451,314	375,810
2013	135,872	105,882	95,567	67,222	14,182	418,725	360,777
2012	94,678	76,341	88,314	49,574	9,013	317,920	355,060
2011	86,262	71,672	86,940	46,937	8,472	300,283	329,098
2010	75,003	66,544	84,483	45,049	7,707	278,786	297,731
2009	69,579	63,348	82,633	43,297	7,114	265,971	282,005
2008	70,706	64,616	84,761	45,024	7,479	272,586	287,441
2007	70,154	64,843	82,873	43,277	7,401	268,548	282,417
2006	61,243	57,313	73,059	37,411	6,578	235,604	241,798
2005	54,158	52,098	59,119	31,084	5,684	202,143	219,344

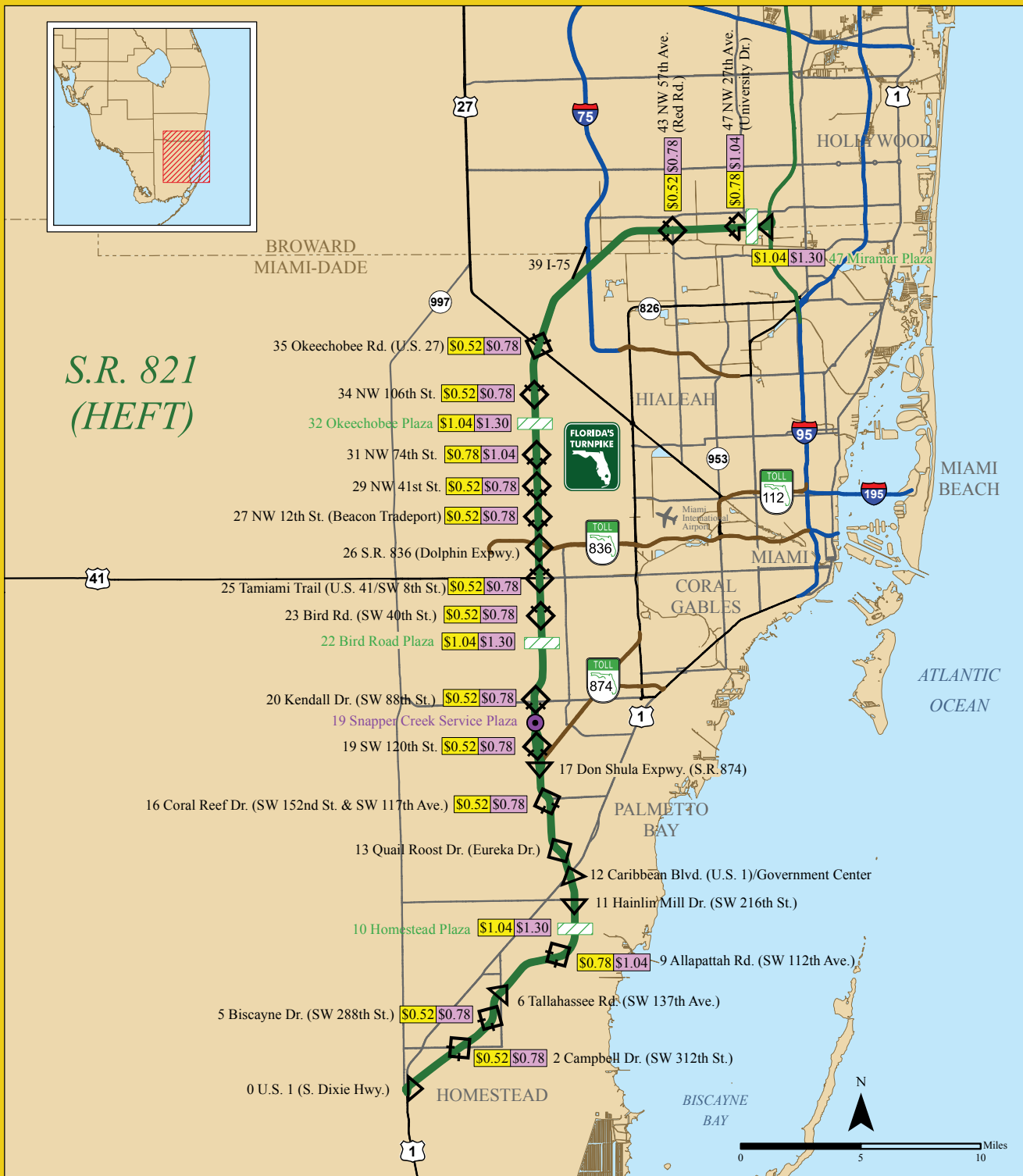
^(E) Electronic Toll Collection (ETC) Total Revenue and Total Transactions include SunPass and all interoperable partners.

**MAINLINE
TOTAL REVENUE**
(In Millions)



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



\$0.00 SunPass Toll Rate
\$0.00 TOLL-BY-PLATE Toll Rate
Toll Plaza (All-Electronic)
Service Plaza

S.R. 821 (HEFT)

Interchange With Toll Collection
Interchange With No Toll Collection
Existing Turnpike System Facility, S.R. 821 (HEFT)
Existing Turnpike System Facility

Interstate Highway
Other Toll Road
Arterial
Other Road
County Boundary



Produced by:
URS Corporation

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

FLORIDA'S TURNPIKE SYSTEM
SR 821 (HEFT)
 Last Ten Fiscal Years
 (In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue	Total Revenue	Total Transactions	ETC	
					Revenue ^(A)	Transactions ^(A)
2014 ^(B)	\$153,421	\$221	\$153,642	181,095	\$141,220	159,164
2013 ^(B)	148,397	195	148,592	176,698	135,872	157,036
2012	108,203	185 ^(C)	108,388	174,126	94,678	156,466
2011	103,802	303 ^(C)	104,105	169,218	86,262	140,382
2010	103,164	426	103,590	165,152	75,003	122,256
2009 ^(D)	99,158	437	99,595	160,659	69,579	114,450
2008 ^(D)	106,509	372	106,881	169,884	70,706	115,927
2007	116,087	371	116,458	184,707	70,154	115,607
2006	108,230	327	108,557	176,347	61,243	97,553
2005	103,170	164	103,334	165,422	54,158	88,638

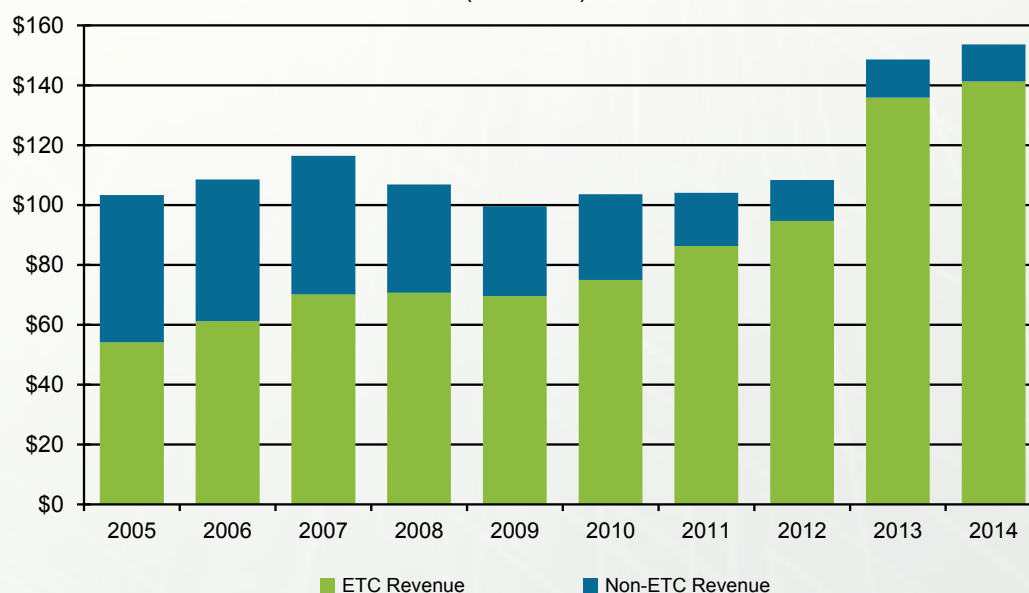
^(A) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(B) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods

^(C) In February 2011, the conversion to All-Electronic Tolling was completed. This conversion removed all toll booths available for advertising on SR 821 (HEFT), resulting in a decline in Concession Revenue. FY 2012 reflects the first full year of the impact.

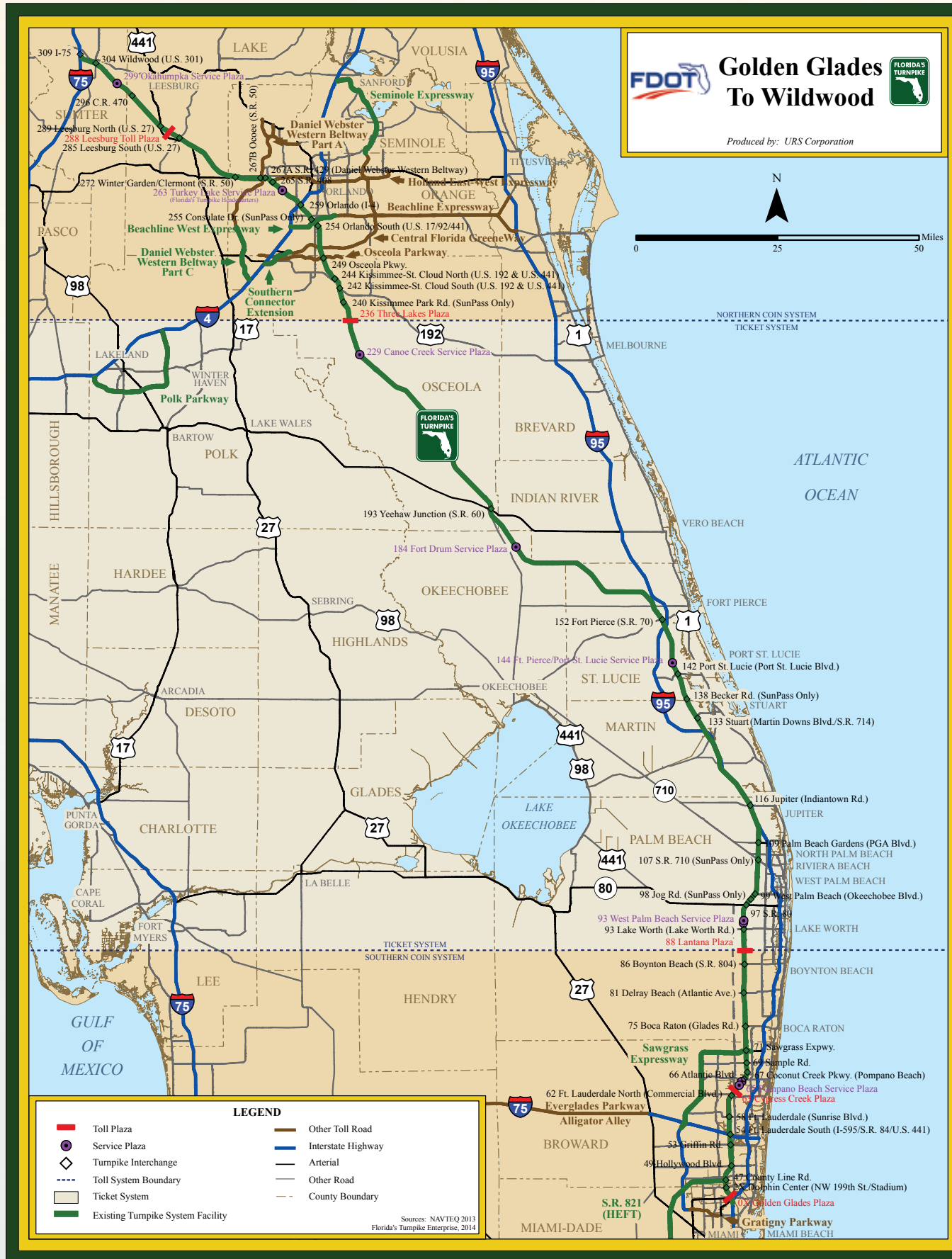
^(D) The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

SR 821 (HEFT)
TOTAL REVENUE
 (In Millions)



Sources:

Turnpike Enterprise Finance Office
 URS Corporation, Traffic & Revenue Consultant



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

Fiscal Year	Toll Revenue				Concession Revenue	Total Revenue ^(A)	Total Transactions ^(A)
	Southern Coin	Ticket	Northern Coin	Total			
2014 ^(B)	\$139,645	\$150,885	\$114,822	\$405,352	\$6,536	\$411,888	252,031
2013 ^(B)	133,334	139,427	107,593	380,354	6,859	387,213	240,643
2012 ^(C)	100,861	130,482	84,707	316,050	6,498	322,548	240,256
2011 ^(C)	99,318	132,936	83,187	315,441	7,667	323,108	237,370
2010	98,660	134,525	82,474	315,659	9,780	325,439	233,581
2009 ^(D)	97,376	135,302	82,243	314,921	9,190	324,111	231,974
2008 ^(D)	104,982	145,269	88,765	339,016	9,608	348,624	246,023
2007	111,449	152,270	91,563	355,282	9,969	365,251	253,395
2006	107,160	147,815	88,383	343,358	9,698	353,056	246,543
2005	103,716	135,238	80,913	319,867	8,346	328,213	235,143

^(A) Total Revenue and Total Transactions include SunPass and all interoperable partners.

^(B) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

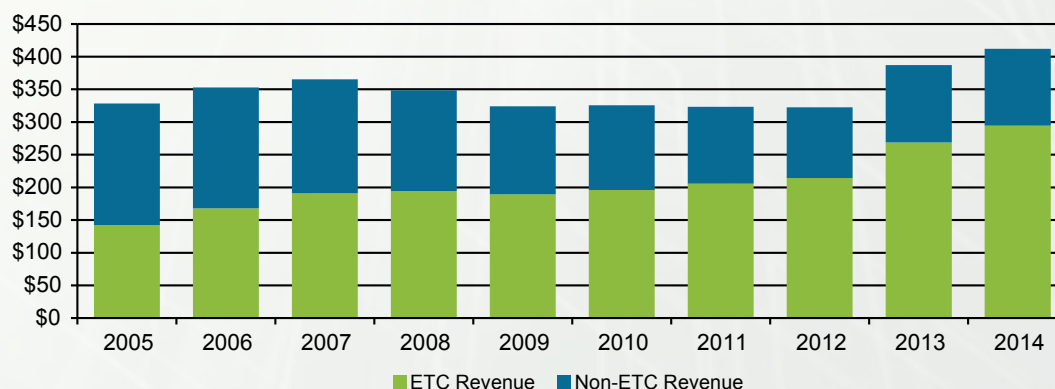
^(C) The decrease in FY 2012 and FY 2011 Total Revenue is attributed to a decline in Concession Revenue due to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline.

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

Fiscal Year	Electronic Toll Collection				
	Southern Coin	Ticket	Northern Coin	Total Revenue ^(E)	Total Transactions ^(E)
2014	\$114,939	\$104,983	\$74,718	\$294,640	197,811
2013	105,882	95,567	67,222	268,671	186,174
2012	76,341	88,314	49,574	214,229	181,822
2011	71,672	86,940	46,937	205,549	172,794
2010	66,544	84,483	45,049	196,076	161,188
2009	63,348	82,633	43,297	189,278	154,514
2008	64,616	84,761	45,024	194,401	157,997
2007	64,843	82,873	43,277	190,993	153,467
2006	57,313	73,059	37,411	167,783	132,412
2005	52,098	59,119	31,084	142,301	120,404

^(E) Electronic Toll Collection (ETC) Total Revenue and Total Transactions include SunPass and all interoperable partners.

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

Beachline West Expressway

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

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

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



Produced by:
URS Corporation

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$22,859	\$28	\$22,887	26,633	\$15,454	18,835
2013 ^(C)	21,964	28	21,992	25,516	14,182	17,567
2012	15,708	30	15,738	25,641	9,013	16,772
2011	14,987	25	15,012	24,998	8,472	15,922
2010	14,147	31	14,178	23,504	7,707	14,287
2009 ^(D)	14,045	34	14,079	23,310	7,114	13,041
2008 ^(D)	16,042	21	16,063	25,473	7,479	13,517
2007	16,317	70	16,387	25,540	7,401	13,343
2006	16,219	1	16,220	25,015	6,578	11,833
2005	15,432	3	15,435	23,756	5,684	10,302

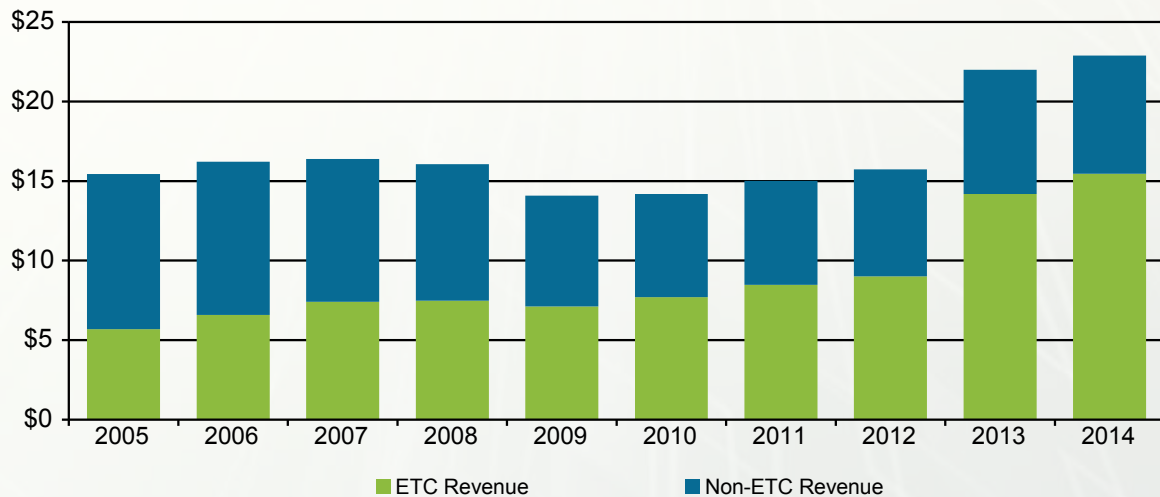
^(A) Although there are no service plazas on the Beachline West Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005. The decrease beginning in FY 2008 is due to movement of toll plaza advertising to other segments.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

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

BEACHLINE WEST EXPRESSWAY
TOTAL REVENUE
(In Millions)



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

Sawgrass Expressway

\$0.00 SunPass Toll Rate
\$0.00 TOLL-BY-PLATE Toll Rate
Green Box Toll Plaza (All-Electronic)

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

Interstate Highway
 Arterial
 Other Road
 County Boundary



Produced by:
URS Corporation

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$69,768	\$100	\$69,868	75,121	\$61,665	65,371
2013 ^(C)	66,579	80	66,659	72,195	57,308	62,300
2012	51,360	107	51,467	72,179	42,843	61,052
2011	50,314	101	50,415	70,584	40,813	58,408
2010	49,702	145	49,847	69,662	39,188	55,684
2009 ^(D)	48,121	130	48,251	67,810	36,780	52,074
2008 ^(D)	50,902	117	51,019	69,503	36,648	50,365
2007	52,538	116	52,654	71,164	35,972	50,342
2006	50,419	64	50,483	69,610	32,026	44,290
2005	47,124	29	47,153	64,927	28,158	39,315

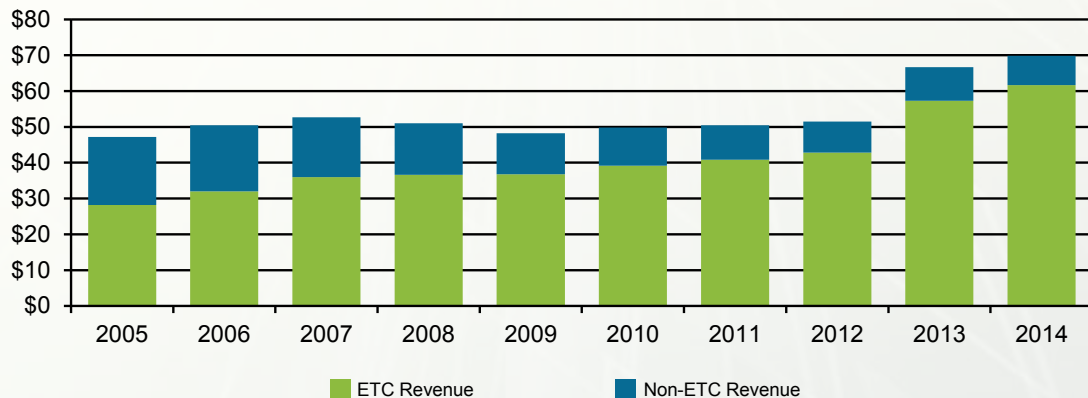
^(A) Although there are no service plazas on the Sawgrass Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

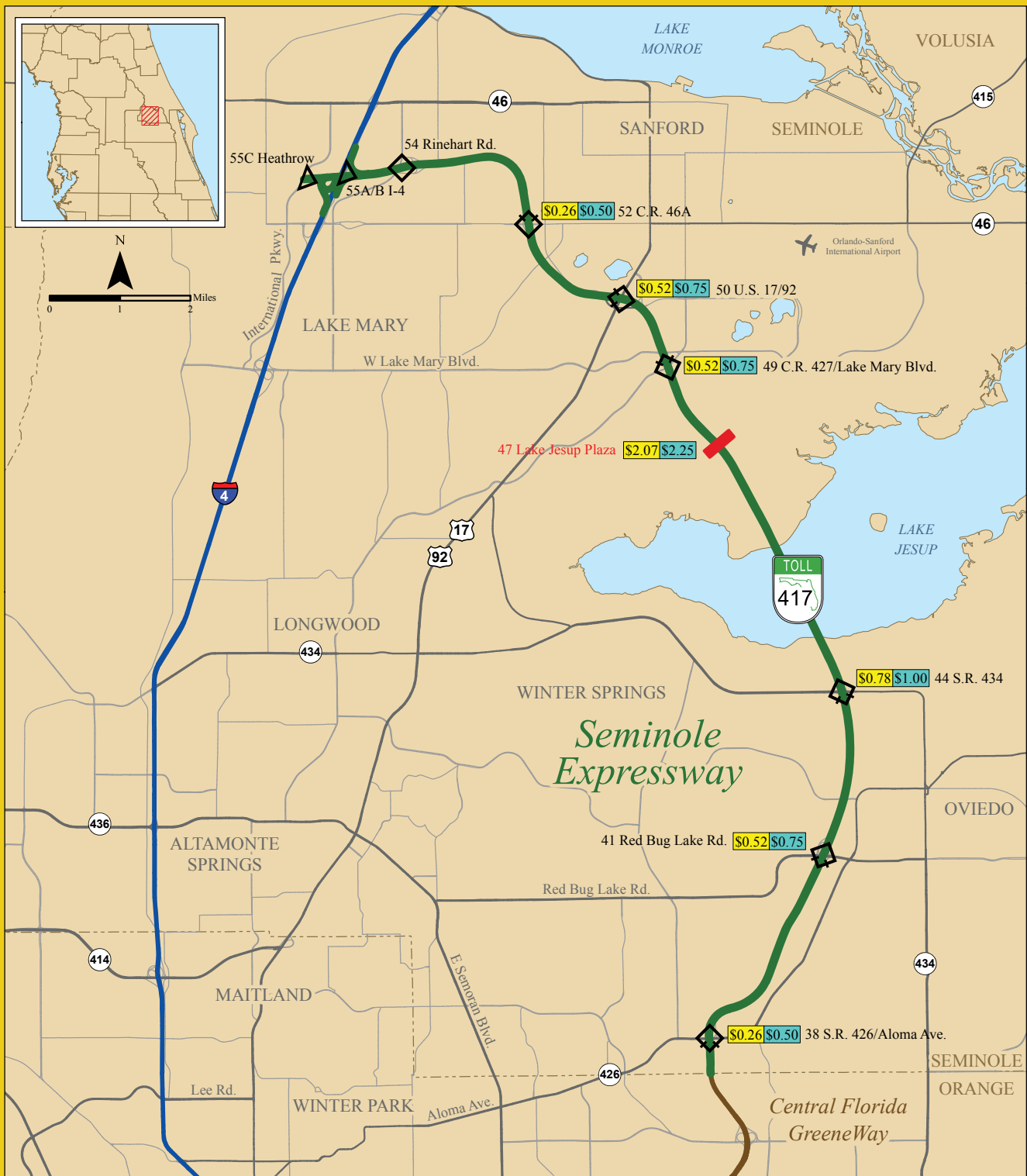
^(D) The decrease in FY 2008 and FY 2009 Total Revenue and Total Transactions was due to a decline in Florida's economic conditions.

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



SunPass Toll Rate
 Cash Toll Rate
 Toll Plaza

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

Seminole Expressway

Interchange With Toll Collection
 Interchange With No Toll Collection
 Existing Turnpike System Facility, Seminole Expressway
 Interstate Highway

Other Toll Road
 Arterial
 Other Road
 County Boundary



Produced by:
URS Corporation

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$40,919	\$67	\$40,986	32,436	\$32,489	26,267
2013 ^(C)	38,473	71	38,544	30,819	29,739	24,646
2012	31,457	71	31,528	31,265	22,752	23,642
2011 ^(D)	30,763	72	30,835	31,117	22,087	23,153
2010 ^(D)	30,882	81	30,963	31,168	21,869	22,538
2009 ^(D)	32,488	92	32,580	32,765	22,417	23,080
2008 ^(D)	36,138	54	36,192	35,719	24,509	24,794
2007	36,539	52	36,591	35,908	24,003	24,287
2006	34,542	30	34,572	34,408	21,479	21,955
2005	31,221	7	31,228	32,216	18,326	19,161

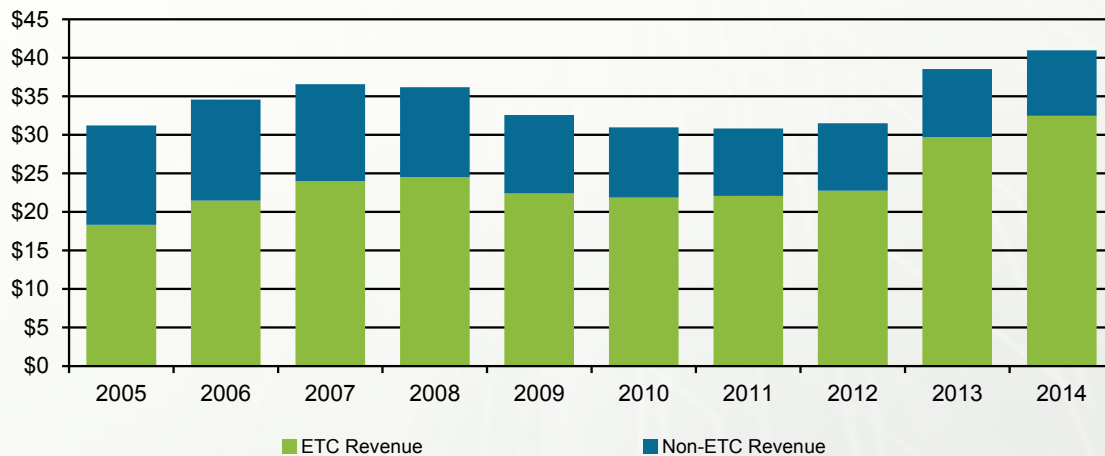
^(A) Although there are no service plazas on the Seminole Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

^(D) The decrease in FY 2008 through FY 2011 Total Revenue and Total Transactions was due to a prolonged economic recovery in the region.

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Veterans Expressway



Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014



Produced by:
URS Corporation

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$39,925	\$35	\$39,960	48,345	\$31,495	38,281
2013 ^(C)	41,616	59	41,675	49,542	31,599	38,872
2012	32,757	67	32,824	51,288	23,152	38,108
2011	32,466	56	32,522	50,933	22,496	37,106
2010	31,692	76	31,768	49,555	21,353	35,043
2009 ^(D)	30,980	59	31,039	47,876	20,126	32,757
2008 ^(D)	33,089	60	33,149	50,586	20,381	33,138
2007	34,354	47	34,401	51,896	20,083	32,594
2006	33,086	23	33,109	49,322	17,859	28,575
2005	29,527	33	29,560	44,090	14,538	23,038

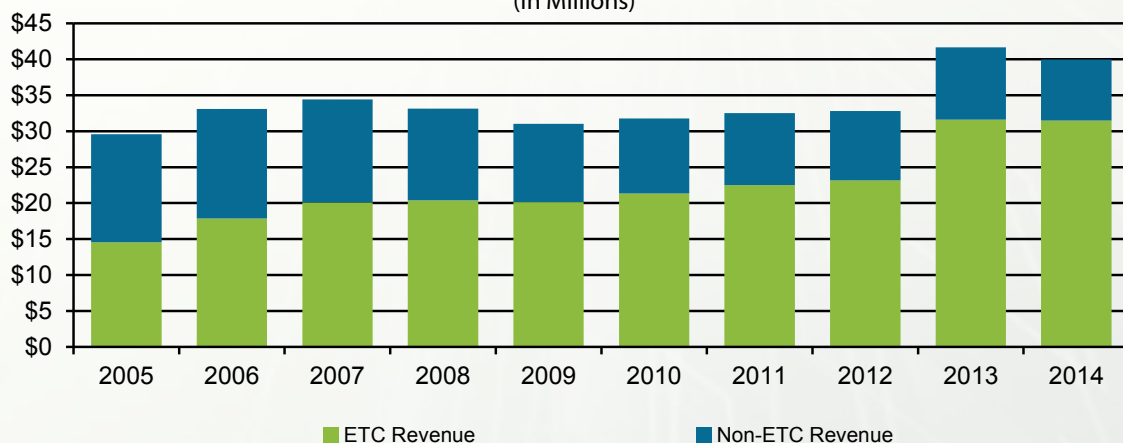
^(A) Although there are no service plazas on the Veterans Expressway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods. However, the FY 2014 toll revenue increase was offset by a revenue decline due to construction activities on this facility.

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

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



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Southern Connector Extension



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

■ Toll Plaza
△ Interchange With Toll Collection
◇ Interchange With No Toll Collection

— Existing Turnpike System Facility, Southern Connector Extension
— Existing Turnpike System Facility
— Interstate Highway
— Other Toll Road

— Arterial
— Other Road
--- Planned International Drive Connector
--- County Boundary



Produced by:
URS Corporation

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$7,517	\$20	\$7,537	9,599	\$5,641	7,348
2013 ^(C)	6,794	15	6,809	8,773	4,928	6,584
2012	4,343	17	4,360	8,499	2,804	6,091
2011	4,201	12	4,213	8,319	2,661	5,799
2010 ^(D)	4,148	16	4,164	8,138	2,551	5,483
2009 ^(D)	4,443	12	4,455	8,743	2,581	5,568
2008 ^(D)	5,130	15	5,145	9,760	2,830	6,005
2007	5,148	9	5,157	9,599	2,667	5,655
2006	4,854	11	4,865	9,019	2,265	4,811
2005	4,489	4	4,493	8,393	1,892	4,104

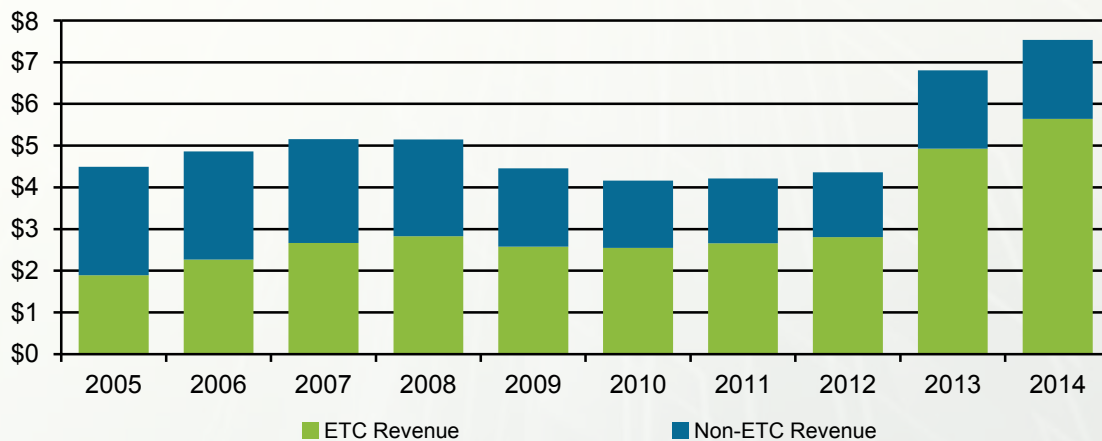
^(A) Although there are no service plazas on the Southern Connector Extension, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

^(D) The decrease in FY 2008 through FY 2010 Total Revenue was due to a prolonged economic recovery in the region.

**SOUTHERN CONNECTOR EXTENSION
TOTAL REVENUE**
(In Millions)



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

Polk Parkway



Produced by:
URS Corporation

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$24,590	\$62	\$24,652	27,495	\$17,202	19,849
2013 ^(C)	23,649	140	23,789	26,350	15,766	18,466
2012	22,615	103	22,718	27,395	14,951	17,453
2011	21,775	67	21,842	26,608	14,060	16,335
2010 ^(D)	21,391	97	21,488	26,209	13,366	15,435
2009 ^(D)	21,496	67	21,563	26,344	12,762	14,613
2008 ^(D)	22,450	56	22,506	27,330	12,629	14,214
2007	22,572	31	22,603	27,239	11,801	13,011
2006	21,198	9	21,207	25,340	10,115	10,868
2005	18,504	16	18,520	22,863	7,938	8,422

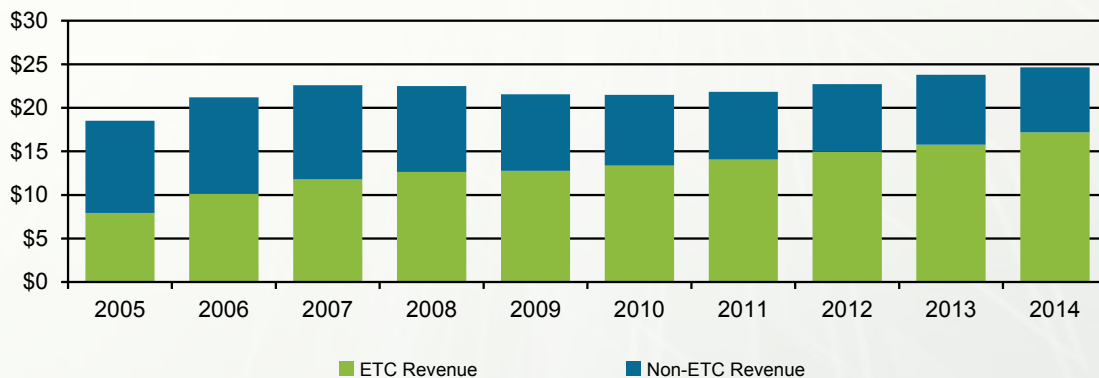
^(A) Although there are no service plazas on the Polk Parkway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005. The increase beginning in FY 2012 is attributable to additional advertising revenue due to the opening of Legoland Theme Park in Winter Haven.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

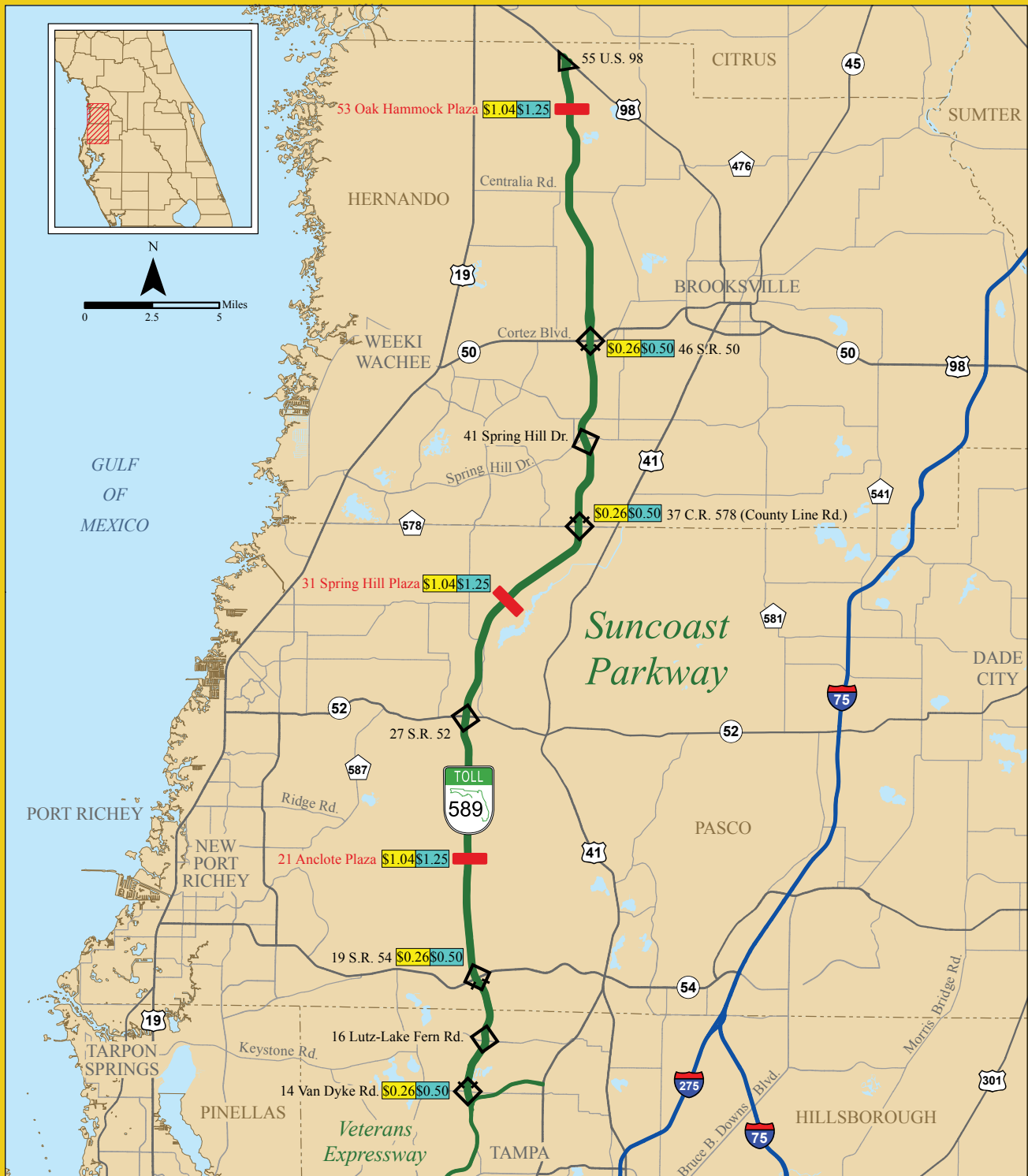
^(D) The decrease in FY 2008 through FY 2010 Total Revenue was due to a prolonged economic recovery in the region.

POLK PARKWAY
TOTAL REVENUE
 (In Millions)



Sources:

Turnpike Enterprise Finance Office
 URS Corporation, Traffic & Revenue Consultant



\$0.00 SunPass Toll Rate
\$0.00 Cash Toll Rate
Toll Plaza
Interchange With Toll Collection

Suncoast Parkway

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

Arterial
Other Road
County Boundary



Produced by:
URS Corporation

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

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

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$22,011	\$49	\$22,060	26,805	\$16,861	21,201
2013 ^(C)	21,349	42	21,391	26,394	15,790	20,527
2012 ^(D)	20,769	59	20,828	27,593	15,545	20,358
2011	21,233	51	21,284	28,151	15,642	20,297
2010	20,621	72	20,693	27,345	14,808	19,026
2009 ^(D)	20,157	62	20,219	26,442	14,115	17,745
2008 ^(D)	21,424	43	21,467	28,114	14,525	18,222
2007	21,743	35	21,778	27,909	14,150	17,264
2006	19,962	8	19,970	24,897	11,904	13,880
2005	16,930	16	16,946	21,120	9,166	10,493

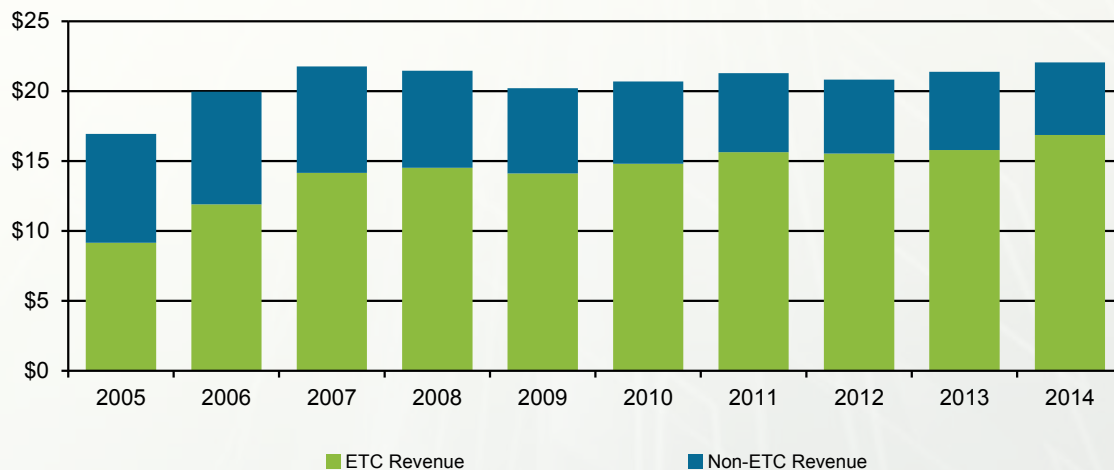
^(A) Although there are no service plazas on the Suncoast Parkway, a license agreement for systemwide toll plaza advertising and highway signage began in FY 2005.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

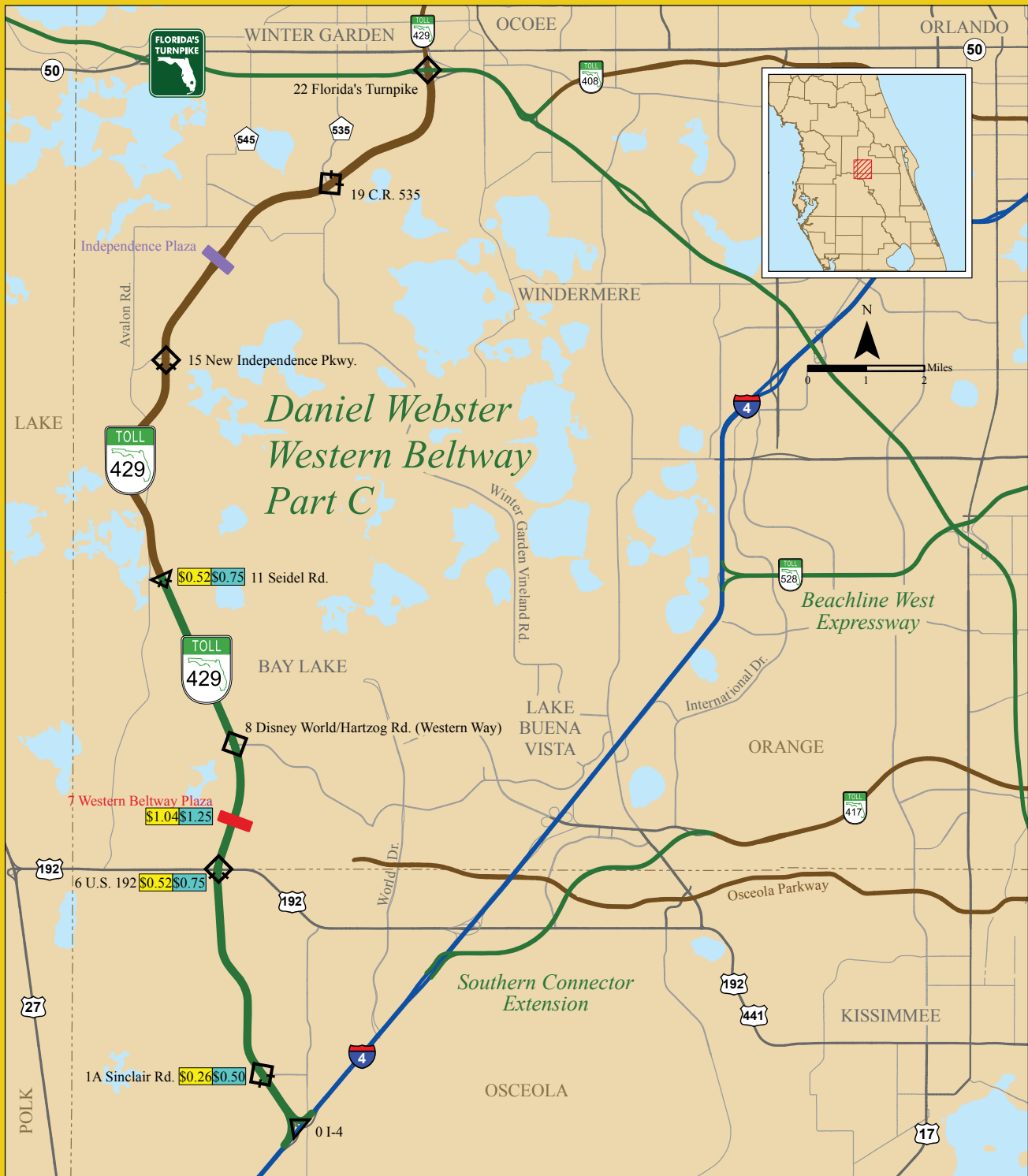
^(D) The decrease in FY 2008, FY 2009 and FY 2012 Total Revenue was due to the variations in the region's economic conditions.

**SUNCOAST PARKWAY
TOTAL REVENUE**
(In Millions)



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



Daniel Webster Western Beltway, Part C



- \$0.00 SunPass Toll Rate
- \$0.00 Cash Toll Rate
- Toll Plaza - Turnpike System
- Toll Plaza - CFX

- Interchange With Toll Collection
- Interchange With No Toll Collection
- Existing Turnpike System Facility
- Existing Turnpike System Facility, Western Beltway, Part C

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



Produced by:
URS Corporation

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

FLORIDA'S TURNPIKE SYSTEM
WESTERN BELTWAY, PART C
Fiscal Years 2006 through 2014
(In Thousands)

Fiscal Year	Toll Revenue	Concession Revenue ^(A)	Total Revenue	Total Transactions	ETC	
					Revenue ^(B)	Transactions ^(B)
2014 ^(C)	\$7,289	\$21	\$7,310	7,209	\$5,209	5,097
2013 ^(C)	6,367	26	6,393	6,337	4,423	4,404
2012	5,550	32	5,582	6,037	3,909	3,852
2011	5,097	28	5,125	5,559	3,556	3,431
2010	4,767	33	4,800	5,112	3,281	3,072
2009 ^(D)	4,719	27	4,746	4,938	3,186	2,878
2008	4,871	17	4,888	4,928	3,274	2,838
2007 ^(E)	3,363	10	3,373	3,128	2,259	1,829
2006 ^(F)	978	N/A	978	867	672	532

^(A) Although there are no service plazas on the Western Beltway, Part C, a license agreement for system-wide toll plaza advertising and highway signage began in FY 2005. Advertising revenue was generated for Western Beltway, Part C beginning in FY 2007.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

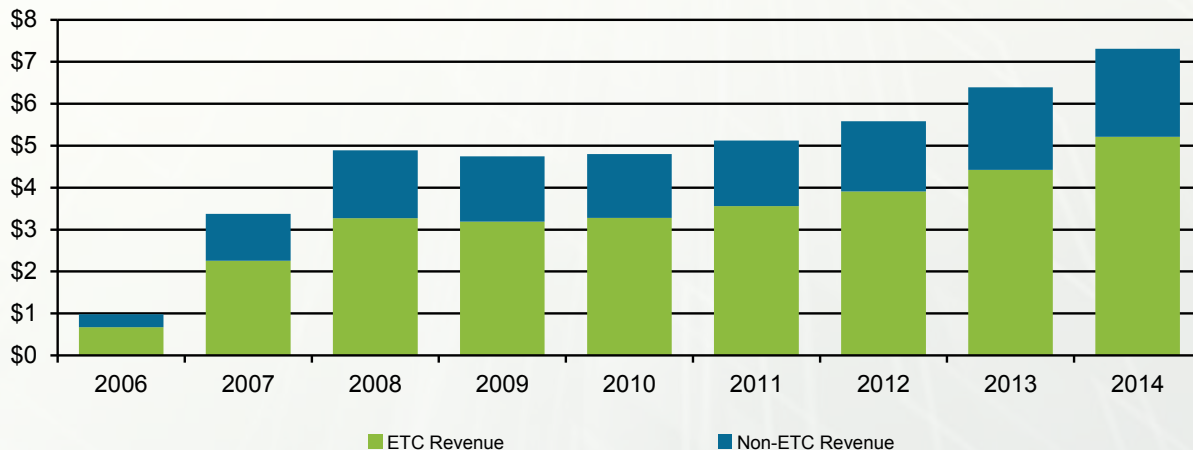
^(C) Toll rates are statutorily required to be adjusted based on an established index. Accordingly, SunPass and TOLL-BY-PLATE (TBP) rates are indexed annually (July 1st) based on the year-over-year change in the Consumer Price Index (CPI), while cash rates are adjusted every five years. FY 2014 toll revenue reflects the annual SunPass and TBP indexed rates, while FY 2013 toll revenue includes indexed rates for all payment methods.

^(D) The decrease in FY 2009 Total Revenue was due to a decline in Florida's economic conditions.

^(E) The final 6-mile segment of the 11-mile Western Beltway, Part C opened to traffic in FY 2007.

^(F) The first 5-mile segment of the Western Beltway, Part C opened to traffic in FY 2006.

WESTERN BELTWAY, PART C
TOTAL REVENUE
(In Millions)



Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant



- \$0.00 SunPass Toll Rate
- \$0.00 TOLL-BY-PLATE Toll Rate
- / / / Toll Plaza (All-Electronic)

I-4 Connector

- I-4 Connector
- ◇ △ Interchange With No Toll Collection
- Interstate Highway

- Other Toll Road
- Arterial
- Other Road



Produced by:
URS Corporation

Sources: NAVTEQ 2013
Florida's Turnpike Enterprise, 2014

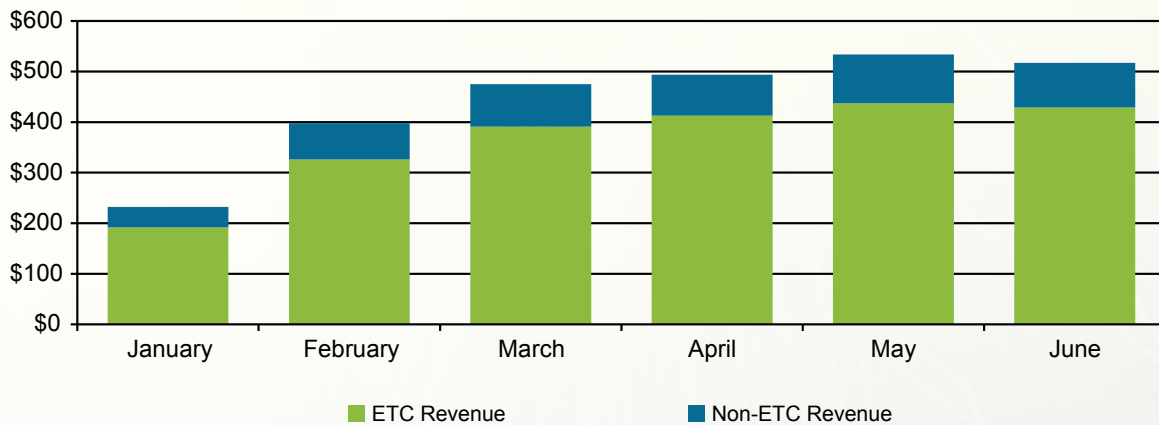
FLORIDA'S TURNPIKE SYSTEM
I-4 CONNECTOR
Fiscal Year 2014^(A)
(In Thousands)

Month	Total Revenue	Total Transactions	ETC	
			Revenue ^(B)	Transactions ^(B)
June	\$517	732	\$429	566
May	534	744	437	577
April	494	703	413	542
March	475	669	391	513
February	398	562	326	432
January 2014	232	405	192	313
Total	\$2,650	3,815	\$2,188	2,943

^(A) This facility opened to traffic on January 6, 2014.

^(B) Electronic Toll Collection (ETC) Revenue and Transactions include SunPass and all interoperable partners.

I-4 CONNECTOR
TOTAL REVENUE
(In Thousands)



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

Fiscal Year	Service Plazas - Concession Revenue								Total Service Plaza Revenue	Total Advertising Revenue ^(D)	Total Concession Revenue ^(E)
	West Palm Beach ^(A)	Ft. Pierce/Port St. Lucie	Fort Drum	Canoe Creek ^(A)	Pompano Beach ^(B)	Turkey Lake ^(A)	Okahumpka	Snapper Creek ^(C)			
2014	\$967	\$1,332	\$1,523	\$818	\$592	\$548	\$444	\$136	\$6,360	\$779	\$7,139
2013	587	1,869	1,574	763	679	351	650	112	6,585	930	7,515
2012	974	1,624	1,424	741	176	387	597	77	6,000	1,169	7,169
2011	1,174	1,707	1,571	1,120	309	571	715	83	7,250	1,132	8,382
2010	1,318	2,041	1,854	1,441	607	761	827	98	8,947	1,810	10,757
2009	1,288	1,752	1,584	1,280	836	801	886	163	8,590	1,520	10,110
2008	1,333	1,851	1,660	1,296	904	860	919	144	8,967	1,396	10,363
2007	1,326	1,900	1,707	1,369	1,075	978	968	191	9,514	1,196	10,710
2006	1,347	1,822	1,648	1,364	1,134	934	871	197	9,317	854	10,171
2005	1,233	1,597	1,459	1,195	979	813	776	72	8,124	494	8,618

^(A) In FY 2014, sales at the West Palm Beach, Canoe Creek and Turkey Lake Service Plazas increased due to the new retail concepts and renovated facilities.

^(B) In FY 2013, sales at the Pompano Beach Service Plaza increased due to the new retail concepts and renovated facilities.

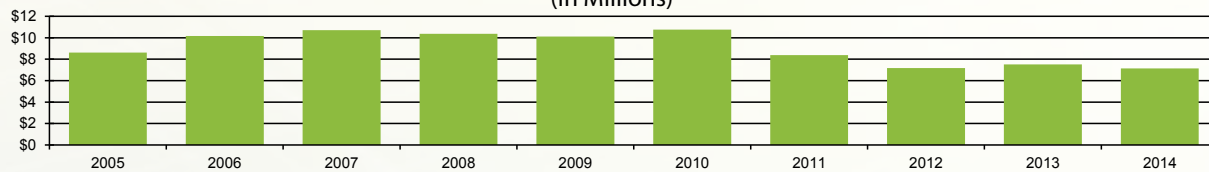
^(C) In FY 2013, sales at the Snapper Creek Service Plaza increased due to the addition of Dunkin Donuts.

^(D) A license agreement for systemwide toll plaza advertising and highway signage began in FY 2005. As toll roads are converted to All-Electronic Tolling, it is projected that advertising opportunities will decline with the removal of toll booths.

^(E) In FY 2011 and FY 2012, Total Concession Revenue decreased by \$2.4 million and \$1.2 million, respectively. This decline was attributable to a lower contractual payment from the concessionaire as a result of the service plaza improvements along the Mainline, and revenue decrease from highway signage and advertising. In FY 2008 and FY 2009, the overall decrease in concession revenue of \$0.3 million each year was due to a decline in Florida's economic conditions. The decrease in total concession revenue of \$0.4 million in FY 2014 is primarily attributed to a decline in construction delay fees collected.

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

CONCESSION REVENUE
(In Millions)

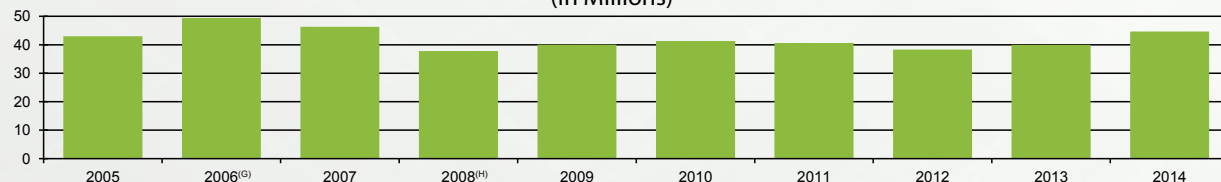


MOTOR FUEL GALLONAGE SOLD
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Service Plazas - Gallons of Fuel Sold (000)								Total Gallons ^(F)
	West Palm Beach	Ft. Pierce/Port St. Lucie	Fort Drum	Canoe Creek	Pompano Beach	Turkey Lake	Okahumpka	Snapper Creek	
2014	6,878	5,884	6,039	7,019	7,127	5,034	3,947	2,731	44,659
2013	5,839	5,505	5,066	6,444	6,517	4,344	3,720	2,543	39,978
2012	5,867	5,609	5,170	5,260	5,857	4,330	3,815	2,377	38,285
2011	6,317	5,873	5,475	6,029	6,143	4,423	4,188	2,171	40,619
2010	6,348	5,996	5,701	5,915	6,277	4,503	4,328	2,243	41,311
2009	6,201	5,521	5,497	5,474	6,755	3,720	4,209	2,689	40,066
2008	5,805	5,468	5,457	5,220	6,269	3,649	3,662	2,284	37,814
2007	6,881	6,298	6,282	6,073	8,570	4,700	4,376	3,109	46,289
2006	7,376	6,554	6,579	6,398	9,860	4,774	4,522	3,318	49,381
2005	6,670	5,951	6,032	5,941	8,152	4,346	4,204	1,703	42,999

^(F) The increase in Total Gallons sold in FY 2013 is attributable to increased customer traffic at the Pompano Beach and Snapper Creek Service Plazas. Similarly, the increase in Total Gallons sold in FY 2014 is primarily due to more customer traffic at the West Palm Beach, Fort Drum and Turkey Lake Service Plazas. Customers are responding positively to the renovated facilities.

MOTOR FUEL GALLONAGE SOLD
(In Millions)



^(G) In FY 2006, fuel sales increased due to the Turnpike's ability to provide fuel to customers during hurricane evacuations.

^(H) During FY 2008, fuel prices significantly increased nationally resulting in a decrease in the motor fuel gallons sold.

Sources:

Turnpike Enterprise Finance Office
URS Corporation, Traffic & Revenue Consultant

FLORIDA'S TURNPIKE SYSTEM

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Outstanding Debt						Total Debt Florida's Turnpike	Debt Per Centerline Mile ^(G)	Debt Per Lane Mile ^(H)	Debt Per \$ Operating Revenue ^(I)
	Revenue Bonds ^(A)	Sawgrass Loan ^(B)	SIB Loans ^(C)	ROWTF Loans ^(D)	STTF Loans ^(E)	STTF O&M Loans ^(F)				
2014	\$2,914,955	—	\$42,270	—	\$9,000	\$87,851	\$3,054,076	\$6,625	\$1,371	\$3.78
2013	2,838,752	—	45,488	—	9,000	94,410	2,987,650	6,495	1,348	3.89
2012	2,895,077	—	48,705	—	9,000	98,959	3,051,741	6,634	1,377	4.92
2011	2,835,228	—	51,923	—	9,000	101,480	2,997,631	6,517	1,375	4.90
2010	2,943,688	—	53,672	—	9,000	93,096	3,099,456	6,738	1,463	5.07
2009	2,453,194	—	53,899	—	9,000	83,100	2,599,193	5,650	1,239	4.30
2008	2,540,849	—	54,075	—	8,704	77,806	2,681,434	5,829	1,283	4.12
2007	2,151,170	—	54,203	—	5,791	64,309	2,275,473	4,947	1,133	3.34
2006	1,942,529	2,400	69,286	—	4,582	48,146	2,066,943	4,553	1,049	3.19
2005	2,007,382	2,400	69,324	3,258	4,500	37,404	2,124,268	4,731	1,089	3.55

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

^(A) Outstanding debt includes short-term and long-term debt for Turnpike Revenue Bonds (net of premiums and discounts). FY 2013 and prior years are net of premiums, discounts and refunding losses.

^(B) The Sawgrass Expressway loan from the Department was used to defease the Broward County Expressway Authority Series 1984 Bonds.

^(C) State Infrastructure Bank (SIB) loans were used for the Seminole Expressway II project, an interest subsidy for the Series 2003C Turnpike Revenue Bond issue, and construction of southern ramps to connect the Turnpike Mainline at SR 50 with SR 429.

^(D) Right of Way Acquisition and Bridge Construction Trust Fund (ROWTF) loans from the Department assisted the Turnpike with Right of Way purchases for the Polk Parkway and the Seminole Expressway II projects.

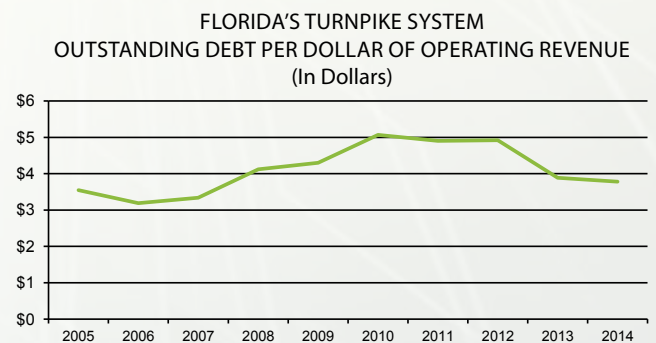
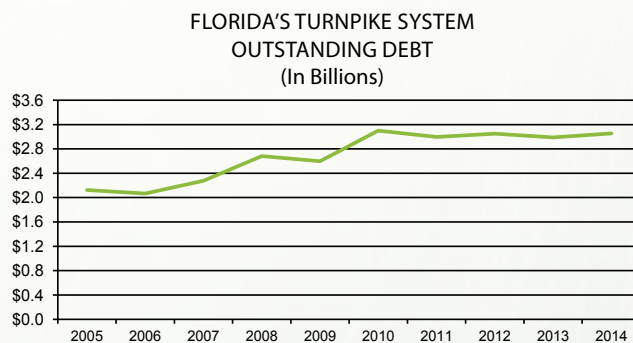
^(E) State Transportation Trust Fund (STTF), previously the Toll Facilities Revolving Trust Fund, loans from the Department were used for advances related to the acquisition of the Tampa-Hillsborough County and Seminole County Expressways, design costs associated with the Western Beltway, Part C expansion project and also costs associated with the Hollywood Boulevard and the Lake Worth Road interchange modifications.

^(F) State Transportation Trust Fund (STTF) loans were received in the form of Operations and Maintenance subsidies on the SR 80 interchange on the Mainline, the Seminole Expressway II project, and the Suncoast Parkway. In 2007, a loan was used for advance land acquisition related to future projects.

^(G) Centerline Miles of the Turnpike System used in debt ratio calculation obtained from the Capital Assets table, pages 44 and 45 of the CAFR Statistical Section.

^(H) Lane Miles of the Turnpike System used in debt ratio calculation obtained from the Capital Assets table, pages 44 and 45 of the CAFR Statistical Section.

^(I) Gross operating revenue of the Turnpike System used in debt ratio calculation obtained from the Debt Service Coverage, page 40 of the CAFR Statistical Section.



As indicated in the above graphs, outstanding debt increased during the first five years primarily due to the funding of expansion projects and system improvements. Total debt remained fairly stable for the last five years as the level of debt repayment has approximated the level of issuance to fund system improvements.

The outstanding debt per dollar of operating revenue increased from FY 2006 through FY 2010 due to an overall increase in debt as well as a decline in economic conditions and revenues in FY 2008 and FY 2009. The ratio begins to decline thereafter due to a stabilization of debt levels coupled with a slight increase in toll revenues for FY 2010, FY 2011 and FY 2012. A significant decrease in the ratio occurred in FY 2013 and FY 2014 due to the large increase in toll revenues resulting from system-wide statutorily required toll rate indexing.

Sources:
Audited Financial Statements
Turnpike Enterprise Finance Office

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

Fiscal Year	Gross Revenues (no interest)	Operations & Maintenance Expense ^(A)	Net Revenues Available for Debt Service	Debt Principal	Debt Interest	Total Debt Service	Coverage
2014 ^{(B)(C)}	\$808,374	\$157,343	\$651,031	\$111,425	\$128,112	\$239,537	2.72
2013 ^{(B)(C)}	767,985	157,388	610,597	111,680	131,938	243,618	2.51
2012 ^(B)	620,201	173,704	446,497	105,060	140,503	245,563	1.82
2011 ^(B)	611,946	180,060	431,886	99,000	138,118	237,118	1.82
2010 ^(B)	611,596	172,422	439,174	91,405	127,005	218,410	2.01
2009	604,897	190,603	414,294	81,660	121,485	203,145	2.04
2008	650,743	189,887	460,856	72,665	118,657	191,322	2.41
2007	681,615	183,955	497,660	65,610	100,743	166,353	2.99
2006	647,959	162,024	485,935	60,135	98,545	158,680	3.06
2005	598,762	163,936	434,826	62,470	112,380	174,850	2.49

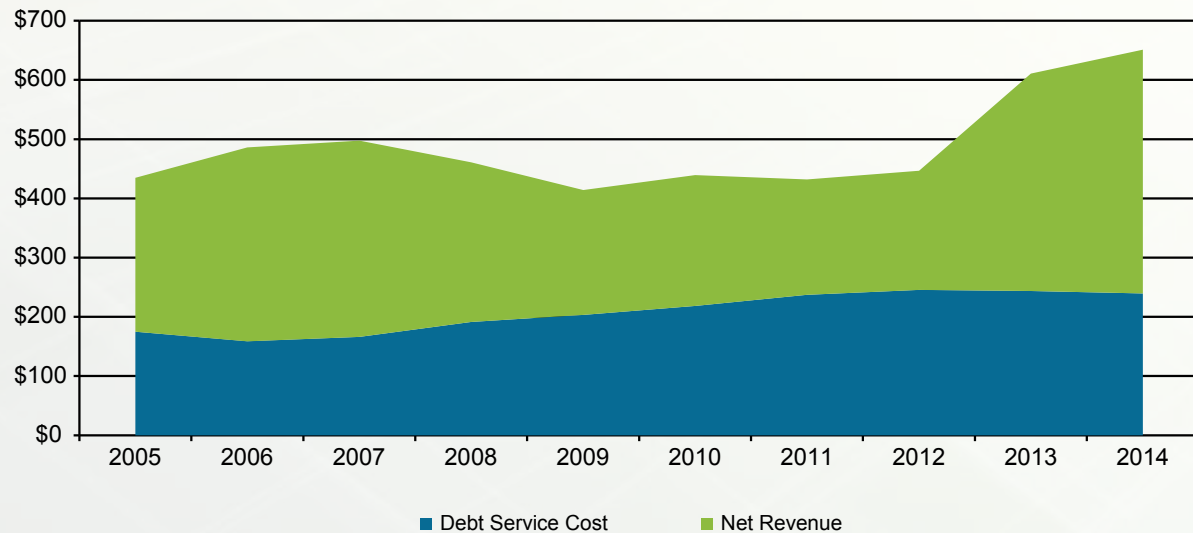
^(A) Operations and Maintenance includes Business Development and Marketing expense.

^(B) Interest payments are reduced by the federal subsidy of \$5.5 million for FY 2014, \$5.7 million for FY 2013, \$5.9 million for FY 2012 and FY 2011, and \$5.8 million for FY 2010 on Build America Bonds.

^(C) For fiscal years 2013 and 2014, the System's debt service coverage increased to 2.51 and 2.72, respectively, due to the effects of a system-wide toll rate indexing.

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

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



Sources:
 Audited Financial Statements
 Turnpike Enterprise Finance Office

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

Fiscal Year	Legally Bonded Debt Limit ^{(A)(B)}	Outstanding Bond Debt	Outstanding Bond Debt as a Percentage of Legally Bonded Debt Limit
2014	\$10,000,000	\$2,789,550	27.9%
2013	10,000,000	2,772,295	27.7
2012	10,000,000	2,856,935	28.6
2011	10,000,000	2,811,830	28.1
2010	10,000,000	2,910,830	29.1
2009	10,000,000	2,443,520	24.4
2008	10,000,000	2,525,180	25.3

Fiscal Year	Legally Bonded Debt Limit ^{(A)(C)}	Cumulative Bonded Debt Issued ^(D)	Cumulative Bonded Debt Issued as a Percentage of Legally Bonded Debt Limit
2007	\$4,500,000	\$2,391,410	53.1%
2006	4,500,000	2,115,355	47.0
2005	4,500,000	2,115,355	47.0

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

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

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

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

Sources:
 Audited Financial Statements
 Turnpike Enterprise Finance Office

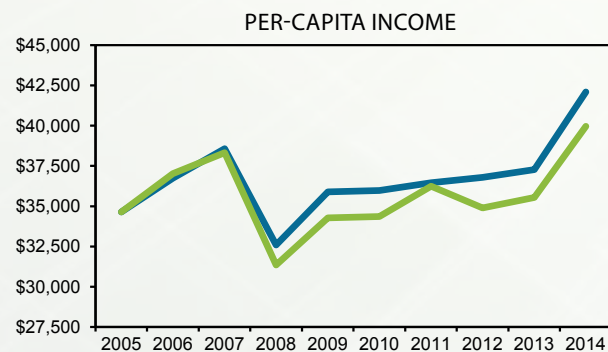
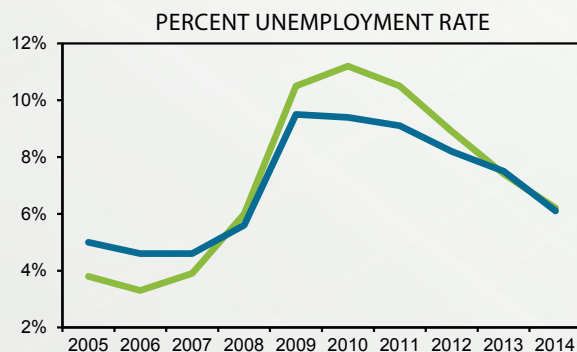
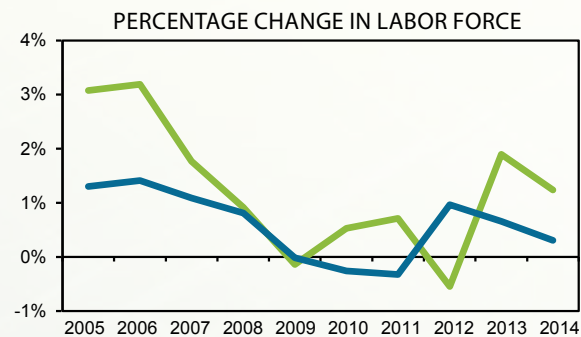
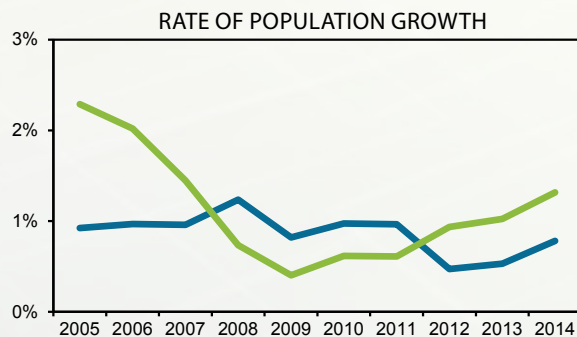
FLORIDA'S TURNPIKE SYSTEM DEMOGRAPHIC AND ECONOMIC STATISTICS

State of Florida

Year	Population (000) (A)	Total Personal Income (000) (A)	Per-Capita Income (A)	Consumer Price Index (B)	Labor Force (000) (A)	Unemployment Rate (B)
2014	19,569	\$851,271,080	\$39,961	236.1	9,576	6.2%
2013	19,315	802,456,420	35,545	233.0	9,459	7.4
2012	19,119	771,633,830	34,900	229.6	9,283	8.9
2011	18,942	774,400,000	36,244	224.9	9,334	10.5
2010	18,827	716,044,000	34,352	218.1	9,268	11.2
2009	18,712	702,197,000	34,279	214.6	9,219	10.5
2008	18,637	716,584,000	31,349	215.3	9,232	6.0
2007	18,501	699,314,000	38,316	207.3	9,148	3.9
2006	18,237	668,513,000	37,021	201.6	8,989	3.3
2005	17,876	614,408,000	34,642	195.3	8,711	3.8

United States

Year	Population (000) (A)	Total Personal Income (000) (A)	Per-Capita Income (A)	Consumer Price Index (B)	Labor Force (000) (A)	Unemployment Rate (B)
2014	319,480	\$14,637,800,000	\$42,093	236.1	156,380	6.1%
2013	317,000	13,808,475,000	37,269	233.0	155,900	7.5
2012	315,330	13,411,730,000	36,788	229.6	154,880	8.2
2011	313,850	13,002,325,000	36,451	224.9	153,400	9.1
2010	310,850	12,402,025,000	35,967	218.1	153,900	9.4
2009	307,850	12,070,350,000	35,892	214.6	154,300	9.5
2008	305,350	12,100,650,000	32,590	215.3	154,325	5.6
2007	301,621	11,631,571,000	38,564	207.3	153,080	4.6
2006	298,755	10,977,312,000	36,744	201.6	151,428	4.6
2005	295,896	10,252,849,000	34,650	195.3	149,320	5.0



U.S.

Florida

Sources:

(A) Estimates based on the National Economic Estimating Conference (held July 10, 2014), Florida Demographic Conference (held July 9, 2014) and Florida Economic Estimating Conference (held July 17, 2014).

(B) U.S. Department of Labor, Bureau of Labor Statistics (as of July 28, 2014).

FLORIDA'S TURNPIKE SYSTEM
NON-AGRICULTURAL EMPLOYMENT - STATE OF FLORIDA
 Calendar Years 2013 and 2004

Industry	CY 2013			CY 2004		
	Average Annual Employment	Rank	% of Total Employment	Average Annual Employment	Rank	% of Total Employment
Retail Trade	1,003,400	1	13.2%	963,700	1	12.9%
Health Care and Social Assistance	985,300	2	13.0	833,700	2	11.1
Accommodation and Food Services	840,700	3	11.1	744,600	3	10.0
Local Government	737,700	4	9.7	731,300	4	9.8
Administrative Services	557,900	5	7.4	544,800	6	7.3
Professional and Technical Services	468,000	6	6.2	404,100	7	5.4
Construction	368,300	7	4.9	572,800	5	7.7
Finance and Insurance	347,000	8	4.6	347,900	8	4.6
Wholesale Trade	321,200	9	4.2	332,500	9	4.4
Other Services	306,500	10	4.0	320,900	10	4.3
Transportation and Warehousing	225,100	11	3.0	216,500	12	2.9
Manufacturing - Durable Goods	214,900	12	2.8	273,800	11	3.7
State Government	206,900	13	2.7	208,200	13	2.8
Arts, Entertainment and Recreation	196,200	14	2.6	182,300	14	2.4
Real Estate, Rental and Leasing	165,600	15	2.2	166,500	15	2.2
Educational Services	142,800	16	1.9	103,400	19	1.4
Information	133,900	17	1.8	164,300	16	2.2
Federal Government	132,000	18	1.7	126,800	18	1.7
Manufacturing - Non-Durable Goods	106,900	19	1.4	136,900	17	1.8
Management of Companies and Enterprises	90,900	20	1.2	75,000	20	1.0
Utilities	22,300	21	0.3	24,300	21	0.3
Natural Resources and Mining	5,700	22	0.1	7,100	22	0.1
Total Non-Agricultural Employment	7,579,200		100.0%	7,481,400		100.0%

Note: The most current employment statistics are for CY 2013 (i.e., first half of FY 2014).

Since the Turnpike services the entire State of Florida, it is deemed that employment by industry within the State is a more relevant socio-economic indicator than principal employers for the environment in which the Turnpike operates. As indicated in the above table, average employment for CY 2013 exceeded CY 2004 by 97,800, or approximately 1.3 percent. Comparing CY 2013 to CY 2004, the major employment growth in the last decade have been in the areas of Educational Services, Management of Companies and Enterprises, Health Care and Social Assistance, Professional and Technical Services, Accommodation and Food Services, and Arts, Entertainment and Recreation. These increases are offset by declines in Construction, Manufacturing and Natural Resources and Mining.

Sources:

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

FLORIDA'S TURNPIKE SYSTEM

NUMBER OF EMPLOYEES AND CAPITAL ASSETS

Fiscal Years 2010 through 2014

Number of Employees

	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010
Florida's Turnpike Authorized Positions					
Administrative	56	56	58	64	66
Design Preparation & Right-of-Way Acquisition	24	24	21	18	18
Maintenance	27	25	27	24	27
Construction	7	9	9	9	9
Turnpike Toll Operations	306	306	330	318	348
Florida's Turnpike Authorized Positions	420	420	445	433	468
Operations Contract Staff					
Manual Toll Collection	790 ^(A)	902	991	1,024	1,329
SunPass Toll Collection	450	410	445	499	417
Tolls Data Center	61	59	58	55	53
Tolls Equipment Maintenance	85	89	90	96	101
Turnpike Highway Patrol - Florida Highway Patrol's Troop K	222	198	222	221	221
Operations Contract Staff	1,608	1,658	1,806	1,895	2,121

^(A) The number of manual toll collection staff has been steadily declining due to the implementation of All-Electronic Tolling throughout the System.

Capital Assets

	June 30, 2014		June 30, 2013		June 30, 2012		June 30, 2011		June 30, 2010	
	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles
Existing Turnpike Components:										
Mainline										
SR 821/Homestead Extension of Florida's Turnpike (HEFT)	47	262	47	262	47	262	47	262	47	262
Southern Coin System	43	306	43	306	43	306	43	300	43	294
Ticket System	155	613	155	613	155	613	155	613	155	613
Northern Coin System	67	393	67	393	67	393	67	365	67	309
Beachline West Expressway	8	41	8	41	8	41	8	41	8	41
Mainline Total	320	1,615	320	1,615	320	1,615	320	1,581	320	1,519
Completed Expansion Projects										
Sawgrass Expressway	23	134	23	134	23	134	23	134	23	134
Seminole Expressway	18	73	18	73	18	73	18	73	18	73
Veterans Expressway	15	66	15	66	15	66	15	66	15	66
Southern Connector Extension	6	24	6	24	6	24	6	24	6	24
Polk Parkway	25	92	25	92	25	92	25	90	25	90
Suncoast Parkway	42	168	42	168	42	168	42	168	42	168
Western Beltway, Part C	11	44	11	44	11	44	11	44	11	44
I-4 Connector	1	12	—	—	—	—	—	—	—	—
Completed Expansion Projects Total	141	613	140	601	140	601	140	599	140	599
Subtotal Existing Turnpike Components	461	2,228	460	2,216	460	2,216	460	2,180	460	2,118
Turnpike Components Under Development:										
Western Beltway, Part C (fully opened in FY 2007)	—	—	—	—	—	—	—	—	—	—
I-4 Connector (opened in FY 2014)	—	—	1	12	—	—	—	—	—	—
First Coast Expressway	15	60	15	60	—	—	—	—	—	—
Subtotal Turnpike Components Under Development and Acquisitions	15	60	16	72	—	—	—	—	—	—
Turnpike System Total	476	2,288	476	2,288	460	2,216	460	2,180	460	2,118

In recent years, Florida's Turnpike System added the I-4 Connector and the Western Beltway, Part C. These projects added 12 centerline miles and 56 lane-miles to the system. Additionally, significant investments have been made in system preservation, safety, capacity and modernization projects, as well as new access to the Turnpike System. Such projects include resurfacing, widening, new interchanges, median guardrail and canal protection systems, additional SunPass lanes at toll plazas, All-Electronic Tolling conversion, Traffic Management Centers, fiber optic cable, closed circuit television cameras, dynamic message signs, highway advisory radios, and other investments in technology.

	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011	June 30, 2010
Toll Facilities:					
Interchanges	132	132	132	131	131
Barriers	25	24	24	24	24
Toll Operation Buildings	204 ^(B)	184	185	173	178
Service Plazas	8	8	8	8	8
Service Station Buildings	8	8	8	8	8
Maintenance Buildings	110 ^(B)	128	129	120	120
Construction Buildings	1	1	2	2	3
Law Enforcement Buildings	5	5	5	5	5
Administration Buildings	11	10	9	8	8
Radio Communications Buildings	19	19	19	19	19
Bridges	716 ^(C)	700 ^(D)	701	700	696 ^(E)

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

^(B) Due to All-Electronic Tolling (AET) conversions, maintenance buildings were repurposed to toll operation buildings.

^(C) The increase in the number of bridges reported in FY 2014 is primarily due to the addition of the I-4 Connector.

^(D) The reduction in the number of bridges reported in FY 2013 is due to the removal of a bridge at I-595 on the Southern Coin System.

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

Sources:

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

FLORIDA'S TURNPIKE SYSTEM

NUMBER OF EMPLOYEES AND CAPITAL ASSETS

Fiscal Years 2005 through 2009

Number of Employees

	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005
Florida's Turnpike Authorized Positions					
Administrative	66	62	61	57	57
Design Preparation & Right-of-Way Acquisition	18	21	21	21	21
Maintenance	27	28	29	29	32
Construction	9	11	11	11	14
Turnpike Toll Operations	357	371	371	373	374
Florida's Turnpike Authorized Positions	477	493	493	491	498
Operations Contract Staff					
Manual Toll Collection	1,397	1,724	1,747	1,824	1,853
SunPass Toll Collection	406	384	331	295	194
Tolls Data Center	58	93	77	62	45
Tolls Equipment Maintenance	104	109	99	81	37
Turnpike Highway Patrol - Florida Highway Patrol's Troop K	183	183	183	171	171
Operations Contract Staff	2,148	2,493	2,437	2,433	2,300

^(A) The number of manual toll collection staff has been steadily declining due to the implementation of All-Electronic Tolling throughout the System.

Capital Assets

	June 30, 2009		June 30, 2008		June 30, 2007		June 30, 2006		June 30, 2005	
	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles	Centerline Miles	Lane Miles
Existing Turnpike Components:										
Mainline										
SR 821/Homestead Extension of Florida's Turnpike (HEFT)	47	262	47	262	47	245	47	245	47	245
Southern Coin System	43	278	43	278	43	278	43	264	43	264
Ticket System	155	613	155	613	155	613	155	613	155	613
Northern Coin System	67	309	67	309	67	270	67	270	67	270
Beachline West Expressway	8	41	8	33	8	33	8	33	8	33
Mainline Total	320	1,503	320	1,495	320	1,439	320	1,425	320	1,425
Completed Expansion Projects										
Sawgrass Expressway	23	134	23	134	23	109	23	109	23	109
Seminole Expressway	18	73	18	73	18	73	18	73	18	73
Veterans Expressway	15	66	15	66	15	66	15	66	15	66
Southern Connector Extension	6	24	6	24	6	24	6	24	6	24
Polk Parkway	25	86	25	86	25	86	25	86	25	86
Suncoast Parkway	42	168	42	168	42	168	42	168	42	168
Western Beltway, Part C	11	44	11	44	11	44	5	20	—	—
I-4 Connector	—	—	—	—	—	—	—	—	—	—
Completed Expansion Projects Total	140	595	140	595	140	570	134	546	129	526
Subtotal Existing Turnpike Components	460	2,098	460	2,090	460	2,009	454	1,971	449	1,951
Turnpike Components Under Development:										
Western Beltway, Part C (fully opened in FY 2007)	—	—	—	—	—	—	6	24	11	44
I-4 Connector (opened in FY 2014)	—	—	—	—	—	—	—	—	—	—
First Coast Expressway	—	—	—	—	—	—	—	—	—	—
Subtotal Turnpike Components Under Development and Aquisitions	—	—	—	—	—	—	6	24	11	44
Turnpike System Total	460	2,098	460	2,090	460	2,009	460	1,995	460	1,995

In recent years, Florida's Turnpike System added the I-4 Connector and the Western Beltway, Part C. These projects added 12 centerline miles and 56 lane-miles to the system. Additionally, significant investments have been made in system preservation, safety, capacity and modernization projects, as well as new access to the Turnpike System. Such projects include resurfacing, widening, new interchanges, median guardrail and canal protection systems, additional SunPass lanes at toll plazas, All-Electronic Tolling conversion, Traffic Management Centers, fiber optic cable, closed circuit television cameras, dynamic message signs, highway advisory radios, and other investments in technology.

	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006	June 30, 2005
Toll Facilities:					
Interchanges	129	129	129	122	119
Barriers	24	24	24	24	23
Toll Operation Buildings	179	179	165	158	153
Service Plazas	8	8	8	8	8
Service Station Buildings	8	8	8	8	8
Maintenance Buildings	110	109	107	107	104
Construction Buildings	3	3	3	3	4
Law Enforcement Buildings	6	6	4	4	3
Administration Buildings	7	7	7	7	7
Radio Communications Buildings	19	19	19	19	19
Bridges	701	701	701	701	692

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

^(B) Due to All-Electronic Tolling (AET) conversions, maintenance buildings were repurposed to toll operation buildings.

^(C) The increase in the number of bridges reported in FY 2014 is primarily due to the addition of the I-4 Connector.

^(D) The reduction in the number of bridges reported in FY 2013 is due to the removal of a bridge at I-595 on the Southern Coin System.

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

Sources:

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

FLORIDA'S TURNPIKE SYSTEM
OPERATING INDICATORS
Fiscal Years 2010 through 2014

	FY 2014	FY 2013 ^(A)	FY 2012	FY 2011	FY 2010
TOLL REVENUE (in thousands)					
Passenger Vehicles (2 axle)	\$634,485	\$611,059	\$496,943	\$489,917	\$488,990
Truck Vehicles (3+ axle)	161,816	144,483	111,869	110,162	107,183
Total	\$796,301	\$755,542	\$608,812	\$600,079	\$596,173
NUMBER OF TRANSACTIONS (in thousands)					
Passenger Vehicles (2 axle)	661,681	637,063	629,918	619,601	607,816
Truck Vehicles (3+ axle)	28,903	26,204	34,361	33,256	31,610
Total	690,584	663,267	664,279	652,857	639,426
NUMBER OF MILES (in thousands)					
Passenger Vehicles (2 axle)	7,815,903	7,459,162	7,256,437	7,175,596	7,101,059
Truck Vehicles (3+ axle)	415,873	377,552	551,734	551,545	528,736
Total	8,231,776	7,836,714	7,808,171	7,727,141	7,629,795
NUMBER OF TRIPS^(B) (in thousands)					
Passenger Vehicles (2 axle)	516,760	496,638	491,135	483,149	473,927
Truck Vehicles (3+ axle)	22,833	20,601	26,981	26,163	24,953
Total	539,593	517,239	518,116	509,312	498,880
AVERAGE TOLL COLLECTED PER TRIP					
Passenger Vehicles (2 axle)	\$1.23	\$1.23	\$1.01	\$1.01	\$1.03
Truck Vehicles (3+ axle)	\$7.09	\$7.01	\$4.15	\$4.21	\$4.30
AVERAGE TOLL COLLECTED PER TRANSACTION					
Passenger Vehicles (2 axle)	\$0.96	\$0.96	\$0.79	\$0.79	\$0.80
Truck Vehicles (3+ axle)	\$5.60	\$5.51	\$3.26	\$3.31	\$3.39
AVERAGE LENGTH OF TRIP (in miles)					
Passenger Vehicles (2 axle)	15.12	15.02	14.77	14.85	14.98
Truck Vehicles (3+ axle)	18.21	18.33	20.45	21.08	21.19
AVERAGE TOLL PER MILE					
Passenger Vehicles (2 axle)	\$0.08	\$0.08	\$0.07	\$0.07	\$0.07
Truck Vehicles (3+ axle)	\$0.39	\$0.38	\$0.20	\$0.20	\$0.20
CONCESSION SALES (in thousands)					
Restaurant Sales	\$65,387	\$50,195	\$45,782	\$50,674	\$50,339
Revenues from Concessions	\$7,139	\$7,515	\$7,169	\$8,382	\$10,757
Gallons of Gasoline Sold	37,909	33,830	32,760	34,466	35,160
Gallons of E85 Fuel Sold ^(C)	839	986	979	705	499
Gallons of Diesel Fuel Sold	5,911	5,162	4,546	5,448	5,652
SUNPASS TRANSPONDERS SOLD^(D) (in thousands)	1,243	1,091	1,080	1,137	756
ROADWAY MAINTENANCE CONDITION RATING^(E)	89	88	91	91	91

^(A) In FY 2013, a new methodology was used to more accurately report operating indicators related to trucks.

^(B) Each trip may involve one or more toll transactions.

^(C) Sale of E85 fuel started in FY 2010.

^(D) The launch of SunPass Mini Sticker Tag in July 2008 significantly increased the number of transponders sold in FY 2009 and FY 2010. Additionally, the conversion of the SR 821 (HEFT) to All-Electronic Tolling (AET) boosted the sale of transponders in FY 2011 and FY 2012. Similarly, AET conversion on the Sawgrass Expressway and the southern section of the Veterans Expressway, as well as the opening of the I-4 Connector contributed to sales increase in FY 2014.

^(E) The Department, through the State Maintenance Office, rates the Turnpike System's routine maintenance program from 1 to 100 in five categories (roadway, roadside, vegetation and aesthetics, drainage and traffic services). An overall rating is also provided for the System with an overall standard established at 80. Florida's Turnpike System has significantly exceeded this standard for the last ten fiscal years. In FY 2013, the Department's methodology for developing the Maintenance Rating Program (MRP) rating was modified to provide equal weightings to the various maintenance categories which resulted in a lower score. Application of the new methodology for fiscal year 2012 would have resulted in an MRP rating of 89. Management believes that the change in methodology does not affect the overall condition assessment of the System.

Sources:

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

FLORIDA'S TURNPIKE SYSTEM
OPERATING INDICATORS
Fiscal Years 2005 through 2009

	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005
TOLL REVENUE (in thousands)					
Passenger Vehicles (2 axle)	\$485,738	\$519,365	\$538,040	\$500,037	\$479,808
Truck Vehicles (3+ axle)	104,790	116,206	125,903	132,809	106,456
Total	\$590,528	\$635,571	\$663,943	\$632,846	\$586,264
NUMBER OF TRANSACTIONS (in thousands)					
Passenger Vehicles (2 axle)	598,501	630,766	651,215	618,918	583,898
Truck Vehicles (3+ axle)	32,360	36,554	39,270	42,450	34,032
Total	630,861	667,320	690,485	661,368	617,930
NUMBER OF MILES (in thousands)					
Passenger Vehicles (2 axle)	7,002,978	7,371,061	7,783,497	7,541,780	6,947,683
Truck Vehicles (3+ axle)	504,707	559,427	608,207	677,174	525,578
Total	7,507,685	7,930,488	8,391,704	8,218,954	7,473,261
NUMBER OF TRIPS^(B) (in thousands)					
Passenger Vehicles (2 axle)	467,160	492,649	507,770	482,618	455,219
Truck Vehicles (3+ axle)	25,392	28,586	30,785	33,144	26,655
Total	492,552	521,235	538,555	515,762	481,874
AVERAGE TOLL COLLECTED PER TRIP					
Passenger Vehicles (2 axle)	\$1.04	\$1.05	\$1.06	\$1.04	\$1.05
Truck Vehicles (3+ axle)	\$4.13	\$4.07	\$4.09	\$4.01	\$3.99
AVERAGE TOLL COLLECTED PER TRANSACTION					
Passenger Vehicles (2 axle)	\$0.81	\$0.82	\$0.83	\$0.81	\$0.82
Truck Vehicles (3+ axle)	\$3.24	\$3.18	\$3.21	\$3.13	\$3.13
AVERAGE LENGTH OF TRIP (in miles)					
Passenger Vehicles (2 axle)	14.99	14.96	15.33	15.63	15.26
Truck Vehicles (3+ axle)	19.88	19.57	19.76	20.43	19.72
AVERAGE TOLL PER MILE					
Passenger Vehicles (2 axle)	\$0.07	\$0.07	\$0.07	\$0.07	\$0.07
Truck Vehicles (3+ axle)	\$0.21	\$0.21	\$0.21	\$0.20	\$0.20
CONCESSION SALES (in thousands)					
Restaurant Sales	\$46,735	\$49,816	\$50,791	\$49,520	\$46,589
Revenues from Concessions	\$10,110	\$10,363	\$10,710	\$10,171	\$8,618
Gallons of Gasoline Sold	34,464	32,974	39,697	41,470	37,248
Gallons of E85 Fuel Sold ^(C)	N/A	N/A	N/A	N/A	N/A
Gallons of Diesel Fuel Sold	5,602	4,840	6,592	7,911	5,751
SUNPASS TRANSPONDERS SOLD^(D) (in thousands)	732	493	631	539	518
ROADWAY MAINTENANCE CONDITION RATING^(E)	92	91	90	89	90

^(A) In FY 2013, a new methodology was used to more accurately report operating indicators related to trucks.

^(B) Each trip may involve one or more toll transactions.

^(C) Sale of E85 fuel started in FY 2010.

^(D) The launch of SunPass Mini Sticker Tag in July 2008 significantly increased the number of transponders sold in FY 2009 and FY 2010. Additionally, the conversion of the SR 821 (HEFT) to All-Electronic Tolling (AET) boosted the sale of transponders in FY 2011 and FY 2012. Similarly, AET conversion on the Sawgrass Expressway and the southern section of the Veterans Expressway, as well as the opening of the I-4 Connector contributed to sales increase in FY 2014.

^(E) The Department, through the State Maintenance Office, rates the Turnpike System's routine maintenance program from 1 to 100 in five categories (roadway, roadside, vegetation and aesthetics, drainage and traffic services). An overall rating is also provided for the System with an overall standard established at 80. Florida's Turnpike System has significantly exceeded this standard for the last ten fiscal years. In FY 2013, the Department's methodology for developing the Maintenance Rating Program (MRP) rating was modified to provide equal weightings to the various maintenance categories which resulted in a lower score. Application of the new methodology for fiscal year 2012 would have resulted in an MRP rating of 89. Management believes that the change in methodology does not affect the overall condition assessment of the System.

Sources:

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

COMPARATIVE PASSENGER CAR TOLLS ELECTRONIC TOLL COLLECTION RATES

Toll Facility	Full-Length Distance (miles)	Passenger Car Toll	Per-Mile Rate (Cents)	Year of Last Toll Increase
Florida's Turnpike/I-4 Connector (A)	1	\$0.51 - \$1.02	51.0 - 102.0	2014
Delaware Turnpike (I-95)	11	4.00	36.4	2007
Miami Gratigny Parkway	5	1.00	20.0	2010
Central Florida Expressway Authority (CFX) Apopka Expressway	6	1.09	18.2	2012
Tampa Lee Roy Selmon Crosstown Expressway	15	2.70	18.0	2014
Miami Airport Expressway (B)	4	0.70	17.5	2005
CFX East-West Expressway	22	3.82	17.4	2012
Miami Dolphin Expressway (B)	14	2.40	17.1	2007
Miami Snapper Creek Expressway	3	0.50	16.7	2010
Sam Houston Tollway (C)	70	11.65	16.6	2013
Dallas North Tollway	32	4.89	15.3	2013
Miami Don Shula Expressway	7	1.00	14.3	2010
CFX Central Florida GreeneWay	33	4.38	13.3	2012
Florida's Turnpike/Southern Connector Extension	6	0.78	13.0	2014
Hardy Toll Road (Texas)	23	2.90	12.6	2013
Florida's Turnpike/Polk Parkway	25	3.12	12.5	2014
Florida's Turnpike/Veterans Expressway	15	1.82	12.1	2014
CFX Western Beltway	23	2.74	11.9	2012
New Jersey Turnpike (D)	118	\$13.85	11.7	2012
Florida's Turnpike/Seminole Expressway	18	2.07	11.5	2014
CFX Beachline Main and Airport Sections	23	2.46	10.7	2013
Florida's Turnpike/Beachline West	8	0.78	9.8	2014
Florida's Turnpike/Western Beltway, Part C	11	1.04	9.5	2014
Florida's Turnpike/Sawgrass Expressway	23	2.08	9.0	2014
New Hampshire Turnpike (Blue Star) (E)	16	1.40	8.8	2009
Atlantic City Expressway	44	3.75	8.5	2008
Florida's Turnpike/SR 821 (HEFT)	47	3.90	8.3	2014
Pennsylvania Turnpike (Mainline Only) (F)	359	\$29.31	8.2	2014
Florida's Turnpike/Suncoast Parkway	42	3.12	7.4	2014
Maryland JFK Memorial Highway (G)	50	3.60	7.2	2013
Florida's Turnpike (H)	320	21.89	6.8	2014
Florida's Turnpike (Ticket Portion Only) (I)	155	9.94	6.4	2014
Florida's Turnpike/Mainline (J)	110	7.01	6.4	2014
Maine Turnpike	109	6.45	5.9	2012
Ohio Turnpike and Infrastructure Commission	241	11.50	4.8	2014
Garden State Parkway (F)	173	8.25	4.8	2012
New York Thruway (Mainline Section 1)	390	17.43	4.5	2010
West Virginia Turnpike (K)	88	3.90	4.4	2009
Kansas Turnpike (L)	236	10.20	4.3	2014
Massachusetts Turnpike - (Interchanges 1 through 14)	120	4.70	3.9	2013
Alligator Alley	78	2.85	3.7	2014
Indiana Toll Road	157	4.65	3.0	2006

Notes:

- (A) I-4 Connector is an elevated facility with higher toll rates that opened to traffic in January 2014.
- (B) Effective November 15, 2014, tolls are collected in both directions.
- (C) Includes the Houston Ship Channel Bridge toll of \$1.50.
- (D) Peak period and weekend toll rates. Length reflects travel from exit 1 to exit 18.
- (E) Toll discount available only to New Hampshire EZ Pass holders. Others pay \$2.00 toll.
- (F) One-way toll collection at select mainline plazas. Toll shown reflects roundtrip toll divided by 2.
- (G) Toll shown for Maryland E-Z Pass holders and reflects roundtrip toll divided by 2.
- (H) Florida City to Wildwood/I-75 (includes Beachline West).
- (I) Ticket System section – just north of Boynton Beach Interchange (MP 86) to just south of Kissimmee Park Road (MP 240).
- (J) Southern Coin System – Golden Glades to Boynton Beach; Northern Coin System – Kissimmee to Wildwood/I-75.
- (K) Toll discount available only to West Virginia E-Z Pass holders. Others pay \$6.00 toll.
- (L) Includes 15% K-TAG discount.



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