



TAMPA HISTORIC STREETCAR BOARD OF DIRECTORS

Tuesday, March 26, 2024, 1:00 PM
Hybrid Format of Participation - In Person at
HART Administrative Office, 1201 East 7th Ave, Florida Conference Room, Tampa, FL 33605
and
Via Communication Media Technology

Information not viewable is available upon request through the Clerk of the Board phone: 813-384-6552 or e-mail: petitl@goHART.org

AGENDA

MEMBERSHIP

City of Tampa Representatives
Michael English
Abbey Dohring Ahern
Calvin Hardie
Councilmember Guido Maniscalco
David Mechanik

Hillsborough Transit Authority
Melanie Williams
Councilmember Gwendolyn Henderson
Councilmember Gil Schisler

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. PUBLIC INPUT (3 MINUTES PER SPEAKER)
3. ELECTION OF OFFICERS
David Smolker, THS General Counsel
4. APPROVAL OF MINUTES
 - 4.a. Regular Board of Directors Meeting ~ January 23, 2024
[Meeting Minutes](#)
5. ACTION ITEM
 - 5.a. Resolution #R2024-03-02 ~ Accepting the Final FY2023 Audited Tampa Historic Streetcar, Inc. Financial Statements
Lee Huffstutler, CPA, Chief Accountant
[Resolution #R2024-03-02 with Attachment I](#)
[Attachment II](#)
[Attachment III](#)

6. PRESENTATION

- 6.a. LiDAR Scanning of the HART/TECO Streetcars
Laura K. Harrison, University of South Florida (USF)
Steven Fernandez, USF

The Presentation is not included in the packet due to file size.

7. MARKETING SERVICES REPORT

- 7.a. January 2024
[Report](#)

- 7.b. February 2024
[Report](#)

8. STREETCAR SYSTEM PERFORMANCE REPORT

- 8.a. January 2024
[Report](#)

- 8.b. February 2024
[Report](#)

9. LEGAL AND LEGISLATIVE REPORTS

David Smolker, THS General Counsel

10. CHAIR'S REPORT

Michael English, THS President/Chair

- 10.a. CSX Insurance Summary
Mr. Grant Mehlich, GCM Risk Management

11. HART CHIEF EXECUTIVE OFFICER'S REPORT

Scott Drainville, HART Chief Executive Officer

12. COMPLIANCE REPORTS (REVIEW AND FILE)

- 12.a. City of Tampa Financial Statements Beyond the Month Ending August 31, 2023
FY2023 year-end financial reports beyond the month of August 2023 were audited by the City of Tampa external auditors. They are included in the March 26, 2024 THS Board of Directors Meeting packet for review and approval by the Board.

13. OLD BUSINESS

14. NEW BUSINESS

15. ADJOURNMENT



Meeting Minutes
**** Pending Approval****

Attendance in Person

Board Members

Michael English, President
Abbey Ahern, Vice President
Calvin “Cal” Hardie
Councilmember Gil Schisler
Melanie Williams

(5) HART - Staff Members(8)

Brian Allan
Davidson Anestal
Scott Drainville
Danielle Jackson
Yolanda Moreno
Lena Petit
Justin Willits
Frank Wyszynski

Board Member Absent

(0) Others Present(5)

David Smolker, THS General Counsel
Nancy Harper, City of Tampa
Tyler Hudson
Grant Mehlich, GCM
Lisa Schisler

Attendance via Communications Media Technology (CMT)

Board Members

Councilmember Gwendolyn Henderson
Councilmember Guido Maniscalco
David Mechanik

(3) Staff Present(1)

Loretta Kirk

The January 23, 2024, THS Board of Directors meeting was held in a hybrid format with quorum physically present in the Florida Conference Room at the HART Administrative Office, 1201 East 7th Avenue, Tampa, Florida, with the rest of the Board members participating via Communication Media Technology (CMT).

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

President Michael English called the meeting to order at 1:01 p.m. Directors Ahern, English, Maniscalco, Mechanik, Schisler, and Williams were present. Directors Hardie and Henderson were absent. A physical quorum was present to conduct business. Pledge of Allegiance followed.

PUBLIC INPUT (3 MINUTES PER SPEAKER)

There was no one pre-registered or present to provide public comment.

WELCOME NEW AND REAPPOINTED BOARD MEMBERS

President English welcomed Councilmember Gwendolyn Henderson as a newly appointed THS Board member representing HART; and congratulating Councilmember Schisler and HART Director Williams for their reappointment for another term.

Director Henderson remotely joined the meeting at 1:03 p.m.



Meeting Minutes
**** Pending Approval****

APPROVAL OF MINUTES

- a. Regular Board of Directors Meeting ~ October 18, 2023
- b. Regular Board of Directors Meeting ~ November 15, 2023

Director Schisler moved and Director Ahern seconded approval of the October 18, 2023 and November 15, 2023 Board of Director meeting minutes. All Board Members present voted aye. The motion carried unanimously.

ACTION ITEM

- a. **Resolution #R2023-11-11 ~ Approval of the Tri-Party Agreement Between Hillsborough Transit Authority (HART), Tampa Historic Streetcar, Inc. (THS), and Friends of Ybor, Inc. (FOY), for Lease and Maintenance of the Birney Streetcar #163**

Director Hardie physically joined the meeting at 1:04 p.m.

Mr. David Smolker, THS General Counsel, stated that the proposed tri-party agreement was for lease and maintenance of the historic Birney Streetcar to FOY who would display it to promote and educate the public about the history of the System. He provided the background of the Birney streetcar noting that due to age and other factors, the vehicle could not be used for revenue service. Mr. Smolker explained that it was in the best interest of all parties involved to have the streetcar displayed where the public could learn about its history. He provided the specifics of the Agreement. Mr. Smolker outlined the next steps were for the Board to consider approval and execution of the Tri-Party Agreement which was their only obligation under the Agreement.

Mr. Tyler Hudson, Counsel for FOY, explained that FOY was not sure about the exact placement of the Birney streetcar at that time, but estimated that it would be exhibited within the Gas Works projects. He continued that the Agreement was set up that FOY had a year from the execution date to get plans and specifications put together to bring back to HART and THS. Mr. Hudson noted that the only issue to confirm would be installation in a well-ventilated, air-conditioned space which he was confident FOY could do. He added that the four-year timeline to actually move the streetcar would begin within a year of the plans being approved.

President English stated that he was very pleased about this Agreement as he believed in Mr. Darrly Shaw’s vision and ability to implement execute. He noted that he had been worried about its future since it could not be used in revenue service any longer.

Director Mechanik announced that, on advice of HART General Counsel, he would abstain from voting as his law firm represents Mr. Shaw on a number of his corporations in the Ybor area and had an abundance of caution.

Director Schisler inquired about the current location of the Birney streetcar.

President English responded that it was in the streetcar barn. He added that the Birney streetcar had been beautifully restored and had confidence that Mr. Shaw's organization would keep the



Meeting Minutes
**** Pending Approval****

streetcar in that condition and turn it into a museum quality exhibit that displayed the history of the streetcar system in Tampa as well as the restoration process.

Director Schisler moved and Director Ahern seconded approval of a. Resolution #R2023-11-11 ~ Approval of the Tri-Party Agreement Between Hillsborough Transit Authority (HART), Tampa Historic Streetcar, Inc. (THS), and Friends of Ybor, Inc. (FOY), for Lease and Maintenance of the Birney Streetcar #163. All Board members present voted aye. The motion carried unanimously.

Director Ahern thanked President English for all his work in the restoration of the Birney streetcar and spoke of her opportunity to meet the couple that started with the restoration. She hoped they were excited about this update.

President English recounted that the restoration process was an enriching experience that led to a streetcar system for Tampa.

MARKETING SERVICES REPORT

Mr. Frank Wyszynski, Manager of Communications and Marketing, presented the Streetcar Performance Report for November and December 2023. He added that there had been some recent film and photo shoots that took place including an insurance company and PBS. Mr. Wyszynski detailed the transit advertising noting that calendar year 2023 ended with \$224,020.50 in advertising revenue, which he believed was the highest generated for the streetcar since the start of the program. He noted that there was a plan to increase the base rate for station sponsorships from \$30,000 to \$50,000 given the extra exposure and added that some of the busiest stations were still available for sponsorship.

Director Ahern asked if the Winter Village Express trips were full.

Mr. Wyszynski responded that every trip was sold out.

Director Ahern inquired if there was any negative feedback from regular patrons because of the fare.

Mr. Brian Allan, Director of Streetcar Operations, explained that the Winter Village Express was a special car not used in revenue service.

STREETCAR PERFORMANCE REPORT

Mr. Brian Allan, Director of Streetcar Operations, presented the Streetcar Performance Report for November and December 2023.

Director Ahern noted that it is practically unheard of to have Motorpersons at fault during an accident or incident and inquired about this shift over the past couple months. She also asked about any course of action for those involved in an accident to go through additional training.



Meeting Minutes
**** Pending Approval****

Mr. Allan explained that any Motorperson involved in an accident participated in an accident review and part of that review was if that Motorperson could have done anything differently. He noted that most streetcar accidents were non-preventable because the operation was on a fixed guideway. Mr. Allan added that staff completed recertification of the Motorpersons so there was a check ride from the trainers once a year.

Director Ahern spoke about her recent enjoyable interactions with the new Motorpersons who seemed to have great personalities, and wanted to engage the audience on streetcars.

Director Hardie inquired about the number of new Motorpersons on the system.

Mr. Allan responded that three Motorpersons had graduated.

Director Williams noted a recent incident that a streetcar Motorperson avoided an accident and commended the Motorpersons for driving as safe as possible in addition to getting people to their destinations despite all the activities along the line and increased ridership.

Mr. Allan commented that most of the accolades belonged to the instructors who performed the on-the-job training. He continued that they were an excellent group of people prioritizing safety and rider experience and they were responsible for the quality of the service.

President English asked if Mr. Allan was expecting a very busy weekend alluding to the annual Gasparilla Parade in the surrounding area.

Mr. Allan stated that the weekend should be busy given the parade, the good weather expected, and three ships in the Port.

LEGAL AND LEGISLATIVE REPORT

There was no report.

CHAIR'S REPORT

President English asked Mr. Smolker to introduce Mr. Grant Mehlich, GCM Insurance & Risk Management Advisors, LLC, and the CSX insurance topic.

Mr. Smolker introduced Mr. Mehlich as the THS insurance agent who procured the CSX policy the Board had to annually review. He added that insurance for the insurance for service over the CSX interlock and remainder of the Streetcar line was one of the biggest expenditures every year. Mr. Smolker detailed the previous work with Mr. Mehlich on reducing the amount of coverage required by CSX from \$300 million to \$75 million resulting in a reduced dollar amount for the expenditure.

Mr. Mehlich announced that the team was successful in CSX reducing the liability limits to \$50 million which was a massive win for THS, HART, and the City of Tampa. He added that the team



Meeting Minutes
** Pending Approval**

was also able to negotiate incredible terms for the policy. Mr. Mehlich stated that the total expense was still unknown, but would not exceed \$430,000. He added that he expected to use a tax harvesting option to get the premium even lower.

Mr. Smolker explained the tax harvesting option was an excise tax imposed by the State of Florida on fairly sizable insurance premiums, but non-profits could recapture that tax meaning the total premium could be significantly less than \$430,000.

President English noted that staff attempted to provide a formal resolution for the approval of the CSX insurance policy, but the negotiations were ongoing meaning a resolution could not be drafted for the meeting. He asked for a motion to authorize the THS General Counsel and THS Board President to complete the negotiations for the CSX insurance policy and approve a year of CSX insurance for no more than \$430,000 for him to execute. President English stated that a formal resolution could be brought to the next meeting. He spoke of Mr. Mehlich's work and noted that the policy was expected to be less than half of the previous year.

Director Schisler inquired about the amount budgeted for the expenditure.

President English stated that the previous year, the expenditure was almost \$100,000 and noted that he thought the expenditure was budgeted at \$650,000 for the current fiscal year.

Ms. Loretta Kirk, HART Chief Finance Officer, responded that \$600,000 was budgeted for the CSX insurance policy.

Director Schisler asked if a resolution was required since the expenditure was under budget. He noted that he was comfortable with President English moving forward.

President English stated that he would defer to General Counsel on the necessity of a resolution. He added that he was very impressed with the reduction in the expenditure and noted that he believed that the City of Tampa would be delighted as well since this expenditure was paid out of their budget.

Mr. Smolker stated that he did not believe that a resolution was necessary as this would be an executive act by the President.

Director Mechanik mentioned that he believed that a budget amendment might be needed because the fact that the expenditure was less did not mean that it should not be officially recognized. He added that the amendment could be done after the fact because the final number was unknown.

Director Ahern stated her appreciation of everyone's continued efforts, and her hope that the City of Tampa also recognized those efforts and it could bode well as a rubber wheeled extension up to Palm Avenue was considered, as well as additional funds dedicated towards the future and goal setting for the streetcar.



Meeting Minutes
**** Pending Approval****

Director Mechanik moved, and Director Schisler seconded, to authorize the Tampa Historic Streetcar President and General Counsel to negotiate for the Board the best possible price for the insurance policy for service over the CSX interlock and remainder of the Streetcar line, and approve a year of insurance in an amount not-to-exceed \$430,000. All Board members present voted aye. The motion carried unanimously.

President English noted that the next step was meeting with the City of Tampa which he was looking forward to.

HART CHIEF EXECUTIVE OFFICER’S REPORT

Mr. Scott Drainville, HART Chief Executive Officer, reported that HART was reviewing a contract award to Gomaco Trolley, Co. for the Streetcar Midlife Rehabilitation Services, shared an update on the legislative trips to Tallahassee, and on the TECO Line Streetcar Extension that remained on the HART’s Transportation Improvement Program Priority List for the Transportation Planning Organization; on a re-order of the Monopoly game boards which featured the streetcar, on the Florida Department of Transportation’s site visit which will be in the report for next month; and on the conversation with the City of Tampa on rubber wheeled trolley.

COMPLIANCE REPORT (REVIEW AND FILE)

FY2023 year-end financial reports beyond the month of August 2023 will be audited by the City of Tampa external auditors. They will be submitted to the THS Board of Directors for final approval in Spring 2024.

OLD BUSINESS

There was no Old Business.

NEW BUSINESS

There was no New Business.

ADJOURNMENT

The meeting adjourned at 1:36 p.m.

ATTEST:

Michael English, President
THS Board of Directors

Melanie Williams, Secretary-Treasurer
THS Board of Directors

David Smolker, Esquire
THS Board General Counsel



ACTION ITEM

Resolution #R2024-03-02 ~ Accepting the Final FY2023 Audited Tampa Historic Streetcar, Inc. Financial Statements

OVERVIEW

In accordance with the terms set forth in the Streetcar Tri-Party Agreement and the Operator's Agreement, THS is required to conduct an annual audit of the books and records of the streetcar system with delivery upon receipt of the auditor's written report. The final version, including the auditor's opinion letter and comments, is being presented to the THS Board of Directors for acceptance.

RECOMMENDATION

That the THS Board of Directors accept the final FY2023 audited Tampa Historic Streetcar, Inc financial statements.

BACKGROUND

An audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

There were no recommendations noted in auditor's written report.

NEXT STEPS

Review the attached Final FY2023 audited Tampa Historic Streetcar, Inc. financial statements for the Board's acceptance.

Prepared by: City of Tampa

Attachments:

- I Resolution #R2024-03-02 – A Resolution Accepting the Final FY2023 Audited THS Financial Statements
- II Basic Financial Statements and Other Reports as of and for the Year Ended September 30, 2023
- III Letter from auditors dated March 19, 2024

ATTACHMENT I

RESOLUTION NO. #R2024-03-02

A RESOLUTION ACCEPTING THE FINAL FY2023 AUDITED TAMPA HISTORIC STREETCAR, INC. FINANCIAL STATEMENTS

WHEREAS, the Tampa Historic Streetcar, Inc. (THS), the Hillsborough Transit Authority (HART) and the City of Tampa (CITY) are parties of the Streetcar Tri-Party Agreement; and

WHEREAS, THS and HART are parties of the Operator’s Agreement for the TECO Streetcar Line; and

WHEREAS, the Operator’s Agreement for the TECO Streetcar Line requires THS to conduct an annual audit of the books and records of the Streetcar System within 90 days following the end of each fiscal year of THS in the manner required by the Tri-Party Agreement; and

WHEREAS, the Operator’s Agreement requires the audit report to be furnished to THS and the City promptly upon delivery of the auditor’s written report;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TAMPA HISTORIC STREETCAR, INC. THAT:

Section 1. The THS Board of Directors accepts the final FY2023 audited THS financial statements.

Section 2. The final FY2023 audited financial statements are authorized as the official financial statements of the TECO Line Streetcar System.

Section 3. Proper officers of the Tampa Historic Streetcar, Inc. are authorized to do all things necessary and required in order for use in management of the streetcar system.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE TAMPA HISTORIC STREETCAR, INC. ON MARCH 26, 2024.

ATTEST:

President/Chair
THS Board of Directors

Secretary-Treasurer
THS Board of Directors

David Smolker
THS Board General Counsel



Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)

Basic Financial Statements and Other Reports
As of and for the Year Ended
September 30, 2023

(With Reports of Independent Auditor)



**Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)**

Basic Financial Statements and Other Reports

As of and for the Year Ended September 30, 2023

Contents

Independent Auditor's Report.....	1
Management's Discussion and Analysis (Unaudited).....	5
Basic Financial Statements:	
Statement of Net Position.....	9
Statement of Revenues, Expenses, and Changes in Net Position.....	11
Statement of Cash Flows.....	13
Notes to Financial Statements.....	15
Other Reports:	
Independent Auditor's Report on Internal Controls Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	21





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tampa Historic Streetcar, Inc.
Tampa, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Tampa Historic Streetcar, Inc. (the "Streetcar") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Streetcar's financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Streetcar as of September 30, 2023, and the respective changes in financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Streetcar, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Streetcar's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Streetcar's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the table of contents, 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.

Board of Directors
Tampa Historic Streetcar, Inc.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2024, on our consideration of the Streetcar's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Streetcar's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 13, 2024



Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Management's Discussion and Analysis
(Unaudited)
September 30, 2023

This discussion and analysis of the Tampa Historic Streetcar, Inc.'s (the Streetcar) financial performance provides an overview of the financial activities for the fiscal year ended September 30, 2023. Please review in conjunction with the audited financial statements which begin on page 9.

Required Financial Statements

The financial statements of the Streetcar report information about the activity for the Streetcar using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statement of Net Position includes all of the Streetcar's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to the Streetcar's creditors (liabilities). The assets and liabilities are presented in a classified format, which distinguishes between current and long-term assets and liabilities, and deferred outflows and inflows of resources. It also provides the basis for assessing the liquidity and financial flexibility of the Streetcar. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the Streetcar's operations over the past year and can be used to determine whether the Streetcar has successfully recovered all of its costs through its activities, as well as its profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Streetcar's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operating, investing and financing activities and provides answers to such questions as, "Where did cash come from? What was cash used for? What was the change in the cash balance during the reporting period?"

Financial Analysis of the Streetcar

Our analysis of the Streetcar begins with the Statement of Net Position. One of the most important questions asked about the Streetcar's finances is, "Is the Streetcar as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the Streetcar's activities in a way that will help answer this question. These two statements report the net financial position of the Streetcar and the changes in net position.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Management’s Discussion and Analysis (continued)
(Unaudited)
September 30, 2023

Net Position

To begin our analysis, a summary of the Streetcar’s Statement of Net Position is presented in Table A-1.

TABLE A-1
Summary Statements of Net Position

	2023	2022	Dollar Change	Percent Change
Total Assets	\$ 613,699	\$ 710,655	\$ (96,956)	(13.64)%
Total Liabilities	<u>41,741</u>	<u>358,204</u>	<u>316,463</u>	88.35%
Net Position, Unrestricted	<u>\$ 571,958</u>	<u>\$ 352,451</u>	<u>\$ 219,507</u>	62.28%

Total net position increased by \$219,507 to a total of \$571,958. The net position increase in FY2023 is due mainly to the increased contributions from the City of Tampa.

Capital Assets

The Streetcar does not own any capital assets. All of the capital assets used in the Streetcar operation are owned either by Hillsborough Area Regional Transit Authority (HART) or the City of Tampa (City).

Debt Administration

The Streetcar does not have any debt.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Management's Discussion and Analysis (continued)
(Unaudited)
September 30, 2023

TABLE A-2

Condensed Statement of Revenues, Expenses, and Changes in Net Position

	2023	2022
Operating Revenues	\$ 214,168	\$ 206,084
Operating Expenses	3,763,059	3,457,855
Operating Loss	(3,548,891)	(3,251,771)
Non-Operating Revenues	3,768,398	3,510,899
Change in Net Position	219,507	259,128
Beginning Net Position	352,451	93,323
Ending Net Postion	\$ 571,958	\$ 352,451

Operating Revenues

In FY2023, there were 1,474,298 riders compared to 1,087,520 during FY2022. During FY2023, operating revenues included \$115,000 from advertising revenues, \$29,167 for a naming sponsorship, and \$3,451 for amortization of naming rights. Operating revenues in FY2022 include \$114,750 from advertising revenues, \$3,750 from the leasing of cars for special events, \$20,833 for a naming sponsorship, and \$3,451 for amortization of naming rights. Naming rights payments received in prior years which will be recognized as revenue in future periods total \$27,608. As of September 30, 2023, there are 8 years remaining on certain naming right agreements.

Operating Expenses

The Streetcar's most significant operating expense is reimbursement to HART for the cost of operating the Streetcar system. HART currently has 35 full-time employees dedicated to operating the system. Expenses incurred to HART totaled \$2,772,007 in 2023 as compared to \$2,768,342 in 2022. Other significant expenses during fiscals 2023 and 2022 were \$976,528 and \$674,638, respectively, for excess liability insurance related to the CSX railroad crossing.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Management's Discussion and Analysis (continued)
(Unaudited)
September 30, 2023

Non-Operating Revenues

Interest earnings in FY2023 were \$20,944, as opposed to \$3,354 in FY2022. The average rate of return was 9.55% and 1.49% for FY2023 and FY2022, respectively.

Non-Ad Valorem tax assessments increased from \$1,134,570 in FY2022 to \$1,457,454 in FY2023 as a result of higher property values. Non-operating revenues were boosted by incremental tax revenue received by the Streetcar from the City's Community Redevelopment Agency (CRA), in the amount of \$759,000 in FY2023 and \$760,000 in FY2022, resulting in total non-ad valorem and increment tax assessments revenue of \$2,216,454 in FY2023 compared to \$1,894,570 in FY2022, a 16.99% increase.

In FY2023, local government revenues consist of a \$200,000 State Block Operating Assistance Grant (SBOAG) passed through HART, \$800,000 in matching grant from the Florida Department of Transportation (FDOT), and a \$531,000 contribution from the City, for a total of \$1,531,000. In FY2022, local government revenues consist of a \$200,000 SBOAG passed through HART, \$881,975 in matching grant from the FDOT, and a \$531,000 contribution from the City, for a total of \$1,612,975.

Fiscal 2024 Outlook

Ridership is budgeted at 1,665,198 riders in FY2024. Fiscal year 2024 will be the sixth year the Streetcar has been granted funding from FDOT; the agreement is for one year ending in the fiscal year 2024. The \$700,000 annual allotment requires a 50% local match and allows the Streetcar to offer free fare service, which will increase its visibility and relevance to local commuters and tourists alike. In addition, the Streetcar is anticipating the receipt of \$1,477,750 in grants and contributions as follows: \$200,000 SBOAG passed through HART, \$100,000 in Federal Transit Authority grant funds pass through HART, \$786,750 from the City CRA, \$331,000 from the City of Tampa Mobility Department and \$60,000 from Tampa Downtown Partnership.

Consistent with the Operating Agreement, the City is responsible for any operating deficit of the Streetcar. In FY2024, the City will be expected to contribute \$200,000 to the operations of the Streetcar.

Requests for Information

This financial report is designed to provide a general overview of the Tampa Historic Streetcar, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Accountant, City of Tampa, 306 E. Jackson St., 7N, Tampa, FL 33602.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Statement of Net Position
September 30, 2023

ASSETS

Current Assets:

Pooled Cash with City	\$	63,086
Accounts Receivable		111,667
Prepays and Other Assets		438,946
Total Assets		<u>613,699</u>

LIABILITIES

Current Liabilities:

Accounts Payable		14,133
Unearned Revenue		3,451
Total Current Liabilities		<u>17,584</u>

Long-Term Liabilities:

Unearned Revenue		24,157
Total Liabilities		<u>41,741</u>

NET POSITION

Unrestricted		571,958
Total Net Position		<u>\$ 571,958</u>

The notes to the financial statements are an integral part of this statement.



Tampa Historic Streetcar, Inc.
 (A Component Unit of the City of Tampa)
**Statement of Revenues, Expenses, and
 Changes in Net Position**
 For the Fiscal Year Ended September 30, 2023

Operating Revenues:	
Charges for Sales and Services	<u>\$ 214,168</u>
Operating Expenses:	
Contract Services to Streetcar Operator	2,772,007
Insurance	976,528
Professional Services	14,231
Other Services and Charges	<u>293</u>
Total Operating Expenses	<u>3,763,059</u>
Operating Loss	<u>(3,548,891)</u>
Nonoperating Revenues:	
Interest Income	20,944
Non-Ad Valorem and Increment Tax Assessments	1,457,454
State and Local Government Assistance	<u>2,290,000</u>
Total Nonoperating Revenues	<u>3,768,398</u>
Change in Net Position	<u>219,507</u>
Total Net Position - October 1	<u>352,451</u>
Total Net Position - September 30	<u><u>\$ 571,958</u></u>

The notes to the financial statements are an integral part of this statement.



Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Statement of Cash Flows
For the fiscal year ended September 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers and Users	\$ 209,141
Payments to Streetcar Operator	(3,085,019)
Payments to Other Suppliers	<u>(1,204,795)</u>
Net Cash Used by Operating Activities	<u>(4,080,673)</u>
Cash Flows from Noncapital Financing Activities:	
Non-Ad Valorem Assessments Received	1,457,454
State and Local Grants Received	<u>2,290,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>3,747,454</u>
Cash Flows from Investing Activities:	
Interest on Cash and Cash Equivalents	<u>20,944</u>
Net Cash Provided by Investing Activities	<u>20,944</u>
Net Decrease in Cash and Cash Equivalents	(312,275)
 Beginning Cash and Cash Equivalents	 <u>375,361</u>
 Ending Cash and Cash Equivalents	 <u>\$ 63,086</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:	
 Operating Loss	 <u>\$ (3,548,891)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Change in Prepaids and Other Assets	(213,743)
Change in Accounts Receivable	(1,576)
Change in Accounts Payable	(313,012)
Change in Unearned Revenue	<u>(3,451)</u>
Total Adjustments	<u>(531,782)</u>
 Net Cash Used by Operating Activities	 <u>\$ (4,080,673)</u>

The notes to the financial statements are an integral part of this statement.



Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements
September 30, 2023

1. Organization

Tampa Historic Streetcar, Inc. (the Streetcar) was incorporated November 20, 1998, in the State of Florida, as a not-for-profit organization. The City of Tampa (the City) completed construction of an electric streetcar rail line and in conjunction with the Hillsborough Area Regional Transit Authority (HART) and the Streetcar, renewed an Operation Agreement on October 1, 2011 for a period of five (5) years. The agreement is automatically renewed each year for a period of one year and expired on September 30, 2023 and entered into a new five year term agreement which will expire on September 30, 2028. Operation of the Streetcar began in October 2002. The Operation Agreement defines the rights and obligations of the City, HART, and the Streetcar. Under the Operation Agreement, after the City has approved the Streetcar's annual budget, the City is responsible for reimbursing the Streetcar for any deficiency of revenues and support received under expenses incurred, if the expenses were included in the annual budget approved by the City. The City approved the Streetcar's annual plan for the years ending September 30, 2023 and 2024.

The Streetcar is reported as a discretely presented component unit in the City's basic financial statements. As such, the Streetcar's financial statements are presented in accordance with the provisions of the Governmental Accounting Standards Board (GASB) as an enterprise fund, as they are considered a special purpose government engaged solely in business-type activities. The Board of Directors (Board) is made up of five City appointees, and three HART appointees. Since a controlling majority of the members of the Board are appointed by a local government, the Streetcar reports using governmental guidelines.

The Streetcar's mission is to provide a 2.7 mile light rail transportation system linking Downtown Tampa within the Community Redevelopment Areas (CRA) of Channelside and Ybor City entertainment districts, thereby reducing traffic congestion and encouraging economic development in the area.

2. Significant Accounting Policies

Basis of Accounting

The financial statements of the Streetcar are accounted by using *the flow of economic resources measurement focus*, and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. The accounting and reporting policies of the Streetcar conform to the accounting guidance established by GASB. The Streetcar applies all applicable GASB pronouncements.

In the Statement of Revenues, Expenses, and Changes in Net Position, revenues and expenses are distinguished between operating and non-operating items. Operating revenues and expenses generally result from providing services in connection with the Streetcar's ongoing operations. Operating expenses include the costs of providing services, including operation and maintenance. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Streetcar's policy to use restricted resources first, then unrestricted resources as they are needed.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements (continued)
September 30, 2023

GASB Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, also requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. The Streetcar has no capital assets nor restricted net position. The relevant classifications are defined as follows:

Net Investment in Capital Assets

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of investment in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds. The Streetcar has no capital assets or related debt and therefore, no investment in capital assets.

Restricted

The restricted component of net position consists of constraints placed on net position use through external factors imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments. The Streetcar has no restricted net position.

Unrestricted Net Position

The unrestricted component of net position consists of assets net of liabilities that do not meet the definition of "restricted" or "net investment in capital assets".

Cash and Cash Equivalents

Pooled Cash with City represents cash held in the City's pooled cash account and are considered available for immediate use. For purposes of the statement of cash flows, the Streetcar considers all highly liquid debt instruments with original maturities of three months or less, if any, to be cash equivalents.

Receivables, Payables and Unearned Revenue

Accounts receivable balances are shown at gross. It is the opinion of management that all receivables are fully collectible and therefore, no allowance has been established. Accounts payable are accrued when services are rendered and a liability is incurred. Unearned revenues represent amounts received which have not yet been earned.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements (continued)
September 30, 2023

Capital Assets

The Streetcar owns no capital assets; all capital assets used in the Streetcar operations are owned either by the City or HART.

Assessments, Farebox Revenues, Contributions, and Grants

Non-Ad Valorem assessments and CRA incremental tax revenues are recorded in the period they are levied. Farebox revenues are recognized in the period they are collected. Unrestricted contributions are recognized at fair value when received. Grant revenues are recognized when all eligibility requirements have been met.

Tax Status

The Streetcar has received a favorable determination letter from the Internal Revenue Service, and is exempt from federal income taxes under Internal Revenue Code (IRC) Section 501 (a) as an organization described in Section 501(c)(3).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows and inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Cash and Cash Equivalents

By agreement, the Streetcar transferred its funds to the City to invest in the City's Pooled Cash account. The custodial agreement between the Streetcar and the City allows the relationship to be canceled on thirty (30) days notice, so while the Streetcar participates in the City's Pooled Cash account, the funds are considered liquid and have therefore been classified as Cash and Cash Equivalents in the financial statements.

Interest earned from Pooled Cash with City is allocated to the Streetcar based on the Streetcar's average equity balance. Total interest earned for the year ending September 30, 2023, was \$20,944, at an average rate of 9.55%. Disclosures relating to interest rate risk, credit risk, custodian risk, concentration of credit risk, and fair value disclosures, can be found in the City's Comprehensive Annual Financial Report.

4. Accounts Receivable-Net

Accounts receivable consist of \$111,677 from HART for operating revenues and grants.

5. Prepays and Other Assets

Prepays and Other Assets consist of \$438,946 in prepaid excess liability and general liability insurance premiums.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements (continued)
September 30, 2023

6. Accounts Payable

Accounts payable consist of \$13,233 to HART for operating expenses and \$900 for audit expenses, for a total of \$14,133.

7. Unearned Revenue

Unearned revenues consist of \$27,608 (\$3,451 current and \$24,157 long term) received in advance on certain naming right agreements which are recognized in future periods. Revenue is recognized in the Statement of Revenues, Expenses and Changes in Net Position over the life of the agreement as a component of charges for sales and services.

8. Lease Revenue

There were no lease revenues collected in the fiscal year 2023. Operating revenues include amounts collected from the leasing of cars to third parties for special events. The arrangements associated with these leases are designed for a short term (i.e., one to two days) and are typically paid in full at the lease commencement date. Any amounts paid prior to the lease commencement date are reflected as Unearned Revenue, as resources received in advance of an exchange transaction do not qualify as deferred inflows of resources.

9. Risk Management

Liabilities of the Streetcar are reported when it is probable that a loss has occurred and the amount of the loss can be estimated. The Streetcar has purchased seven commercial insurance policies which provide \$75,000,000 of general liability coverage for CSX should an accident occur at the location where the streetcar line and the CSX line intersect. In addition, the Streetcar carries general liability insurance. For the past three years, losses have not exceeded coverage.

10. Related Party Disclosures

The Streetcar has a five (5) year operating agreement with HART that was renewed on October 1, 2011, and expired on September 30, 2016. Under this agreement, HART manages the Streetcar for the City and is reimbursed for operating costs. The agreement was automatically renewed annually for a period of one year through September 30, 2023. The Streetcar has a five (5) year operating agreement with HART that began on October 1, 2023, and will expire on September 30, 2028.

The City has \$22,720,739 recorded for the value of assets related to the installation of the Streetcar line, with a net book value of \$13,380,769. HART has \$53,191,583 recorded for its investment in Streetcar assets, with a net book value of \$26,509,434. No rent is charged for their uses, and the Streetcar does not bear the cost of repair and maintenance of those assets.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements (continued)
September 30, 2023

In FY2023, the Streetcar paid \$2,772,007 to HART for the operations of the Streetcar. The amount represents approximately 74% of the Streetcar's expenses, however only 38% of the Board is appointed by HART. The Streetcar Board consists of five City appointees and three HART appointees. In accordance with the terms of the Operating Agreement, the City is responsible for any operating deficit of the Streetcar. In FY2023, the City contributed \$531,000 toward the operations of the Streetcar.

11. Budgetary Control

The Streetcar operates in accordance with an annual operating budget that is approved by the Streetcar Board, HART Board, and ratified by the City Council. Appropriations lapse at the end of the fiscal year.

12. Property Taxes

Calendar of Property Tax Events

January 1	Property taxes are based on assessed property value at this date as determined by the Hillsborough County Property Appraiser.
July 1	Assessment roll approved by the state.
September 30	Millage resolution approved by the City Council.
October 1	Beginning of fiscal year for which taxes have been levied.
November 1	Property taxes due and payable.
November 30	Last day for 4% maximum discount.
April 1	Unpaid property taxes become delinquent.
May 15	Tax certificates are sold by the Hillsborough County Tax Collector. This is the first lien date on the properties.

Tampa Historic Streetcar, Inc.
(A Component Unit of the City of Tampa)
Notes to Financial Statements (continued)
September 30, 2023

Tax Collection

Property tax collections are governed by Chapter 197, Florida Statutes. The Hillsborough County Tax Collector bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January, and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate, and 1.5% on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent for two years, file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The Streetcar recognizes property tax revenue in the period in which they are levied.

Tax Limitations

For the fiscal year ended September 30, 2023, the approved operating millage for the Streetcar was .33 mills. In addition to non-ad valorem tax assessments, the Streetcar also receives support from the CRA in the form of incremental tax revenues.



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

Board of Directors
Tampa Historic Streetcar, Inc.
Tampa, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Tampa Historic Streetcar, Inc. (the “Streetcar”) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Streetcar’s financial statements and have issued our report thereon March 13, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

MSL, P.A.

Certified Public Accountants

Tampa, Florida
March 13, 2024





March 19, 2024

To the Board of Directors
Tampa Historic Streetcar, Inc.
Tampa, Florida

We have audited the financial statements of the Tampa Historic Streetcar, Inc., (the “Streetcar”) as of and for the year ended September 30, 2023, and have issued our report thereon, dated March 13, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

SIGNIFICANT AUDIT FINDINGS

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Streetcar are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the Streetcar during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We do not consider any estimates significant.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We do not consider any disclosures to be sensitive.

The financial statement disclosures are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We are pleased to report that no such misstatements arose during the course of our audit.

To the Board of Directors
Tampa Historic Streetcar, Inc.
March 19, 2024
Page 2

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated March 13, 2024.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Streetcar's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Streetcar's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

We applied certain limited procedures to management's discussion and analysis, which is required supplementary information ("RSI") that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

RESTRICTION ON USE

This information is intended solely for the use of the Board of Directors and management of the Streetcar, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

MSL, P.A.

THS Marketing Services Report for January 2024

THS Marketing Collateral and Graphic Support – January 2024

Collateral and graphic support included Streetcar Live January 26th Black & Tenn (Roots Rock Reggae) Promotional Material (Facebook, Instagram, Monitor) | Gasparilla Service Collateral (Station Signage, Maps, Internal Training, Customer Bus Alternative Info) | Updating Streetcar Station material with new sponsor: Florida Aquarium

THS Marketing and Communications – January 2024

Gasparilla

With 300k pirates expected in downtown Tampa for the Gasparilla parade, HART staff and local officials promoted utilizing the TECO Line Streetcar and HART to the festivities. The TECO Line Streetcar operated continuous service throughout the day and HART provided free bus and van shuttles to accommodate overflow streetcar ridership. Total bus and streetcar Gasparilla ridership was **19,882**.



Streetcar Service to Downtown/Ybor Events

Staff promoted streetcar service in support of several downtown and Ybor City events:

- Gasparilla
- Gasparilla Children’s Parade
- Drake
- WWE Raw
- FL Music Educators Conference
- Ringling Bros.
- Tampa Bay Lightning games
- Mayor’s Food Truck Fiesta
- Rock the Park



Streetcar Live

The monthly streetcar concert series was held on January 26, 2024, with Roots Rock Reggae group Black & Tenn performing from 6 p.m. to 8 p.m. Streetcar Live is now a part of the Downtown Partnership’s Fourth Friday Tampa event programming. Attractions and businesses along the Streetcar line provide discounts and special programming with a Fourth Friday wristband.

STREETCAR Live
ON-BOARD CONCERT SERIES!
6-8 P.M.

SEPTEMBER 22	THE BURKE BROS (Americana)
OCTOBER 27	AUSTIN MILLER DUO (Americana)
NOVEMBER 24	FUSIA PRIME (Reggae)
DECEMBER 22	GALBRAITH & CO. (Americana Folk Jam)
JANUARY 26	BLACK & TENN (Roots Rock Reggae)
FEBRUARY 23	LIGHT THE WIRE (Indie Folk)
MARCH 22	AGHO BROTHER (Latin Electro-Folk)
APRIL 26	KIEFER (Alternative Pop)
MAY 24	WHATASOUTMOMMA (Alternative)

www.TECOlineStreetcar.org www.GasparillaFair.com



Media Coverage

CATO Institute (*Streetcar referenced as the most efficient in the nation by almost \$1.00 a trip*)
[Taxpayers Pay \\$10 for Each Urban Streetcar Ride | Cato at Liberty Blog](#)

ABC Action News

TPO to Vote on Streetcar Project

<https://mms.tveyes.com/PlaybackPortal.aspx?SavedEditID=2d3169f2-3358-453c-a38e-34505b82955e>

Tampa Bay Times

Top Tampa Bay area events for the week of Jan. 22-30 (Streetcar Live)

<https://www.tampabay.com/life-culture/entertainment/things-to-do/2024/01/22/top-tampa-bay-area-events-week-jan-22-30/>

WFLA

Gasparilla Guide

<https://mms.tveyes.com/Transcript.asp?StationID=1990&DateTime=1%2F27%2F2024+7%3A48%3A17+AM&LineNumber=&MediaStationID=1990&playclip=True&RefPage=&pb=WatchlistTerm%3A1815895>

Tampa Bay Times

Gasparilla 2024 Guide

<https://www.tampabay.com/live-coverage/2024/01/27/tampa-gasparilla-festival-2024-pirate-event-bayshore-downtown/>

ABC Action News

Gasparilla 2024: Everything you need to know about the annual Pirate Fest

<https://www.abcactionnews.com/news/region-hillsborough/gasparilla-2024-everything-you-need-to-know-about-the-annual-pirate-fest>

Travel Gossip (UK)

Discover Tampa Bay's Cuban culture (streetcar referenced)

<https://www.travelgossip.co.uk/tampabay/discover-tampa-bays-cuban-culture>

Tampa Bay Business Journal

Voters expected to decide fate of Hillsborough's community investment tax in November

<https://www.bizjournals.com/tampabay/news/2024/02/15/hillsborough-commissioners-support-cit-renewal.html>

Tampa Bay Business Journal

These are Tampa Bay's Power 100, the most influential businesspeople in 2024

<https://www.bizjournals.com/tampabay/news/2024/01/31/tampa-bay-power-100-business-leaders.html>



Tampa Bay Business Journal

Letter: Time to return the 2018 transportation sales tax funds

<https://www.bizjournals.com/tampabay/news/2024/01/26/letter-time-to-return-the-2018-transportation-sal.html>

Prepared by: Frank Wyszynski, HART Manager of Marketing and Communications

Reviewed by: Jacqueline Halldow, HART Chief Administrative Officer

Attachment: Vector Media Monthly Sales Report – January 2024

ATTACHMENT

																
Tampa Historic Streetcar																
Monthly Sales Report																
<i>Jan-24</i>																
Streetcar																
Advertiser - Contract	Inventory	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Totals		
Bay Paws Pet Resort-231219009-0	Transit Streetcar-Half Side-Space	1,000.00														1,000.00
Blue Water International, Inc-231005010-0	Transit Streetcar Station-Domination-Space	2,500.00														2,500.00
Early Learning Coalition of Hillsborough County-231005015-	Transit Streetcar-Interior Cards-Space	(80.00)														(80.00)
JJ Taylor Distributing-231020015-0	Transit Streetcar-Full Wrap-Space	3,675.00														3,675.00
Mark Anthony Brands-231016021-0	Transit Streetcar-Full Wrap-Space	13,040.00														13,040.00
Molson Coors Brewing Company-231016015-0	Transit Streetcar-Full Wrap-Space	3,661.57														3,661.57
Tampa Bay Sports Commission-231218015-0	Transit Streetcar-Full Wrap-Space	7,500.00														7,500.00
Tampa General Hospital-230626024-0	Bus Station-Streetcar-Concrete Pillar-Space	1,200.00														1,200.00
Tampa General Hospital-230626024-0	Transit Buses-Transit Authority Branding-Exterior-	8,000.00														8,000.00
Tito's Handmade Vodka-231030016-0	Transit Streetcar-Full Wrap-Space	10,000.00														10,000.00
																-
Tampa Historic Streetcar Sales		50,496.57	-	-	-	-	-	-	-	-	-	-	-	-	-	50,496.57
Station Sponsorship																
Advertiser - Contract	Inventory	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Totals		
																-
																-
																-
																-
Tampa Historic Streetcar Station Sponsorship Sales		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Minimum Annual Guarantee Payments made to THS														

THS Marketing Services Report for February 2024

THS Marketing Collateral and Graphic Support – February 2024

Collateral and graphic support included Streetcar Live February 23th Light the Wire (Indie Folk) Promotional Material (Facebook, Instagram, Monitor) | Streetcar Station Destination Signage (All Stations) | Sant’ Yago Knight Parade - February 10 (Streetcar Parade Service Map and Informational Flyer)

THS Marketing and Communications – February 2024

Sant’Yago Knight Parade

Thousands of attendees were estimated to line 7th Avenue in historic Ybor City for the Sant’Yago Knight Parade. HART staff and local officials promoted utilizing the TECO Line Streetcar to the festivities. Streetcar service ceased north of 7th Avenue during the parade, with a temporary stop in front of the streetcar barn.

Streetcar Service to Downtown/Ybor Events

Staff promoted streetcar service in support of several downtown and Ybor City events:

- Gasparilla Volleyball Classic
- Fiesta Day
- Drake
- American College of Foot and Ankle Surgeons Convention
- Tampa Bay Lightning games
- Mayor’s Food Truck Fiesta
- Rock the Park



Streetcar Live

The monthly streetcar concert series was held on February 22, 2024, with Indie Folk group Light the Wire performing from 6 p.m. to 8 p.m. Streetcar Live is now a part of the Downtown Partnership’s Fourth Friday Tampa event programming. Attractions and businesses along the Streetcar line provide discounts and special programming with a Fourth Friday wristband.



Media Coverage

That's So Tampa

Tampa has the most efficient streetcar in America, according to new study

<https://thatsotampa.com/tampa-streetcar-efficient-system/>

Tampa Bay Business Journal

HART to explore higher property taxes, will ask Tampa for more downtown development revenue (streetcar referenced)

<https://www.bizjournals.com/tampabay/news/2024/03/01/hillsborough-transit-agency-higher-property-tax.html>

Tampa Beacon

Things to do around Tampa & Wesley Chapel: Feb. 22-28

https://www.tampabeacon.com/local-events/things-to-do-around-tampa-wesley-chapel-feb-22-28/article_da297eec-cd0a-11ee-8c00-d3b3c20ec483.html

Tampa Bay Business Journal

Voters expected to decide fate of Hillsborough's community investment tax in November

<https://www.bizjournals.com/tampabay/news/2024/02/15/hillsborough-commissioners-support-cit-renewal.html>

FOX 13

Knight Parade 2024: Here's what to know before you go

<https://www.fox13news.com/news/knight-parade-tampa-ybor-city-tampa-gasparilla-krewe>

FOX 13

Households spending more on housing, transportation in Tampa Bay Area: Report


<https://www.fox13news.com/news/households-spending-more-on-housing-transportation-in-tampa-bay-area>

Prepared by: Frank Wyszynski, Manager of Marketing and Communications

Reviewed by: Jacqueline Halldow, Chief Administrative Officer

Attachment: Vector Media Monthly Sales Report – February 2024

ATTACHMENT

																
Tampa Historic Streetcar																
Monthly Sales Report																
<i>Feb-24</i>																
Streetcar																
Advertiser - Contract	Inventory	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Totals		
Bay Paws Pet Resort-231219009-0	Transit Streetcar-Half Side-Space	1,000.00	1,000.00											2,000.00		
Blue Water International, Inc-231005010-0	Transit Streetcar Station-Domination-Space	2,500.00	2,500.00											5,000.00		
Early Learning Coalition of Hillsborough County-231005015-	Transit Streetcar-Interior Cards-Space	(80.00)												(80.00)		
E & J Gallo-231102019-0	Transit Streetcar-Full Wrap-Space		17,615.38											17,615.38		
JJ Taylor Distributing-231020015-0	Transit Streetcar-Full Wrap-Space	3,675.00	3,675.00											7,350.00		
Mark Anthony Brands-231016021-0	Transit Streetcar-Full Wrap-Space	13,040.00	6,520.00											19,560.00		
Molson Coors Brewing Company-231016015-0	Transit Streetcar-Full Wrap-Space	3,661.57	3,661.57											7,323.14		
Tampa Bay Sports Commission-231218015-0	Transit Streetcar-Full Wrap-Space	7,500.00												7,500.00		
Tampa General Hospital-230626024-0	Bus Station-Streetcar-Concrete Pillar-Space	1,200.00	1,200.00											2,400.00		
Tampa General Hospital-230626024-0	Transit Buses-Transit Authority Branding-Exterior-	8,000.00	8,000.00											16,000.00		
Tito's Handmade Vodka-231030016-0	Transit Streetcar-Full Wrap-Space	10,000.00												10,000.00		
														-		
Tampa Historic Streetcar Sales		50,496.57	44,171.95	-	-	-	-	-	-	-	-	-	-	94,668.52		
Station Sponsorship																
Advertiser - Contract	Inventory	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Totals		
														-		
														-		
														-		
														-		
Tampa Historic Streetcar Station Sponsorship Sales		-	-	-	-	-	-	-	-	-	-	-	-	-		
		Minimum Annual Guarantee Payments made to THS														



STREETCAR SYSTEM PERFORMANCE REPORT FOR JANUARY 2024

MISSED TRIPS

The TECO Line Streetcar System delivered 99.74% of the contracted 4,394 trips for January with 11.25 reported missed trips. The missed trips were caused by mechanical issues (8 trips), schedule adjustment (3 trips) and a car blocking the track (.25 trip).

ON-TIME DEPARTURES

In January, there were 20 reported late departures; On Time Performance (OTP) was 99.54%.

ACCIDENTS/INCIDENTS

There were no accidents or incidents in January:

SPECIAL SERVICE

The Streetcar provided one additional hour of service on January 11 for a charter.

COMPONENT PERFORMANCE

- Ridership for January

<u>2022</u>	<u>2023</u>	<u>2024</u>
82,735	119,615	118,218*

*Gasparilla ridership was 12,262

- Right of way and Interlocking Report – all track inspections/maintenance were completed as scheduled. The right of way and CSX Interlocking were inspected every morning by HART personnel.
- OCS Report – All inspections were completed as scheduled.
- ADA Bridge Mechanism – There were 126 ADA boardings with no reported problems.
- Substations – All monthly service was completed on the Substations.

VEHICLE MAINTENANCE

- All maintenance on the streetcars was current.
- 3 road calls were reported in January.

SYSTEM CHANGES

Motormen interviews were conducted on January 26, and two people were hired to fill the last open positions.

INFRASTRUCTURE

19 concrete panels were leveled at Dick Greco Plaza to eliminate tripping hazards.

Service	Performed in January
A	26
B	2
C	0
E	0

Prepared by: Brian Allan, HART Director of Streetcar Operations

Reviewed by: Scott Drainville, HART Chief Executive Officer



STREETCAR SYSTEM PERFORMANCE REPORT FOR FEBRUARY 2024

MISSED TRIPS

The TECO Line Streetcar System delivered 99.1 % of the contracted 4,126 trips for February with 37 reported missed trips. The missed trips were caused by mechanical issues (22.5 trips), shortage of operators (8 trips), the accidents listed below (5.75 trip) and a car needing cleaning (.75 trips).

ON-TIME DEPARTURES

In February, there were 23 reported late departures; On Time Performance (OTP) was 99.44%.

ACCIDENTS/INCIDENTS

There were three accidents in February:

On February 17, 2024, Streetcar 432 was traveling Southbound along 8th Avenue when a vehicle turned in front of the streetcar at 13th Street and was struck by the Streetcar. There were no injuries reported in the accident. Streetcar 432 received very minor damage in the accident. The driver of the vehicle was cited for failure to yield.

Also, on February 17, 2024, streetcar 430 was traveling southbound at York Street and Channelside Drive when it made a contact with a pedestrian walking down the track. EMS responded but the pedestrian refused medical treatment and left the scene.

On February 29, 2024, Streetcar 428 was crossing the drive into Sparkman’s Wharf when a Honda Accord ran the stop sign and struck the rear of the streetcar. There were approximately 40 passengers on 428, but no one was injured in the accident. The driver of the Honda was cited for the accident.

SPECIAL SERVICE

The Streetcar System did not provide any additional service in February.

COMPONENT PERFORMANCE

- Ridership for February

<u>2022</u>	<u>2023</u>	<u>2024</u>
88,563	115,408	105,328

- Right of way and Interlocking Report – all track inspections/maintenance were completed as scheduled. The right of way and CSX Interlocking are inspected every morning by HART personnel.
- OCS Report – All inspections were completed as scheduled.
- ADA Bridge Mechanism – There were 136 ADA boardings with no reported problems.
- Substations – All monthly service was completed on the Substations.



VEHICLE MAINTENANCE

- All maintenance on the streetcars is current.
- No road calls were reported in February.

SYSTEM CHANGES

Two motormen started training on February 12. Currently one Service Attendant position is open.

INFRASTRUCTURE

Balfour Beatty provided substation maintenance training for the maintenance staff during the week of February 19.

Service	Performed in February
A	20
B	2
C	0
E	0

Prepared by: Brian Allan, HART Director of Streetcar Operations

Reviewed by: Scott Drainville, HART Chief Executive Officer