



# PORTMIAMI™

Miami-Dade County Seaport Department,  
A Department of Miami-Dade County, Florida

## 2019 Comprehensive Annual Financial Report



*CMA CGM Magellan - Largest vessel to call  
a Florida Port, serviced in PortMiami in 2019*

*For the fiscal year ended September 30, 2019*

**Miami-Dade Seaport Department**  
*A Department of Miami-Dade County, Florida*

Comprehensive Annual Financial Report

For the fiscal year ended September 30, 2019

Prepared by the Miami-Dade Seaport Department

**Juan Kuryla,**  
*Port Director, CEO*

**Hydi Webb**  
*Deputy Port Director*

**Andrew Hecker**  
*Managing Port Director, CFO*

**Andrew Warburton, CPA**  
*Port Controller*

**MIAMI-DADE COUNTY, FLORIDA SEAPORT DEPARTMENT**  
**A Department of Miami-Dade County, Florida**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2019**

**Table of Contents**

<b>Description</b>	<b>Page</b>
<b>Introductory Section (Unaudited)</b>	
Elected and appointed officials	5
Letter of Transmittal	6
Certificate of Achievement for Excellence in Financial Reporting	13
Organizational Chart	14
<b>Financial Section</b>	
Report of Independent Auditors	15
Management's Discussion and Analysis (Unaudited)	17
Statement of Net Position	24
Statement of Revenues, Expenses and Changes in Net Position	26
Statement of Cash Flows	27
Notes to Financial Statements	29
<b>Required Supplementary Information (Unaudited)</b>	
Schedule of Changes in Total OPEB Liability and Related Ratios	63
Schedule of Seaport's Proportionate Share of Miami-Dade County's Net Pension Liability Florida Retirement System (FRS) Pension Plan	64
Schedule of Seaport's Contributions Pension Plan Florida Retirement System	65
Schedule of Seaport's Proportionate Share of the Net Pension Liability Florida Retirement System Health Insurance Subsidy Pension Plan (HIS)	66
Schedule of Seaport's Contributions Florida Retirement System Health Insurance Subsidy Pension Plan (HIS)	67
<b>Statistical Section (Unaudited)</b>	
Statistical Section Narrative	
Schedule of Changes in Net Position (Last ten fiscal years)	68
Schedule of Revenues and Expenses (Last ten fiscal years)	69
Schedule of Revenue Per Ton (Last ten fiscal years)	70
Schedule of Revenue per Passenger (Last ten fiscal years)	70
Schedule of Revenue Bonds Debt Service Coverage (Last ten fiscal years)	71
Schedule of General Obligation Bonds Debt Service Coverage (Last ten fiscal years)	72
Schedule of Combined Debt Service Coverage (Last ten fiscal years)	73
Schedule of Ratios of Outstanding Debt by Type (Last ten fiscal years)	74
Schedule of Annual Total Tonnage (Last ten fiscal years)	75
Schedule of Annual Total TEUs (Twenty Foot Equivalent Units) (Last ten fiscal years)	75
Schedule of Historical Tonnage Analysis (Last ten fiscal years)	75
Schedule of Annual Total Passengers (Last ten fiscal years)	75
Schedule of Miami-Dade County Population	76
Schedule of Principal Employers (fiscal year 2018 and Nine years ago)	77
Schedule of Demographic and Economic Statistics (Last ten fiscal years)	77
Schedule of Insurance in Force	78
Schedule of Full-Time Seaport Employees by Function (Last ten fiscal years)	79
Schedule of Capital Asset Indicators (Last ten fiscal years)	80

# **INTRODUCTORY SECTION**

**ELECTED AND APPOINTED OFFICIALS  
MIAMI-DADE COUNTY, FLORIDA**

**CARLOS A. GIMENEZ, *MAYOR***

**BOARD OF COUNTY COMMISSIONERS  
AUDREY M. EDMONSON, *CHAIRWOMAN*  
REBECA SOSA, *VICE-CHAIRWOMAN***

**BARBARA J. JORDAN  
*DISTRICT 1***

**JEAN MONESTIME  
*DISTRICT 2***

**AUDREY M. EDMONSON  
*DISTRICT 3***

**SALLY A. HEYMAN  
*DISTRICT 4***

**EILEEN HIGGINS  
*DISTRICT 5***

**REBECA SOSA  
*DISTRICT 6***

**XAVIER L. SUAREZ  
*DISTRICT 7***

**DANIELLA LEVINE CAVA  
*DISTRICT 8***

**DENNIS C. MOSS  
*DISTRICT 9***

**SENATOR JAVIER D. SOUTO  
*DISTRICT 10***

**JOE A. MARTINEZ  
*DISTRICT 11***

**JOSÉ “PEPE” DIAZ  
*DISTRICT 12***

**ESTEBAN BOVO, JR.  
*DISTRICT 13***

**HARVEY RUVIN  
*CLERK OF COURTS***

**PEDRO J. GARCIA  
*PROPERTY APPRAISER***

**ABIGAIL PRICE-WILLIAMS  
*COUNTY ATTORNEY***

March 26, 2020

Honorable Carlos A. Gimenez, Mayor  
Honorable Chairman Esteban L. Bovo, Jr., and  
Members of the Board of County Commissioners

Honorable Harvey Ruvin, Clerk of the Courts

Honorable Pedro J. Garcia, Property Appraiser

Ladies and Gentlemen:

We are pleased to present the Miami-Dade County, Florida Seaport Department's (the "Seaport") Comprehensive Annual Financial Report ("CAFR") as of and for the fiscal year ended September 30, 2019. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB") and audited by a firm of independent certified public accountants retained by Miami-Dade County, Florida (the County) and paid from its public funds. This report may also be accessed via the internet at <http://www.miamidade.gov/portofmiami>.

Responsibility for the accuracy and fairness of the presentation, including disclosures, rests with management of the Seaport. We believe the data, as presented, is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the Seaport and that all disclosures necessary to enable the reader to gain an understanding of the Seaport's financial activity have been included. The Seaport has established comprehensive internal controls designed to help ensure that the Seaport's assets are protected from loss, theft of or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles ("GAAP"). Because the cost of internal control should not exceed the benefits likely to be derived, the Seaport's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met.

### **Independent Audit**

RSM US LLP, a firm of licensed certified public accountants, has audited the Seaport's financial statements. The audit was performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. The goal of the independent audit was to obtain an opinion as to whether the financial statements were fairly presented in all material respects. The audit procedures are performed on a test basis to obtain evidence supporting the amounts and disclosures in the financial statements. The scope of the audit was sufficient to satisfy State, County Charter, and bond covenant requirements. RSM US LLP's opinion resulting from the audit is included in this CAFR.

## **Profile of the Government and Government Structure**

The Seaport, a department of the County, operates as an enterprise fund of the County. An enterprise fund is used to account for activity in which the cost of providing goods and services are primarily recovered through the fees charged to the users of such goods and services. The County owns the Dante B. Fascell Port of Miami-Dade (“the Port”). The Port is operated by the Seaport.

The Port is the largest cruise home port in the world and is among the leading international waterborne container ports in the United States. The Port is an island port and occupies approximately 520 acres of land. For fiscal year 2019, the Seaport handled approximately 6.8 million passengers. During this same period, approximately 10.1 million tons of cargo and 1.1 million TEUs (20-foot equivalent units) were processed through the Seaport.

## **Budgetary Process and Control**

Annually, as part of the budget process, the Seaport recommends rates to provide for anticipated operating expenses, capital improvement and debt service requirements. By October 1st, the beginning of the new fiscal year, the Board of County Commissioners adopts an annual budget for the Seaport’s recommended rates, operating expenses, capital outlays, and debt service payments. An analysis of revenue and operating expenses for the fiscal year ended September 30, 2019, can be found in the Management’s Discussion and Analysis section of this report. Capital Projects are budgeted in the year anticipated to be obligated and in the subsequent years the unused budget is re-appropriated until the project is complete, consequently an annual comparison of these expenses is not included in this report.

The Seaport controls current expenses at both the functional and operating division levels. Through the Seaport’s management reporting system, which includes responsibility centers, division managers are responsible for budgetary items that are controllable at their level. Since all expenses are controllable, this dual monitoring of expenses serves to strengthen overall fiscal management, and internal controls.

## **Factors Affecting Financial Conditions**

The information presented in the financial statements primarily focuses on the Seaport’s financial position, results of operations, and cash flows for the current fiscal year. However, the Seaport’s financial status and outlook are best understood when the focus is on previous, existing, and future resources and claims on those resources. This broader concept is used to assess its financial condition, which reflects the current financial position as well as the prospects that today’s financial position will improve or deteriorate over time. Additionally, the economic condition and outlook of the County, the Seaport’s primary trading partners, the cruise lines, cargo terminal operators and shipping lines; long-term debt management; capital construction management; cash management and investments; and risk financing, should be considered when evaluating the Seaport’s financial condition. Following is a brief discussion of each of these factors.

## **Economic Condition and Outlook**

This economic condition and outlook report outlines the level of economic activity throughout fiscal year 2019 and forecasts the area’s economic outlook for next fiscal year.

One year ago, in the year-end outlook for the local economy it was anticipated that there would be a diminished likelihood of improvement and a higher likelihood of softening given that FY 2018 did not suffer from a negative shock as FY 2017 did with Hurricane Irma, and given that the economic news was no longer a recently passed stimulative tax code overhaul but a government shutdown, uncertain international trade outlook and a possible hard Brexit on the horizon.

Prospects for growth of the United States' economy were thought to decelerate to 2.3 percent in calendar year 2019 from 3.1 percent in calendar year 2018 according to the Congressional Budget Office and by a slightly lesser degree by the International Monetary Fund (IMF) and the Organization for Economic Co-operation and Development (OECD).

Economic conditions in Latin America, after underperforming expectations in 2018, were expected to improve in 2019. Forecasts for Brazil, Chile and Colombia pointed to stronger growth in 2019, while Argentina, Mexico and Venezuela were expected to perform worse than in 2018.

The deceleration in the US economy coupled with the sluggish recovery of the Latin American region were expected to result in little change in trade in the Miami Customs District.

Real estate and construction activity in FY 2019 were expected to continue at FY 2018 levels with price appreciation softening after years of brisk increases that had affected affordability for residents.

Miami-Dade's employment would continue to grow given the health of the overall economy, but at a slower pace given that both idle workers and economic resources would be harder to come by. The higher utilization rate of economic inputs coupled with a more restrictive immigration approach by the administration would lead to higher wages and ultimately exert upward pressure on prices.

This forecast of FY 2019 turned out to be a fair assessment of what took place at the international, national and local levels.

At the national level FY 2019 saw a deceleration in economic activity, with real gross domestic product (GDP) increasing at an annual rate of 2.4 percent, compared to an increase of 3.0 percent in the prior year. The deceleration in GDP growth was brought about by a growth in the level of investment that dropped from 5.0 percent in FY 2018 to 3.6 percent in FY 2019 and by a deceleration in personal consumption from 3.1 percent in FY 2018 to 2.6 percent in FY 2019. Alongside the deceleration in economic activity, and due in part to a drop in energy prices, inflation decreased from FY 2018 2.4 percent to 1.9 percent. This pullback in the level of inflation materialized even though there was a decrease of the headline unemployment rate of 30 basis points to 3.7 percent, the lowest level in at least 15 years.

At the County level, FY 2019 closed with the lowest unemployment rate since at least FY 2007 and after adding the largest number of workers to payrolls since FY 2016, FY 2019 ended with the highest number of employed persons ever. The residential real estate market picked up some steam after two years of moderation with permits for new residential construction increasing 16 percent over the previous year and with single-family home sales increasing by 2 percent after declining for the three prior years.

Several indicators remained flat or contracted slightly, including taxable sales, international trade, number of visitors to Miami, hotel occupancy rates and average hotel room rates, all of which rose in FY 2019 compared to FY 2018.

What follows is an overview of the economic conditions throughout the past year and a brief discussion about the trends associated with the area's key economic drivers.

### ■ ***International Trade and Commerce***

At the Seaport, cargo activity, measured in TEUs, increased by approximately 3.4% for fiscal year 2019. The Seaport expects cargo activity to increase in fiscal year 2020. The Seaport is optimistic regarding international commerce in Miami-Dade and anticipates higher volume levels in cargo activity movement through the Port. The optimism is based on the assumption that the cruise and cargo coupled with the Port's incentivized agreements, improving economy, and the addition of new cargo services will increase activity. Looking beyond the fiscal year 2020, the completion of the Deep Dredge and intermodal and rail reconnection projects completed in fiscal year 2015, coupled with the acquisition of four gantry cranes in the Post Panamax period, augurs well for the future of the Seaport.



The Americas continue to represent a major share of the Seaport's total cargo. For fiscal year 2019, the Americas accounted for approximately 40% (Caribbean—14% South America—9%, Central America and Mexico—17%) of total cargo. This was followed by The Far East, Asia and the Pacific with 31%. The balance of approximately 29% consisted of Europe, North America, Middle East, Southwest Asia, and Africa.

### ■ **Competition**

The Seaport's cargo related revenues had an increase of 8.57% from fiscal year 2018. The Seaport's commitment to expanding its cargo business, coupled with incentivized cargo contracts will contribute to an overall cargo activity increase. The Seaport is encouraged and anticipates continued cargo activity growth in fiscal year 2020.

International trade and commerce is a key component of Miami-Dade's economy. Since achieving its highest level ever measured by value (\$138.0 billion 2019 inflation adjusted dollars) in FY 2019, merchandise trade passing through the Miami Customs District (that includes an area broader than Miami-Dade) has fallen 16 percent to \$113.7 billion in FY 2019.

In contrast to the recurring merchandise trade deficits that the United States maintains year after year, the Miami Customs District exports more than it imports resulting in a trade surplus. The surplus, after broadening for two years, narrowed in FY 2019. In FY 2019 exports decreased by 2.7 percent, outpacing a decrease of 2.2 percent in imports. Most of the Miami Customs District export markets are in South America, Central America, and Europe, accounting for nearly 90 percent of the total. In addition, most of all U.S. imported perishables from South America, Central America, and the Caribbean pass through the Miami District.

Two of Miami-Dade County's barometers of trade activity are the freight tonnage moving through Miami International Airport ("MIA") and PortMiami ("the Seaport"). At the former, overall air freight tonnage increased 2.4 percent, after growing 5.2 percent the preceding year. At the Seaport, cargo tonnage figures were up by 8.6 percent after increasing by 3.3 percent the year before. PortMiami accounts for 88 percent of total County trade measured by weight.

### ■ **Tourism**

The state of Florida played host to more than 130 million overnight visitors for the first time in FY 2019. Miami-Dade accounted for just over 12 percent of all visitors to the state.

Visitors to the Miami area stayed essentially flat in FY 2019, at a level of 16.2 million overnight visitors. A slight drop in international visitors was countered by a slight increase in domestic visitors.

Consistent with the trend in overnight visitors, the Miami International Airport passenger levels stood at 45.8 million in FY 2019, representing an annual increase of 1.9 percent, a slowdown from 2.7 percent in the prior year. A strong performance was recorded at PortMiami with its passenger traffic surging 22 percent to 6.82 million passengers in FY 2019 after a 4.7 percent increase in FY 2018.

The lack of growth in overnight visitors, coupled with an increase of 4 percent in hotel room inventory translated into a slight decrease in the hotel occupancy rate from 76.8 percent in FY 2018 to 75.6 percent in FY 2019. This drop in the occupancy rate was coupled with a slight decrease in the average room rate from 196 dollars in FY 2018 to 194 dollars in FY 2019.

## ■ **Future Outlook**

As mentioned in the introductory section, since FY 2016 the Miami-Dade economy has displayed signs of a mature phase of the economic cycle. In such a phase, employment is high and grows at a slow pace, the unemployment rate is low and if it drops, it does so, modestly, and prices tend to start rising. Going forward, FY 2020 will continue to operate under these same dynamics. The headlines that may foretell an economic slowdown have shifted from a government shutdown, uncertain international trade outlook and a possible hard Brexit on the horizon at the beginning of FY 2019 to expanded international travel restrictions, the fear of a worldwide pandemic, and uncertainties related to a presidential election year at the beginning of FY 2020.

Because of its location and economic trade and tourism ties, Miami-Dade's economy is influenced by developments in both the broader US and Latin American economies.

On the domestic front, the United States economy is expected to continue to slow, although it is thought to avoid a contraction and outperform other regions of the world as capital seeks safety and flows into the country. Positive developments on trade agreements with Mexico and China at the beginning of the fiscal year will contend with expanded travel restrictions by the United States and other countries as well as disruptions to supply chains caused by the outbreak of the novel coronavirus (COVID 19).

Prospects for growth of the United States' economy are thought to decelerate to 2 percent in calendar year 2020 from 2.3 percent in calendar year 2019 according to the International Monetary Fund (IMF) and the Organization for Economic Co-operation and Development (OECD) and by a slightly lesser degree by the Congressional Budget Office.

Economic activity in Latin America, after experiencing no growth in 2019, should expand modestly in 2020. Forecasts for Brazil and Venezuela point to an uptick in 2020, while Argentina, Mexico and Chile are expected to perform worse than in 2019.

The slowdown in the US economy coupled with the sluggish recovery of the Latin American region is likely to result in little change in trade in the Miami Customs District.

Real estate and construction activity in FY 2020 is expected to continue at FY 2019 levels with price appreciation continuing to soften, as affordability for residents continues to weigh on the market.

Employment should continue to grow, but at a slower pace given that both idle workers and economic resources are harder to come by. The higher utilization rate of economic inputs coupled with a more restrictive immigration approach by the administration, should lead to higher wages and ultimately exert upward pressure on prices.

Evaluating all the likely developments in major areas of the economy leads to a forecast that the Miami-Dade economy appears poised to continue growing through FY 2020, at a somewhat slower rate than during the previous fiscal year. The degree of expansion will depend upon the level of international tourism and trade, level of actual construction in the county, the rates of economic growth in Central and South America and the Caribbean, and the severity of the impact of the novel coronavirus (COVID19) on tourism, trade and the world economy at large.

## Long-Term Financial Planning

### MAJOR INITIATIVES

#### ■ Construction Management

The Seaport's proposed Capital Improvement Program funding for the period October 1, 2019 through September 30, 2024 is budgeted at approximately \$1.6 billion. Of this amount, approximately \$1.5 billion, \$42.4 million and \$16.0 million will be funded by debt proceeds, state grants, and other sources, respectively.

Of the approximately \$1.6 billion in construction in progress expenditures (CIP), approximately \$1.4 billion, \$50.0 million and \$144.5 million will fund the Seaport facilities improvements, Port-wide equipment purchases and cargo facilities improvements, respectively.

The Seaport secured Congressional approval in the fall of 2007 for the Miami Harbor Project (“the Project”). The Project called for deepening the Seaport’s south channel to a depth of 50 feet from the existing 42 feet. By deepening its south channel from the existing—42 feet to the 50—foot depth, the Seaport is one of a few ports along the U.S. east coast capable of accommodating mega container vessels. The Project was completed in fiscal year 2015. Additionally, redevelopment of 80 acres of cargo terminal area will enhance cargo terminal operations and efficiencies will be achieved.

Additional information regarding the Seaport’s capital improvement program can be found in the Management’s Discussion and Analysis (“MD&A”) section and the Notes to the Financial Statements section of this report. CHART I summarizes the funding sources for the Seaport’s capital improvement program for the next fiscal year and fiscal years 2021 through 2024.

**CHART 1  
CIP FUNDING SOURCES  
(\$ in thousands)**

<b>Revenue</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2021 – 2024</b>	<b>Total</b>
Debt proceeds	\$ 524,393	\$ 1,014,700	\$ 1,539,093
State grants	37,600	4,800	42,400
Other sources	16,047	-	16,047
Total	<u>\$ 578,040</u>	<u>\$ 1,019,500</u>	<u>\$ 1,597,540</u>

**CIP PROJECT SUMMARY  
(\$ in thousands)**

<b>Expenditures</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2021 – 2024</b>	<b>Total</b>
Cargo facilities; improvements	\$ 56,500	\$ 88,000	\$ 144,500
Port facilities; improvements	471,540	931,500	1,403,040
Equipment purchases	50,000	-	50,000
Total	<u>\$ 578,040</u>	<u>\$ 1,019,500</u>	<u>\$ 1,597,540</u>

**Security**

Securing the Seaport and providing efficient commerce will present challenges for the foreseeable future. The Seaport has made significant progress over the last three years to curtail and maintain security costs. It has successfully done this by modifying its security plan and investing in its security infrastructure. Over the last several fiscal years, the Seaport has made a significant investment in its security infrastructure. The corresponding funding needs for security has increased dramatically. The Seaport is currently compliant.

The Seaport continues to be recognized as one of Florida’s leading ports. Cutting edge technology and progressive procedures are in place that provide heightened levels of protection and simultaneously support compliance with port business policies. Partners in this comprehensive initiative include: U.S. Customs and Border Protection, U.S. Coast Guard, Florida Department of Law Enforcement, Florida Fish and Wildlife Commission, Miami-Dade Police and Fire Rescue Departments and others working to achieve a shared, united mission. These efforts are helping to move legitimate commerce in a faster, more seamless and cost effective manner than ever before.

## Awards

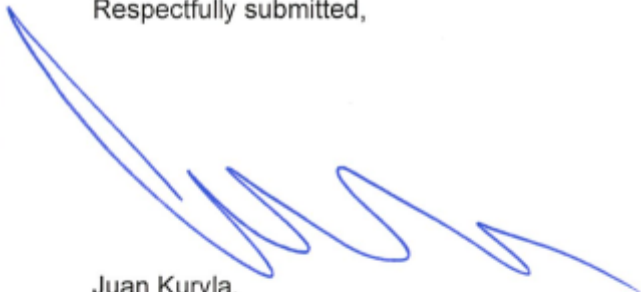
The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Seaport for its comprehensive annual financial report for the fiscal year ended September 30, 2018. This was the twentieth consecutive year that the Seaport received 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.

## Acknowledgments

This report could not have been prepared on a timely basis without the efficient and dedicated services of the Seaport’s Finance Division staff. We are grateful to all Seaport employees who assisted and contributed to its preparation. We also thank the Mayor, the Miami-Dade Board of County Commissioners, the County Attorney’s Office and other County departments for their continued assistance in enabling the Seaport to fulfill its role in promoting international trade and economic development in Miami-Dade County.

Respectfully submitted,



Juan Kuryla,  
Port Director, CEO



Hydi Webb,  
Deputy Port Director



Andrew Hecker  
Managing Port Director, CFO



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Miami-Dade County  
Seaport Department, Florida**

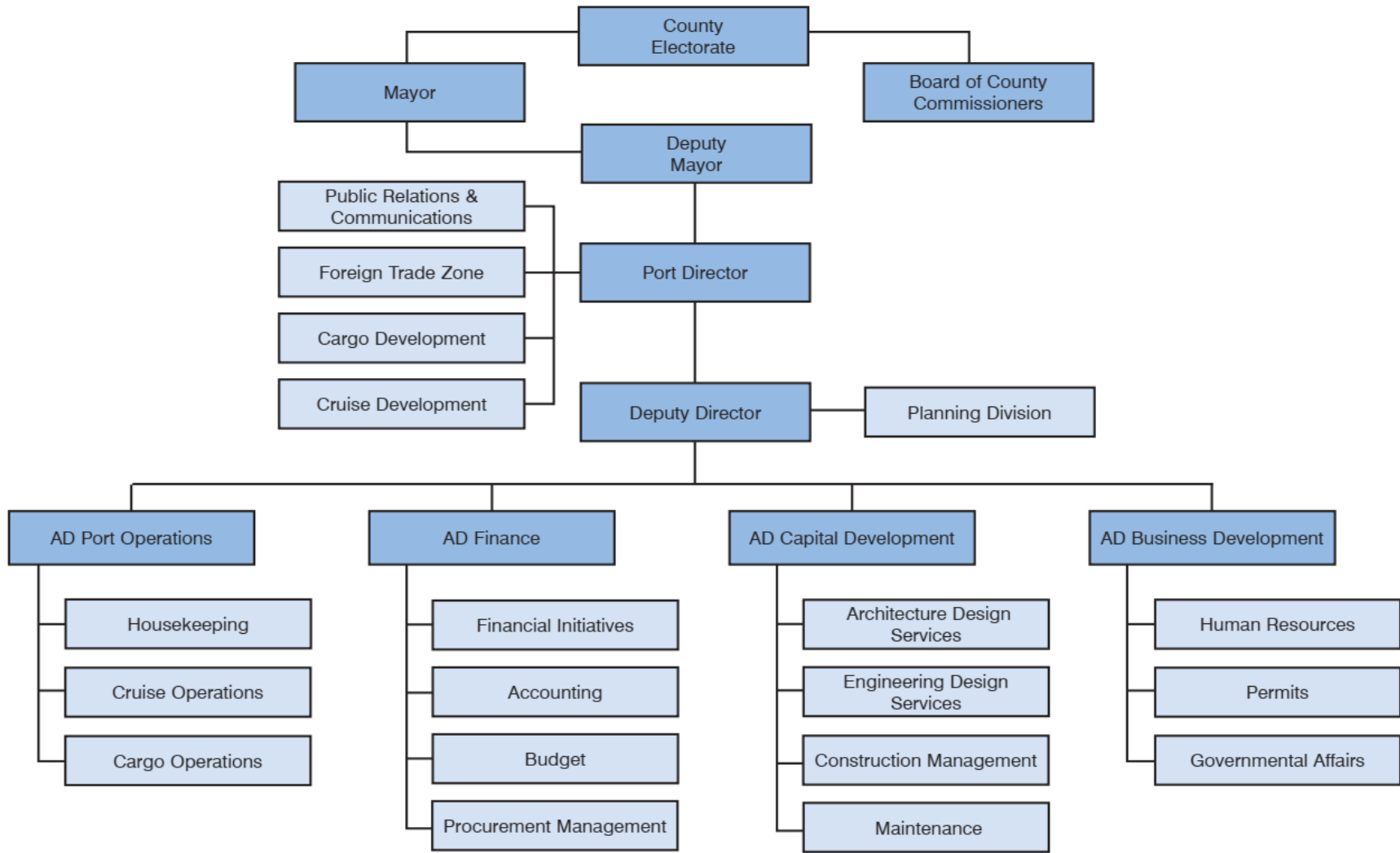
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2018**

*Christopher P. Morill*

Executive Director/CEO

## Miami-Dade County Seaport Department Organizational Chart 2018-2019



# **FINANCIAL SECTION**

## Independent Auditor's Report

The Honorable Mayor, Chairperson and  
Members of the Board of County Commissioners  
Miami-Dade County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the Miami-Dade County Seaport Department (the Department), an enterprise fund of Miami-Dade County, Florida (the County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Department'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Miami-Dade County Seaport Department, an enterprise fund of Miami-Dade County, Florida as of September 30, 2019, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other post-employment benefits and pension related schedules 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.

### *Other Information*

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2020 on our consideration of the Department'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 solely 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 the effectiveness of the Department's 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 Department's internal control over financial reporting and compliance.

*RSM US LLP*

Miami, Florida  
March 26, 2020

**Management’s Discussion and Analysis (MD&A) – unaudited**

The following narrative provides an overview of the Miami-Dade County, Florida Seaport Department’s (the “Seaport”) financial activities and net position as of and for the fiscal year ended September 30, 2019. The MD&A represents management’s analysis of the Seaport’s financial condition, performance, long-term debt and economic factors. The MD&A should be read in conjunction with the financial information of the transmittal letter, the financial statements, the accompanying notes, and the statistical section. The financial statements consist of the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; the Statement of Cash Flows; and the Notes to the Financial Statements.

The Statement of Net Position presents the financial position of the Seaport as of a specific date. It provides information about the nature and amount of resources (assets/deferred outflows) and obligations (liabilities/deferred inflows), with net position being the difference between assets/deferred outflows and liabilities/deferred inflows. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Seaport is improving or deteriorating over time.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Seaport’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs which might coincide with the timing of the related cash flows.

The Statement of Cash Flows presents the cash activities of the Seaport segregated in the following major categories: operating, non-capital financing activities, capital and related financing activities, and investing. This statement also presents the changes in cash and cash equivalents of the Seaport.

The Notes to the Financial Statements provide required disclosures and other information that is essential to a full understanding of data provided in the statements.

**Financial analysis of the Seaport Department**

As part of the financial reporting, Governmental Accounting Standards require that the Seaport prepare an analysis of the Seaport’s overall financial position and results of its operations to assist readers in assessing whether the Seaport’s financial position has improved or deteriorated when compared to the prior year.

The Seaport’s net position is summarized in Table I. Net position may be used to assess the financial position of the Seaport. Total Seaport net position as of September 30, 2019 was \$248.8 million, comprising of approximately \$331.8 million in net investment in capital assets; approximately \$47.3 million in restricted for debt service and an unrestricted deficit of approximately \$130.3 million. Total Seaport net position as of September 30, 2018 was \$211.0 million, comprising of approximately \$304.3 million in net investment in capital assets; approximately \$44.7 million in restricted for debt service and an unrestricted deficit of approximately \$138.0 million.

**Table I**  
**Summary Statements of Net Position**  
**As of September 30,**  
**(\$ in millions)**

	Fiscal Year 2019	Change from Fiscal Year 2018	Fiscal Year 2018
Capital assets, net	\$ 1,339.0	\$ 175.2	\$ 1,163.8
Current and other assets	270.6	(49.7)	320.3
Total assets	<u>1,609.6</u>	<u>125.5</u>	<u>1,484.1</u>
Deferred outflows of resources	16.2	(0.4)	16.6
Long-term liabilities outstanding	1,254.7	51.3	1,203.4
Other liabilities	120.5	36.5	84.0
Total liabilities	<u>1,375.2</u>	<u>87.8</u>	<u>1,287.4</u>
Total deferred inflow of resources	1.8	(0.5)	2.3
Net position:			
Net investment in capital assets	331.8	27.5	304.3
Restricted	47.3	2.6	44.7
Unrestricted (deficit)	(130.3)	7.7	(138.0)
Total net position	<u>\$ 248.8</u>	<u>\$ 37.8</u>	<u>\$ 211.0</u>

The increase in net investment in capital assets from fiscal year 2018 to 2019, can be mostly attributed to capital additions, offset by depreciation recorded and additional capital financing in fiscal year 2019. The decrease in the unrestricted deficit from fiscal year 2018 to 2019, can be mostly attributed to a positive net operating income recognized in 2019.

The Seaport worked closely with consultants to finalize the Port's 2035 Master Plan (the Plan). The Plan was unveiled in December 2011. The Plan is a useful roadmap for the Seaport to plan to meet the future demands and expectations of the cargo and cruise industries, and helps the Port maximize the use of its resources. The 2040 Master Plan is currently being prepared with completion expected in fiscal year 2020.

**Table II** summarizes the change in the Seaport's net position. Total net position as of September 30, 2019 was approximately \$248.8 million, representing an increase of approximately \$37.8 million from prior year. The increase in fiscal year 2019 can be mostly attributed to an increase in construction activities from 2018.

Seaport's negative unrestricted net position balance resulted from Seaport's \$160.2 million contribution to the Florida Department of Transportation (FDOT) for the Tunnel Project. In March 2015, FDOT and the County entered into a Joint Participating Agreement (JPA) to pay the County from annually appropriated State Comprehensive Enhance Transportation System Tax (SCETS) the amount of \$17 million annually in each of the State's fiscal years 2019 through 2041.

Because the SCETS funds are subject to annual appropriation by FDOT, Government Accounting Standards does not allow revenues to be reported until the funds are appropriated and therefore revenues will only be reported for the annual amount appropriated each fiscal year. If revenues for the full amount expected to be appropriated by FDOT was reported, it would offset the negative unrestricted net position previously discussed.

**Table II**

**Change in Net Position  
For the Fiscal Years Ended September 30,  
(\$ in millions)**

	<b>Fiscal Year 2019</b>	<b>Change from Fiscal Year 2018</b>	<b>Fiscal Year 2018</b>
Operating revenues:			
Cruise wharfage/dockage	\$ 74.8	\$ (2.2)	\$ 77.0
Cargo wharfage/dockage	24.2	1.5	22.7
Container crane user fees	16.7	1.7	15.0
Rentals	32.9	9.8	23.1
Ground transportation	2.7	1.1	1.6
Parking	12.1	(2.0)	14.1
Miscellaneous charges and fees	2.2	(0.2)	2.4
<b>Total operating revenues</b>	<b>165.6</b>	<b>9.7</b>	<b>155.9</b>
Investment earnings	5.3	3.0	2.3
Other nonoperating	19.1	1.4	17.7
<b>Total revenues</b>	<b>190.0</b>	<b>14.1</b>	<b>175.9</b>
Operating expenses	85.8	5.4	80.4
Depreciation	29.1	(2.8)	31.9
Interest expense, net	45.5	4.5	41.0
Other nonoperating expenses	0.6	(2.7)	3.3
<b>Total expenses</b>	<b>161.0</b>	<b>4.4</b>	<b>156.6</b>
<b>Net Income (loss) before contributions</b>	<b>29.0</b>	<b>9.7</b>	<b>19.3</b>
Net contributions	8.8	5.4	3.4
<b>Change in net position</b>	<b>37.8</b>	<b>15.1</b>	<b>22.7</b>
Net position, beginning	211.0		193.1
Restatement – GASB No. 75	-		(4.8)
<b>Net position – beginning</b>	<b>211.0</b>		<b>188.3</b>
<b>Net position at end of year</b>	<b>\$ 248.8</b>		<b>\$ 211.0</b>

Operating revenues for fiscal year 2019 were approximately \$165.6 million or \$9.7 million higher than fiscal year 2018. The increase can be mostly attributed to increases in rentals, cargo and related revenues, container crane revenues and ground transportation, offset by decreases in cruise related revenues and parking. The increase in rentals is mostly related to fully recognizing a certain cruise operator's lease of Port's land for a terminal as compared to 2018, increases in cargo related revenue and container crane revenues can be mostly attributed to increases in tariff rates and activities. An increase in ground transportation is mostly attributed to an increase in taxi activity. The decreases in cruise related revenues and parking can be mostly attributed to a certain cruise operator's own terminal and parking garage activity as compared to 2018.

Table III summarizes and compares the Seaport's operating revenues.

**Table III**  
**Summary of Operating Revenues**  
**For the Fiscal Years Ended September 30,**  
**(\$ in millions)**

	Fiscal Year 2019	Change from Fiscal Year 2018	Fiscal Year 2018
Operating Revenues:			
Cruise wharfage/dockage	\$ 74.8	\$ (2.2)	\$ 77.0
Cargo wharfage/dockage	24.2	1.5	22.7
Container crane user fees	16.7	1.7	15.0
Rentals	32.9	9.8	23.1
Ground transportation	2.7	1.1	1.6
Parking	12.1	(2.0)	14.1
Miscellaneous fees and charges	2.2	(0.2)	2.4
Total revenues	<u>\$ 165.6</u>	<u>\$ 9.7</u>	<u>\$ 155.9</u>

Operating expenses for fiscal year 2019 increased approximately \$5.4 million from the prior year. The increase in general and administration expenses can mostly be attributed to increases in pension and OPEB related expenses from prior year. The increase in security costs can mostly be attributed to increases in personnel and police services. The increase in utilities is mostly related to an increase in passenger activity.

Table IV below summarizes the Seaport's operating expenses.

**Table IV**  
**Summary of Operating Expenses (Exclusive of Depreciation)**  
**For the Fiscal Years Ended September 30,**  
**(\$ in millions)**

	Fiscal Year 2019	Change from Fiscal Year 2018	Fiscal Year 2018
Operating Expenses:			
Cruise operations	\$ 8.2	\$ (0.7)	\$ 8.9
Cargo Operations	1.7	(0.2)	1.9
Maintenance	9.2	0.1	9.1
Utilities	3.4	0.7	2.7
Marketing and advertising	2.4	0.2	2.2
Gantry crane operations	9.5	-	9.5
Security	22.2	1.3	20.9
General and administration	29.2	4.0	25.2
Total operating expenses	<u>\$ 85.8</u>	<u>\$ 5.4</u>	<u>\$ 80.4</u>

## Capital assets and debt administration

### Capital assets

The Seaport's total capital assets (net of depreciation) at September 30, 2019 and 2018 were \$1.3 billion and \$1.2 billion, respectively. The increase of \$175.2 million can be mostly attributed to costs incurred for various capital construction projects in accordance with the Seaport's Master Plan and multi-year capital budget. Additional information in changes in capital assets can be found in Note 3 of the Financial Statements and in the Construction Management Section in the transmittal letter. Table V below summarizes the components of the Seaport's investment in capital assets.

Table V

**Capital Assets (Net of Depreciation)**  
**As of September 30,**  
**(\$ in millions)**

	Fiscal Year	Change from	Fiscal Year
	2019	Fiscal	2018
		Year 2018	
Land and related costs	\$ 166.0	\$ -	\$ 166.0
Port dredging and related costs	323.8	0.6	323.2
Buildings, transit sheds and terminal	292.8	(10.5)	303.3
Machinery and equipment	40.0	(3.5)	43.5
Improvements other than buildings	243.7	22.6	221.1
Construction in progress	272.7	166.0	106.7
Totals	<u>\$ 1,339.0</u>	<u>\$ 175.2</u>	<u>\$ 1,163.8</u>

During fiscal year 2019, several construction projects were completed. The major projects completed were the completion of a new cruise terminal, construction of certain cruise terminals improvements, certain cruise and cargo related infrastructure projects and certain security and utility enhancements. Additional construction in progress information can be found in Note 3 to the financial statements. The significant projects under construction in accordance with the Seaport's Master Development program are as follows:

#### Projects underway

- A new cruise terminal
- Cruise terminal improvements to various terminals to accommodate larger vessels
- Cargo yard related improvements
- Security enhancements
- Port-Wide infrastructure improvements

## Debt administration

At September 30, 2019 and 2018, the Seaport had approximately \$967.2 million and \$997.3 million in bonds and loans outstanding, respectively. The decrease in fiscal year 2019, is attributed to making annual scheduled principal payments. Additional long-term debt detail can be found in Note 4 to the financial statements.

Table VI

**Outstanding Long-Term Debt**  
**As of September 30,**  
**(\$ in millions)**

	Change from		
	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2018
Seaport general obligation bonds	\$ 64.9	\$ (6.5)	\$ 71.4
Seaport revenue bonds	555.1	(7.2)	562.3
Sunshine state loans	252.8	(12.1)	264.9
Capital acquisition bonds	94.4	(4.3)	98.7
Totals	<u>\$ 967.2</u>	<u>\$ (30.1)</u>	<u>\$ 997.3</u>

The Seaport's debt was rated by Moody's Investors Service and Fitch Ratings Inc. On April 29, 2019, Moody's Investor Services upgraded the "Baa1" rating on the Seaport Revenue Bonds to "A3" and changed the rating outlook from positive to stable. Moody's A3 rating reflects the Seaport's Miami's strong competitive position as the largest cruise port in the world and a robust competitive position in cargo, providing revenue diversity across cargo and cruise. In addition, the share of minimum annual revenue guarantees is expected to increase to close to 90% going forward with the extended and renegotiated minimum annual revenue guarantees for the new cruise terminals that will be built in the next couple of years. On May 3, 2019, Fitch Ratings has affirmed the "A" rating on the County's outstanding Seaport Revenue Bonds. The rating outlook is Stable.

**Other Obligations.** The Seaport participates in the County's self-insurance program for workers' compensation, general liability and automotive liability insurance. Certain group health insurance programs are also self-insured, subject to certain stop loss provisions. Detailed information about the Seaport's participation in the County's self-insurance program is included in Note 10. Other obligations include accrued vacation pay and sick leave, other post-employment liabilities for retirees, net pension liability and other contingent liabilities.

### Economic factors and next year's budget and rates

For fiscal year 2019, cargo activity, measured in Twenty Foot Equivalent Units (TEUS) approximately increased by 3.4%. The Seaport anticipates cargo activity will increase after larger ships increase crossing the Panama Canal. Most of the cargo is exported to Latin America (South America, Central America, and the Caribbean), followed by the Far East, Asia, the Pacific, Europe and the Middle East. The majority of the imports are located in Latin America followed by the Far East, Asia the Pacific and Europe.

In the 2015 fiscal year, PortMiami implemented a new cargo incentive program. The Port Incentive Program is based on the volume of a shipping line's qualifying containers in a given year for which the Port receives both full and timely payment of TEU wharfage and dockage charges. For qualifying containers that meet all incentive program eligibility conditions and criteria, there are five (5) incentive categories of which four (4) are to an overall \$35 per container incentive cap. The super-container category (over 100,000 containers per year) is not subject to the incentive cap. The incentives have been successful in attracting new services from competitor ports. The Port is optimistic that this will continue.

This is based on the expectation that economic growth in Latin America will continue to improve and that trade with Europe, South America, and Asia, particularly China after the expansion of the Panama Canal, will increase. The expansion of the Panama Canal together with the deepening of the Port harbor has created new opportunities to attract the larger cargo vessels able to cross the Panama Canal. Additionally, the Free Trade Agreements with Colombia, Panama, and South Korea will offer opportunities to expand international trade and commerce benefitting the Port Miami and the State of Florida.

During fiscal year 2019, approximately 6.8 million passengers came through the Seaport. This represented an increase of 22.0% from fiscal year 2018. The Seaport is extremely optimistic and encouraged with its future. While making a large contribution to the local economy, both directly and by being a large job creator, the Seaport continues to break records in cruise passenger traffic and cargo growth. Positioning itself for additional growth in the future, the Seaport is undertaking an aggressive expansion program that includes various renovations and the construction of new cruise berths, terminals and parking facilities. Royal Caribbean's newest terminal was opened in 2018, and is welcoming Royal Caribbean's largest ships. Norwegian Cruise Line Holdings' new terminal, the Pearl of Miami, is opening this year. MSC Cruises and Virgin Voyages are both designing and preparing to break ground on new cruise terminals. Carnival Cruise Lines is expected to start construction of a major terminal expansion, while planning is ongoing for new Disney Cruise Line facilities. All of this is being designed and constructed in tandem with a large infrastructure improvement program that consolidates and adds efficiencies to cargo yards (new cranes, RTGs, and state-of-the-art cargo gate facilities), as well as roadway improvements, electrical power system upgrades and bulkhead upgrades and replacements. This growth at the Seaport will ensure its place as the Cruise Capital of the World and the Global Gateway of the Americas.

Annually the Seaport scrutinizes Terminal Tariff No. 010 to ensure the Seaport's ability to meet its budgetary obligations through Tariff revenues. The adopted budget for fiscal year 2020 includes the necessary increases in order for the Seaport to meet its budgetary obligations. The Seaport continually reviews the Tariff and its rate structure to ensure that it remains competitive, attracts new business and maintains its existing customer base.

### **Request for Information**

This financial report is designed to provide customers, creditors and other interested parties with a general overview of the Seaport's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to:

**Controller  
Miami-Dade Seaport Department  
1015 North America Way  
Miami, Florida 33132**



*(This page left blank intentionally)*

**MIAMI-DADE COUNTY, FLORIDA**  
**SEAPORT DEPARTMENT**  
**Statement of Net Position**  
**September 30, 2019**

**Assets**

Current assets:

Pooled cash and cash equivalents	\$ 31,427,404
Pooled investments	77,116,333
Accounts receivable, less allowance for doubtful account of \$192,540	15,975,930
Prepaid expenses and other current assets	6,950,970
Grant receivable	4,918,994
<b>Total current unrestricted assets</b>	<b>136,389,631</b>

Restricted assets:

Current restricted assets:	
Pooled cash and cash equivalents	34,225,666
Pooled investments	21,281,706
Due from other government	17,000,000
<b>Total current restricted assets</b>	<b>72,507,372</b>
<b>Total current assets</b>	<b>208,897,003</b>

Noncurrent assets:

Noncurrent restricted assets	
Pooled investments	60,671,473
Advance to other government	1,076,999
<b>Total noncurrent restricted assets</b>	<b>61,748,472</b>

Capital assets:

Land and related costs	165,955,153
Dredging and related costs	323,874,785
Buildings, transit sheds and terminals	594,447,824
Improvements other than buildings	397,219,265
Machinery and equipment	103,542,535
Construction in progress	272,706,974
<b>Capital assets, gross</b>	<b>1,857,746,536</b>
Less accumulated depreciation	(518,728,289)
<b>Capital assets, net</b>	<b>1,339,018,247</b>

<b>Total noncurrent assets</b>	<b>1,400,766,719</b>
<b>Total assets</b>	<b>1,609,663,722</b>

**Deferred outflows of resources:**

Loss on refunding debt	7,626,916
OPEB related	831,000
Pension related	7,726,000
<b>Total deferred outflows of resources</b>	<b>\$ 16,183,916</b>

(Continued)

**MIAMI-DADE COUNTY, FLORIDA**  
**SEAPORT DEPARTMENT**  
**Statement of Net Position (Continued)**  
**September 30, 2019**

**Liabilities and Net Position**

Current liabilities payable from unrestricted assets:

Accounts payable and accrued expenses	\$ 28,502,297
Accrued payroll and related expenses	633,354
Compensated absences	1,807,504
Current portion of loans payable	12,160,000
Current portion of capital acquisition bonds payable	4,320,000
Current portion of capital lease liability	170,735
Due to other Miami-Dade County funds	484,288
<b>Total current liabilities payable from unrestricted assets</b>	<b>48,078,178</b>

Current liabilities payable from restricted assets:

Current portion of revenue and general obligation bonds payable	14,325,000
Accrued interest payable	16,001,664
Accounts payable and accrued expenses	40,300,281
Contracts and retainage payable	1,880,427
<b>Total current liabilities payable from restricted assets</b>	<b>72,507,372</b>
<b>Total current liabilities payable from unrestricted and restricted assets</b>	<b>120,585,550</b>

Long-term liabilities:

Bonds payable, net	619,652,729
Loans payable, net	248,556,704
Capital acquisition bonds payable, net	94,692,024
Capital lease liability	3,472,312
Commercial paper liability	247,655,000
Unearned revenue	4,037,706
Compensated absences	5,689,682
Total other post-employment liability	6,770,000
Net pension liability	24,126,000
<b>Total long-term liabilities</b>	<b>1,254,652,157</b>
<b>Total liabilities</b>	<b>1,375,237,707</b>

**Deferred inflows of resources:**

Pension related	1,564,000
Other post-employment benefit	276,000
<b>Total deferred inflows of resources</b>	<b>1,840,000</b>

**Net Position**

Net investment in capital assets	331,806,567
Restricted for debt service and reserve	47,325,000
Unrestricted (deficit)	(130,361,636)
<b>Total net position</b>	<b>\$ 248,769,931</b>

(Concluded)

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

**MIAMI-DADE COUNTY, FLORIDA**  
**SEAPORT DEPARTMENT**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Fiscal Year Ended September 30, 2019**

Operating revenues:	
Cruise wharfage/dockage	\$ 74,816,560
Cargo wharfage/dockage	24,239,207
Container crane user fees	16,712,832
Rentals	32,829,239
Ground transportation	2,689,506
Parking	12,080,710
Miscellaneous charges and fees	2,223,676
<b>Total operating revenues</b>	<u>165,591,730</u>
Operating expenses:	
Cruise operations	8,227,324
Cargo operations	1,673,417
Maintenance	9,211,575
Utilities	3,426,421
Marketing and advertising	2,466,833
Gantry crane operations	9,457,255
Security	22,216,979
General and administrative	29,160,588
<b>Total operating expenses before depreciation</b>	<u>85,840,392</u>
<b>Operating income before depreciation</b>	<u>79,751,338</u>
Depreciation expense	29,144,532
<b>Operating income</b>	<u>50,606,806</u>
Nonoperating revenues (expenses):	
Investment earnings	5,317,384
Interest subsidy	673,579
Interest expense	(45,502,652)
Intergovernmental revenue	17,000,000
Other, net	1,481,827
<b>Total nonoperating revenues (expenses)</b>	<u>(21,029,862)</u>
<b>Income before capital contributions and transfers</b>	29,576,944
Capital contributions	8,476,035
Capital contributions – specific to port dredging	285,587
Transfer out	(603,479)
Change in net position	37,735,087
<b>Total net position – Beginning</b>	<u>211,034,844</u>
<b>Total net position – Ending</b>	<u>\$ 248,769,931</u>

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

**MIAMI-DADE COUNTY, FLORIDA**  
**SEAPORT DEPARTMENT**  
**Statement of Cash Flows**  
**Fiscal Year Ended September 30, 2019**

Cash flows from operating activities:	
Cash received from customers and tenants	\$ 161,612,506
Cash paid to suppliers	(43,078,591)
Cash paid to employees for services	(33,709,959)
<b>Net cash provided by operating activities</b>	<u>84,823,956</u>
Cash flows from noncapital financing activities:	
State comprehensive enhanced transportation system tax received	17,000,000
Grants received	4,303,801
Litigation settlement	5,279,000
Principal paid	(470,642)
Interest paid	(5,448,028)
Transfer out	(603,479)
<b>Net cash provided by noncapital financing activities</b>	<u>20,060,652</u>
Cash flows from capital and related financing activities:	
Principal payments:	
Bonds	(13,244,358)
Notes and loans	(12,120,000)
Capital acquisition bonds	(4,300,000)
Capital lease	(158,849)
Interest paid	(41,436,247)
Interest subsidy received	673,579
Purchase of capital assets	(173,264,597)
Proceeds from issuing commercial paper notes	77,393,000
Issuance costs for commercial paper	(577,803)
Advance to other government	(944,000)
<b>Net cash used in capital and related financing activities</b>	<u>(167,979,275)</u>
Cash flows from investing activities	
Investments purchased	(159,371,331)
Proceeds from sale and maturities of investments	223,537,688
Interest and dividends from investments	5,619,204
<b>Net cash provided by investing activities</b>	<u>69,785,561</u>
<b>Net increase in cash and cash equivalents</b>	6,690,894
Cash and cash equivalents (including restricted assets) at beginning of year	<u>58,962,176</u>
Cash and cash equivalents (including restricted assets) at end of year	<u><u>\$ 65,653,070</u></u>

(Continued)

**MIAMI-DADE COUNTY, FLORIDA**  
**SEAPORT DEPARTMENT**  
**Statement of Cash Flows (Continued)**  
**Fiscal Year Ended September 30, 2019**

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 50,606,806
Adjustments to reconcile operating income to net cash:	
Depreciation	29,144,532
Changes in assets/deferred outflow of resources and liabilities/deferred inflow of resources:	
(Increase) decrease in accounts receivable, net	(3,979,221)
(Increase) decrease in prepaid expenses, advance to other government and other current assets	984,939
Increase (decrease) in accounts payable, accrued expenses and due to other County Funds	4,529,759
Increase (decrease) in accrued payroll and related expenses	96,914
Increase (decrease) in compensated absences	173,646
Increase (decrease) in other post-employment benefits	893,000
Increase (decrease) in net pension liability	3,253,000
Increase (decrease) in pension and OPEB deferred inflows/outflows, net	(879,419)
<b>Net cash provided by operating activities</b>	<b>\$ 84,823,956</b>

Supplemental disclosure for noncash investing, capital and financing activities:

- (a) Construction and related liabilities were \$41,989,509 for fiscal year ended.
- (b) As of September 30, 2019, the Seaport had a balance of \$4,037,706 in unearned revenues, comprised of \$1,009,535 related to the Dredging project and \$3,028,171 related to a litigation settlement of \$5,279,000. In fiscal year 2019, the Seaport recorded \$285,587 in noncash contributions related to the Dredging project and \$2,250,829 related to the litigation settlement.
- (c) Capital grants receivable was \$4,918,994 for the fiscal year ended.
- (d) The Seaport recorded \$16,699 of unrealized losses for the changes in fair value investments.
- (e) The Seaport recorded \$423,001 of expenses related to advance to other government.

(Concluded)

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

*(This page left blank intentionally)*

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 1. General Description and Significant Accounting Policies

**General description:** The Miami-Dade County, Florida Seaport Department (hereafter “Seaport” or “Port”) is a department of Miami-Dade County, Florida (the “County”) established for the purpose of operating the Dante B. Fascell Port of Miami-Dade. The County purchased the Port of Miami from the City of Miami for \$1.3 million in 1960 and constructed a new and improved port on the island property along the south side of the ship channel. The newly improved port included Dodge Island, joined by the bridge to the Miami mainland, plus, immediately to the southeast of Dodge Island, Lummus Island. The two islands later would be joined by fill to form the contiguous island port that exists today.

The accompanying financial statements present only the financial position, operations, and cash flows of Seaport and are not intended to present and do not present the financial position of the County and results of its operations and its cash flows, in conformity with generally accepted accounting principles in the United States.

A summary of Seaport’s significant accounting policies follows:

**Basis of accounting and reporting entity:** Seaport functions as a self-supporting enterprise fund of the County. An enterprise fund is used to account for the financing of services to the public on a continuing basis with costs recovered primarily through user charges. Accordingly, the Seaport’s financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

**Cash and cash equivalents and investments:** Seaport maintains substantially all of its cash and investments with the County’s pool of cash and investments, except for those situations in which debt indentures and other agreements require separate cash and investment accounts to be maintained in accordance with legal restrictions. The Seaport’s share of the total pooled cash and investments (including accrued interest), as well as non-pooled cash and investments, is displayed in the statements of net position as “Pooled Cash and Cash Equivalents” and “Pooled Investments”. Income earned or losses arising from pooled balances are allocated by the County on a monthly basis to the appropriate funds and entities based on their respective average daily balances. Income earned and losses on non-pooled cash and investment balances are recorded directly to the fund where non-pooled cash and investment balances are recorded. Pooled cash includes amounts in demand deposits, and positions in investment pools that can be deposited or withdrawn without notice or penalty. Cash equivalents are short-term, highly liquid securities with known market values and maturities, when acquired, of less than three months.

Non-participating investments, such as nonnegotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized cost. Participating investments are carried at fair value, and unrealized gains and losses due to variations in fair value are recognized for the year. In fiscal year 2019, the Seaport reported net realized earnings of \$5.3 million, net of unrealized losses of \$16,699 in the Statement of Revenues, Expenses and Changes in Net Position as part of investment earnings.

For purposes of the statements of cash flows, the Seaport considers amounts in pooled as well as non-pooled demand deposits and short-term investments, including restricted assets with an original maturity of three months or less from the date acquired to be cash equivalents.

**Accounts receivable and allowance for doubtful accounts:** Receivables include amounts due from customers for services provided by Seaport and are recorded when the related revenue is earned. Allowances for uncollectible receivables are based upon specifically identifying uncollectible accounts, historical trends and periodic aging of receivables. The allowance balance was \$192,540 for fiscal year ended 2019.



## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 1. General Description and Significant Accounting Policies (Continued)

**Restricted assets:** The use of certain assets is restricted by debt and capital lease indentures and other agreements. Assets so designated are identified as restricted assets on the statement of net position.

**Application of restricted and unrestricted resources:** The Seaport's policy when both restricted and unrestricted resources are available to be used for a certain purpose, is to use restricted resources first, then use unrestricted resources as needed.

**Capital assets and depreciation:** Property and equipment are recorded at cost, except for property contributed by third parties, which is recorded at acquisition value at the date of contribution. Maintenance costs, repairs, minor renewals and betterments are expensed as incurred. Major renewals and betterments are treated as property additions. When property is disposed of, the cost and related accumulated depreciation is eliminated from the accounts and any gain or loss on the transaction is reflected in the statement of revenues, expenses and changes in net position.

Capital assets are depreciated over their estimated useful lives unless they are inexhaustible (e.g., land, dredging, and certain individual items or collections with historical or artistic value). Dredging costs associated with excavating the sea floor to reach a certain depth are capitalized. Conversely, the costs associated with maintaining the channel to the designed depths are expensed as incurred. The Seaport capitalizes all assets with a historical cost of \$1,000 or more and a useful life of greater than one year. The straight-line depreciation method over the following estimated useful lives is utilized:

<u>Asset Type</u>	<u>Useful Life (Years)</u>
Buildings and structures	25-50
Improvements other than buildings	15-50
Machinery and equipment	5-25

**Interest on indebtedness:** Interest is charged to expense as incurred. In fiscal year 2019, the Seaport incurred interest expense of approximately \$45.5 million.

**Deferred outflows and inflows of resources:** The Statement of Net Position includes a separate section for Deferred Outflows of Resources. This category represents the net position that will be recognized as expenses in the future period to which it applies. Currently, the items in this category include deferred loss on refunding debt and deferred outflow of resources related to pensions and other post-employment benefits (OPEB). The deferred charge on refunding represents the current and advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized over the shorter remaining life of the old debt or the life of the new debt using the straight-line method, which does not result in a material difference from the effective interest method.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 1. General Description and Significant Accounting Policies (Continued)

The difference between expected and actual experience of the pension plan is deferred and amortized over the remaining service lives of all employees (in years). The other items in this category are deferred outflow of resources related to pensions and OPEB.

Deferred inflow of resources represents the acquisition of net position applicable to future periods and will be recognized as income in the future period to which it applies. Currently, the only items in this category are deferred inflow of resources related to pensions and OPEB.

**Debt premiums and discounts:** Discount and premiums on debt are amortized using the straight-line method over the life of the related debt issue since the results are not significantly different from the effective interest method of amortization. Unamortized amounts at year end are classified with the related outstanding debt payable balances.

**Compensated absences:** Seaport accounts for employee vacation and sick leave compensated absences by accruing a liability when such benefits are earned.

**Deferred compensation plan:** The County offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all County employees (including Seaport) allows employees to defer a portion of their salary tax free to future years. The County's direct involvement in the Plan is limited to remitting the assets withheld from employees to the Plan's administrator. The deferred compensation plan is not available to employees until termination, retirement, death or an unforeseen emergency. The deferred compensation plan financial information is not included in Seaport's financial statements.

**Pension plan:** The County, along with the Seaport, contributes to the Florida Retirement System, a cost-sharing multi-employer plan. GASB Statement No. 68, *Accounting for Public Pension Plan Obligations* for participating employers requires employers that participate in multi-employer defined benefit plans to recognize a pension liability (asset), pension expense and deferred inflows/outflows related to pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about the Seaport's share of the County's net pension liability in the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) deferred benefit plans, and additions to/deductions from both Plans' net pension liability have been determined on the same basis as they are reported by the Plans and are recorded in the financial statements.

**Postemployment benefits:** The Seaport participates in the County administered single-employer defined benefit healthcare plan that provides postretirement medical and dental coverage to retirees, their eligible spouses and dependents. The total OPEB liability, OPEB expense and deferred outflows and inflows of resources related to OPEB are measured and presented in accordance with the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*.

**Revenue and expense classifications:** Items of revenue and expense relating to Seaport's property and operations include wharfage, dockage, rental, gantry cranes, ground transportation, water and electric services, parking fees and miscellaneous port services are classified as operating revenues and expenses. All other revenues and expenses are classified as non-operating. The components of the major revenue captions are as follows on the next page.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

#### Note 1. General Description and Significant Accounting Policies (Continued)

The components of the major revenue captions are as follows:

- Cruise Wharfage — revenue from charges assessed per passenger when embarking from or debarking to Seaport property.
- Cruise Dockage — revenue from charges assessed to cruise vessels for use of berthing space.
- Cargo Wharfage — revenue from charges assessed against cargo for the use of the Seaport to load and unload cargo from vessels.
- Cargo Dockage — revenue from charges assessed to cargo vessels for use of berthing space.
- Rentals — rentals of land, buildings, machinery and equipment.
- Container crane user fees — revenue from charges assessed to cargo operators for crane usage.
- Parking — revenue from charges assessed to visitors for use of Port parking spaces.

For financial statement presentation purposes, cruise wharfage/dockage revenues are reported net of certain negotiated incentive payments provided to cruise operators. The largest of these incentives (approximately 70% of the total) is derived from a pro-rata distribution of Port parking revenues. These incentives are calculated independent of passenger wharfage/dockage fees charged by the Port.

For fiscal year 2019, approximately 96% of the Port's operating revenues and 59% of corresponding receivables are generated from eight major operators, net of incentive discounts/rebates as required by the individual operating agreements. The following table summarize the balances for cruise and cargo operators. (Amounts are in thousands).

<b>Cruise Operator</b>	<b>Revenue</b>	<b>Receivable</b>	<b>Cargo Operator</b>	<b>Revenue</b>	<b>Receivable</b>
Company A	\$ 40,324	\$ 2,603	Company F	\$ 19,373	\$ 1,976
Company B	25,029	1,539	Company G	17,087	845
Company C	22,512	768	Company H	17,035	153
Company D	14,097	1,582			
Company E	3,347	-			
Total	* \$ 105,309	\$ 6,492	Total	** \$ 53,495	\$ 2,974

\* Includes cruise wharfage/dockage net of certain negotiated incentive payments.

\*\* Includes cargo wharfage/dockage, rental revenues and container crane user fees.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 1. General Description and Significant Accounting Policies (Continued)

**Rates, fees, rentals and other charges:** If not specified by contract, the Seaport's rates, fees, rentals and other charges are published in Terminal Tariff No.010 and are subject to the rate covenant provisions of County Ordinance 88-66 (master bond ordinance) governing senior lien bonds. Pursuant to this covenant, the Seaport agrees that it will maintain the present level of rates, fees, rentals and other charges unless the Seaport Director requests and concurs with recommendations by the Seaport's consulting engineers for revisions. The consulting engineers review the rates and issues recommendations to meet the Master Bond Ordinance's provisions. The Seaport reviews its tariffs annually during the budget process for any necessary revisions.

**Grants:** Grants received for the acquisition or construction of capital assets are recorded as capital contributions in the Statement of Revenues, Expenses and Changes in Net Position when eligibility requirements are met.

#### **Advance to other governments**

Advance to other governments are upfront payments made to other governments to fund a feasibility study related to deepening and widening certain channels of the Port. For the fiscal year ending 2019, upfront payment of \$1.1 million was made to the United States Department of the Army Corps of Engineers (USCOE) to fund this feasibility study of the Port.

**Due from other government:** The Seaport recorded a receivable from FDOT related to the State Comprehensive Transportation System Tax (SCETS) revenues to be received annually starting in fiscal year 2017 through fiscal year 2041. The receivable and corresponding revenues are recorded when eligibility requirements are met, which is when the State of Florida appropriates the funds in the State's budget to be paid to the Seaport on an annual basis.

**Unearned revenue:** Unearned revenue represents grants and other similar items for which the Seaport has not met all of the eligibility requirements imposed by the provider to allow for revenue recognition.

**Net position:** The Seaport's Statement of Net Position is displayed in three categories: 1) net investment in capital assets, (2) restricted for debt service and reserve, and (3) unrestricted. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds and related deferred inflow/outflows of resources. The restricted component of net position is reported as restricted when there are third party limitations (statutory, contractual or bond covenant) on their use. The unrestricted component of net position consists of all the other components that do not meet the definition of either of the other two components. An unrestricted deficit will require future funding.

**Use of estimates:** The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosures 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.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 1. General Description and Significant Accounting Policies (Continued)

##### Accounting Standards Adopted:

In fiscal year 2019, the Seaport adopted three new statements of financial accounting standards issue by the GASB:

Statement No. 89 (GASB 89), *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period incurred and not included in the historical cost as previously required.

Statement No. 88 (GASB 88), *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The statement defines debt for financial statement note disclosures requirements related to debt obligations of governments, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

Statement No. 83 (GASB 83), *Certain Asset Retirement Obligations*. The statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. The entity that has legal obligations to perform future asset retirement activities related to its capital assets should recognize a liability.

#### Note 2. Cash, Cash Equivalents and Investments

The County is responsible for all treasury functions, and pools all cash and investments, except separate cash and investment accounts required by debt indentures and other agreements which are maintained under legal restrictions in separate bank accounts. Seaport's equity share of the total pooled cash and investments is included in the accompanying Statement of Net Position under the current and restricted captions "Pooled cash and cash equivalents" or "Pooled investments". For fiscal year 2019, the carrying amounts of Seaport's pooled cash is \$65.7 million, pooled current and noncurrent investments for the Seaport are \$77.1 million and \$81.9 million, respectively, which represents less than 10% of the County's pooled cash, cash equivalent and investments as of September 30, 2019. (see the County's Comprehensive Annual Financial Report for disclosures relating to its interest rate risk, credit risk, custodial credit risk, concentration of credit risk and related fair value measurement disclosures required by GASB).

During fiscal year 2019, Seaport maintained cash and investment reserves required by its Master Bond Ordinance and made all transfers and deposits required by its Master Bond Ordinance and other subordinated debt agreements from available operating and nonoperating revenue.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

#### Note 3. Capital Assets

Capital asset activity for the year ended September 30, 2019, is as follows (in thousands):

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 165,955	\$ -	\$ -	\$ 165,955
Port dredging and related costs	323,181	693	-	323,874
Construction in progress	106,682	202,785	(36,760)	272,707
Total capital assets not being depreciated	595,818	203,478	(36,760)	762,536
Capital assets being depreciated:				
Buildings, transit sheds and terminals	590,003	4,445	-	594,448
Improvements other than buildings	365,951	31,268	-	397,219
Machinery and equipment	101,638	1,905	-	103,543
Total capital assets being depreciated	1,057,592	37,618	-	1,095,210
Less accumulated depreciation for:				
Buildings, transit sheds and terminals	(286,628)	(15,029)	-	(301,657)
Improvements other than buildings	(144,852)	(8,703)	-	(153,555)
Machinery and equipment	(58,103)	(5,413)	-	(63,516)
Total accumulated depreciation	(489,583)	(29,145)	-	(518,728)
Total capital assets being depreciated, net	568,009	8,473	-	576,482
Total capital assets, net	\$ 1,163,827	\$ 211,951	\$ (36,760)	\$ 1,339,018

The following table summarizes the major construction in progress projects for the Port as of September 30, 2019 (dollars in thousands):

Project Description	Amount
Cruise terminal improvements	\$ 190,339
Security enhancements	3,961
Cargo yard related improvements	27,585
Port-wide infrastructure improvements	34,149
Total	\$ 256,034

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 4. Long-Term Debt

##### Bond Covenant

Under the provisions of the Miami-Dade County, Florida Master Ordinance 88-66, as amended, (the "Ordinance") authorizing the issuance of senior lien bonds, the County issued Seaport Revenue Bonds and Seaport General Obligation Bonds on a parity basis. Principal is paid annually on October 1 for all Revenue and General Obligation Bonds; interest is paid semiannually on October 1 and April 1 every year. The revenue bonds are payable solely from the revenue of the Seaport and are not general obligations of the County. The general obligation bonds are payable primarily from the revenue of the Seaport, and, to the extent that the revenue of the Seaport is insufficient, are payable from ad-valorem taxes levied on property in Miami-Dade County without limit as to rate or amount.

The Ordinance requires the County to maintain and revise the schedule of rates and fees at the Seaport such that operating revenue shall be sufficient to provide an amount at least equal to the total of 100% of operating expenses (seaport operations, as defined), as computed from the annual budget. Operating income, defined as revenue less operating expenses before depreciation must be at least 125% of the maximum principal and interest requirements on all revenue bonds for any future fiscal year plus 110% of the maximum principal and interest requirements on general obligation bonds for any future fiscal year. The Seaport must have debt service reserves at least equal to 100% of the amount required to pay maturing principal and interest semiannually. Debt covenants are to be met on an annual basis at each fiscal year-end.

In May 2014, via Ordinance 14-34, the Board approved an amendment to the Master Bond Ordinance 88-66, which provided additional security to the bondholders, by adding certain revenues that may be received by the Seaport Department to the definition of revenue including without limitations, funds remitted to the County from the State Comprehensive Enhanced Transportation System Tax (SCETS). Payment of the SCETS tax to the Seaport is not guaranteed on an annual basis since such payments are contingent on the annual appropriation by the State of Florida. The Seaport expects to receive the SCETS tax from the Florida Department of Transportation for fiscal years 2020 thru 2041, as a reimbursement to the Seaport for its portion of the cash contributions made towards construction of the Florida Department of Transportation (FDOT) owned Port Tunnel.

On July 1 2019, the State of Florida appropriated \$17 million dollars which have been recorded as a revenue and related Due from other governments in Seaport's Statement of Revenues, Expenses and Changes in Net Position and Statement of Net Position, respectively, for the current fiscal year ended September 30, 2019.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

#### Note 4. Long-Term Debt (Continued)

A summary of the Seaport's long-term debt outstanding as of September 30, 2019, is presented in the following table (amounts in thousands):

Description	Year Issued	Interest Rate	Amount Issued	Year of Maturity	Outstanding Balance
<b>Revenue Bonds:</b>					
Series 2013 A (fixed rate)	2013	4.00%-6.00%	244,140	2043	\$ 236,500
Series 2013 B (fixed rate)	2013	5.00%-6.25%	109,220	2043	105,215
Series 2013 D (Refunding Bonds)	2013	2.00%-6.00%	17,465	2027	11,945
Series 2014 A (variable rate)	2014	2.00%	181,320	2051	181,320
Series 2014 B (variable rate)	2014	2.06%	20,150	2051	20,150
Unamortized premium					10,064
Less: Current portion					(7,450)
Total Long-term Revenue Bonds					<u>557,744</u>
<b>General Obligation Bonds:</b>					
Series 2011C (Refunding Bonds)	2011	2.00%-5.00%	111,375	2026	64,790
Unamortized premium					3,993
Less: Current portion					(6,875)
Total Long-term General Obligation Bonds					<u>61,908</u>
<b>Sunshine State Loans:</b>					
Series 2010A (variable rate)	2014	1.84%	47,620	2035	46,205
Series 2010A-1 (fixed rate)	2014	4.00%-5.00%	65,330	2028	50,145
Series 2010B (variable rate)	2014	1.84%	47,620	2035	46,205
Series 2010B-1 (fixed rate)	2014	4.00%-5.00%	60,670	2028	45,485
Series 2011A (fixed rate)	2011	5.00%	50,105	2021	7,790
Series 2011B-1 (fixed rate)	2014	3.75%-5.50%	28,500	2032	28,500
Series 2011C-1 (fixed rate)	2014	4.00%-5.50%	28,500	2032	28,500
Unamortized premium					7,887
Less: Current portion					(12,160)
Total Long-term Sunshine State Loans					<u>248,557</u>
<b>Capital Asset Acquisition Bonds:</b>					
Series 2017A (Refunding Bonds)	2017	3.00%-5.00%	47,510	2039	47,510
Series 2010D	2010	7.50%	21,277	2040	21,277
Series 2010E	2010	3.50%-5.00%	38,050	2030	25,625
Unamortized premium					4,600
Less: Current portion					(4,320)
Total Long-term Capital Asset Acquisition Bonds					<u>94,692</u>
Total Long-term Debt, net					<u>\$ 962,901</u>



## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 4. Long-Term Debt (Continued)

##### Seaport Revenue Bonds

*Seaport Revenue Bonds, Series 2013A*—On September 20, 2013, the County issued \$244.14 million of Seaport Revenue Bonds, Series 2013A (Series 2013A Bonds). The proceeds of \$251.8 million were used to: (1) pay costs of certain improvements and capital expenditures for various Seaport facilities; (2) pay issuance costs; (3) pay certain capitalized interest on the Series 2013A Bonds; (4) and fund the reserve account requirement for the Series 2013A Bonds. The Series 2013A Bonds are scheduled for payment through 2043.

*Seaport Revenue Bonds, Series 2013B*—On September 20, 2013, the County issued \$109.22 million of Seaport Revenue Bonds, Series 2013B (Series 2013B Bonds). The proceeds of \$113.1 million were used to: (1) pay costs of certain improvements and capital expenditures for various Seaport facilities; (2) pay issuance costs; (3) pay certain capitalized interest on the Series 2013B Bonds; (4) and fund the reserve account requirement for the Series 2013B Bonds. The Series 2013B Bonds are scheduled for payment through 2043.

*Seaport Revenue Refunding Bonds, Series 2013D*—On September 20, 2013, the County issued \$17.5 million of Seaport Revenue Refunding Bonds, Series 2013D (Series 2013D Bonds). The proceeds of \$19.0 million were used to: (1) refund substantially all of Series 1996 Bonds; (2) and pay issuance costs. The Series 2013D Bonds are scheduled for payment through 2027.

*Seaport Variable Rate Demand Revenue Bonds, Series 2014A*—On May 8, 2014, the County issued \$181.3 million of Seaport Variable Rate Demand Revenue Bonds, Series 2014A (Series 2014A Variable Rate Bonds). The proceeds of \$181.3 million were used to: (1) pay contributions to FDOT for the Port Tunnel Project; (2) fund the reserve account requirement for the Series 2014A Bonds; (3) and pay issuance costs. The Series 2014A Bonds are scheduled for payment through 2051.

*Seaport Variable Rate Demand Revenue Bonds, Series 2014B*—On May 8, 2014, the County issued \$20.15 million of Seaport Variable Rate Demand Revenue Bonds, Series 2014B (Series 2014B Variable Rate Bonds). The proceeds of \$20.15 million were used to: (1) pay costs of certain improvements and capital expenditures for various Seaport facilities; (2) fund the reserve account requirement for the Series 2014B Bonds; (3) and pay issuance costs. The Series 2014B Bonds are scheduled for payment through 2051.

##### Series 2014A and 2014B Variable Rate Bonds (2014 Bonds)

The 2014 Bonds are being secured by an irrevocable, direct-pay letter of credit (LOC's) issued by a Credit Facility Provider ("The Bank"). Under the LOC agreement, the agent is permitted to draw thereon to pay: (i) principal when due whether at stated maturity or sinking fund redemption; (ii) portion of the purchase price equal to the principal amount tendered for optional or mandatory purchase; and (iii) up to 56 days' interest accrued calculated at a rate of 12% per annum. The LOC serves as a Liquidity Facility for the 2014 Bonds in the Weekly Mode and will expire on May 6, 2024. If there's no replacement for the LOC provider, the Series 2014 Bonds shall be subject to mandatory tender for purchase in the amount of \$201.5 million. In the event that the LOC is drawn upon the amounts due will be converted to a three-year term loan.

##### Seaport General Obligation Bonds

*Seaport General Obligation, Refunding Bonds, Series 2011C*—On May 26, 2011, the County issued \$111.4 million of Seaport General Obligation Refunding Bonds, Series 2011C (Series 2011C Bonds) for the primary purpose of refunding, defeasing and redeeming together with other available funds, all of the County issued \$149.9 million Seaport General Obligation Refunding Bonds, Series 1996. The net proceeds of \$119.6 million together with \$3.5 million of other funds from the County totaling \$123.1 million of which \$122.6 million was deposited by the County with the escrow agent and \$458,644 was used for the Series 2011C issuance costs. The series 2011C G.O. Refunding Bonds are scheduled for payment through 2026.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 4. Long-Term Debt (Continued)

##### Loans Payable and Sunshine State Governmental Finance Commission

The Sunshine State loans payable represent junior lien debt of the Seaport and are subordinate to all other outstanding Seaport debt. Additionally, all covenants associated with the loan agreements for the Sunshine State Governmental Financing Commission (thereafter the "Commission") loans are applicable to the County and not the Seaport.

##### Sunshine State Loans

The Sunshine State loans payable are secured by a covenant of the County to appropriate in its annual budget sufficient funds from legally available non-ad valorem revenue to satisfy the debt service requirements on the loans. Although the security for the loans payable is the promise to budget legally available non-ad valorem revenue, the actual debt service is expected to be paid solely from available Seaport revenue; accordingly, the debt has been reflected in the accompanying financial statements of Seaport.

##### Series 2010A and 2010B Bonds (variable rate)

On December 30, 2010, the Commission issued multimodal bonds in a variable rate mode known as the Series 2010A and 2010B Bonds. The proceeds were used to replace \$226 million of previously issued commission series loans. On December 17, 2013, the Commission reoffered and sold \$95.2 million of Multimodal Revenue Bonds, which are unconverted variable rate bonds known as Series 2010A and 2010B Bonds. The Series 2010A and 2010B Bonds will remain in a weekly interest rate mode and will bear interest at rates determined by the remarketing agent. In connection with the Series 2010A and 2010 B Bonds, the Commission renewed a LOC agreement which will expire in December 2021.

In the event that the LOCs are not renewed and replacement LOCs are not provided, the Seaport shall prepay the loan in full by paying the then applicable prepayment price in the amount of approximately \$92.4 million (balance as of December 2021). As of September 30, 2019, no draw had been made against the LOCs.

##### Series 2010A-1 and 2010B-1 (fixed rate)

On December 19, 2013, Seaport converted \$126 million of the original \$225 million of the Series 2010A and 2010B variable rate bonds to Series 2010A-1 and 2010B-1 fixed rate bonds. The conversion resulted in the principal amounts of Series 2010A and Series 2010B Bonds being converted from a weekly rate reset period (variable rate) to a long-term interest rate period (fixed rate). The proceeds of \$134.4 million from the conversion were used to: (a) Redeem the Series 2010A and 2010B Bonds in the amount of \$126 million under the conversion option; (b) Reimburse the Letter of Credit draw of \$4.6 million with regards to the Multimodal Revenue Bonds Series 2010B maturing 2025; (c) Redeem the Series 2010A Bonds and Series 2010B Bonds maturing 2035 for \$2.8 million; and (e) pay issuance costs related to the conversion of \$852 thousand.

##### Series 2011B-1 and 2011C-1 Bonds (fixed rate)

On February 27, 2014, the Seaport exercised the conversion option included in its Commission Multimodal Revenue Bonds trust indenture and converted its Series 2011B and 2011C variable rate bonds to Series 2011B-1 and 2011C-1 fixed rate bonds. The conversion resulted in the principal amounts of Series 2011B and Series 2011C bonds being converted from a weekly rate reset period (variable rate) to a long-term interest rate period (fixed rate). The proceeds of \$61 million (which included a premium of \$4 million) from the conversion were used to: (a) Redeem the Series 2011B Bonds maturing from 2022 through 2032 for \$28.5 million; (b) Redeem the Series 2011C Bonds maturing from 2022 through 2032 for \$28.5 million; (c) pay issuance costs related to the conversion of \$188 thousand; and (d) Deposit \$4.3 million to the Redemption Account to partially redeem the Series 2011A Bonds maturing on September 1, 2014. Exercising the conversion option included in the Sunshine State Governmental Financing Commission Multimodal Revenue Bonds trust indentures for the Series 2010A, 2010B, 2011B and 2011C bonds allowed the Port to lock in rates in a low interest rate environment.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 4. Long-Term Debt (Continued)

##### Series 2011A Bonds (fixed rate)

On March 30, 2011, the Commission issued \$248 million (Series 2011A Bonds) under the Multimodal Program. The Series 2011A Bonds are fixed rate bonds with a final maturity on September 1, 2021. The proceeds of \$248 million and the original issue premium in the amount of approximately \$8.2 million were lent to the County pursuant to a loan agreement (Series 2011A Loan Agreement) on April 14, 2011 and was used to replace \$227 million of the then outstanding County's Series L Loans and \$28 million of the outstanding County's 1986 Loans. Seaport's share of the original issued amount was \$50.1 million which is included in Seaport's financial statements as the Series 2011A Bonds.

##### **Capital Asset Acquisition Bonds**

*Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D*—On December 15, 2010, the County issued \$40.3 million of Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D ("Series 2010D Bonds"). The 2010D bonds were issued as part of a program under the American Recovery and Reinvestment Act (ARRA) as Recovery Zone Economic Development bonds (RZED). These RZED bonds are a special class of Build America Bonds (BABs) and were issued by state and local governments for qualified purposes as of December 31, 2010. With RZEDs, the County was able to issue taxable bonds and receive a subsidy from the U.S. Treasury to offset interest payments. Under existing federal legislation, the County would receive a 45% interest rate subsidy for direct-pay RZEDs. Such interest subsidy is subject to annual federal appropriation. Of the \$40.3 million proceeds, \$21.3 million was allocated to the Seaport. The Series 2010D Bonds were issued to: (1) pay the costs of construction, improvement and renovation of certain capital assets of the Seaport; (2) fund the Reserve Account for the Series 2010D Bonds; and (3) pay the costs of issuance relating to the Series 2010D Bonds, including paying the premium for a municipal bond insurance policy securing the Series 2010D Bonds. The Series 2010D Bonds are scheduled for payment through the year 2040.

*Capital Asset Acquisition Special Obligation Bonds, Series 2010E*—On December 2, 2010, the County, on behalf of Seaport issued \$38.1 million of Capital Asset Acquisition Special Obligation Bonds, Series 2010E (Series 2010E Bonds). The purposes for issuing the Series 2010E Bonds were issued to: (1) pay the costs of construction, improvement and renovation of certain capital assets of the Seaport; (2) fund the Reserve Account for the Series 2010E Bonds; and (3) pay the costs of issuance relating to the Series 2010E Bonds. The Series 2010E Bonds are scheduled for payment through the year 2030.

*Capital Asset Acquisition Bonds, Series 2017A*—On August 30, 2017, the County issued \$47.5 million of Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2017A (Series 2017A Bonds). The total proceeds of approximately \$54.6 million were used to: (1) refund a portion of the County's outstanding Capital Asset Acquisition Special Obligation Bonds, Series 2009A; and (2) pay issuance costs. The net proceeds of \$52.5 million, together with \$2.1 million of other available funding from the County, totaling \$54.6 million, were deposited by the County with the escrow agent to refund the Series 2009A Bonds. Refunding the Series 2009A Bonds with issuing the Series 2017A Bonds resulted in Seaport recognizing a deferred loss on refunding of approximately \$3.3 million and economic savings of approximately \$8.2 million. The Series 2017A Bonds are scheduled for payment through the year 2039.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 4. Long-Term Debt (Continued)

Debt Service Requirements

The Seaport's stated debt service requirements to maturity by type, assuming the various variable rate demand debt are remarketed and letters of credit are renewed and are extended over the terms of the respective bond and loan agreements (including the current portion) at September 30, 2019, would be as follows (in thousands):

Years Ending September 30,	Revenue *** Bonds	G.O. Bonds	Sunshine ** State Loans	Cap. Acq. Bonds	Total
<b>Principal</b>					
2020	\$ 7,450	\$ 6,875	\$ 12,160	\$ 4,320	\$ 30,805
2021	7,815	7,180	13,170	4,435	32,600
2022	8,210	7,510	13,180	4,540	33,440
2023	8,620	7,865	13,180	4,655	34,320
2024	9,055	8,245	12,180	4,775	34,255
2025-2029	53,280	27,115	93,260	25,790	199,445
2030-2034	70,105	-	90,530	21,884	182,519
2035-2039	92,925	-	5,170	21,551	119,646
2040-2044	121,310	-	-	2,462	123,772
2045-2049	125,870	-	-	-	125,870
2050-2052	50,490	-	-	-	50,490
Total	555,130	64,790	252,830	94,412	967,162
<b>Interest</b>					
2020	23,954	2,826	9,386	4,874	41,040
2021	23,572	2,510	8,814	4,658	39,554
2022	23,172	2,170	8,175	4,437	37,954
2023	22,751	1,805	7,516	4,210	36,282
2024	22,309	1,412	6,857	3,977	34,555
2025-2029	103,129	1,776	24,680	16,141	145,726
2030-2034	85,881	-	5,793	9,888	101,562
2035-2039	62,188	-	95	4,448	66,731
2040-2044	31,220	-	-	185	31,405
2045-2049	11,390	-	-	-	11,390
2050-2052	1,014	-	-	-	1,014
Total	410,580	12,499	71,316	52,818	547,213
<b>Principal and Interest</b>					
2020	31,404	9,701	21,546	9,194	71,845
2021	31,387	9,690	21,984	9,093	72,154
2022	31,382	9,680	21,355	8,977	71,394
2023	31,371	9,670	20,696	8,865	70,602
2024	31,364	9,657	19,037	8,752	68,810
2025-2029	156,409	28,891	117,940	41,931	345,171
2030-2034	155,986	-	96,323	31,772	284,081
2035-2039	155,113	-	5,265	25,999	186,377
2040-2044	152,530	-	-	2,647	155,177
2045-2049	137,260	-	-	-	137,260
2050-2052	51,504	-	-	-	51,504
Total	\$ 965,710	\$ 77,289	\$ 324,146	\$ 147,230	\$ 1,514,375

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 4. Long-Term Debt (Continued)**

\*\* Series 2010A and 2010B State loans and 2014A and B Revenue Bonds in the amount of \$92.4 million and \$201.5 million are variable rate debt with interest calculated on the basis of the interest paid at the end of the fiscal year. The table of debt service requirements to maturity above is prepared using expected maturities reflecting the Seaport's intended amortization to maturity. At each stated maturity the Seaport can retire the maturing amount in whole or in part or refund the maturing bonds and loans as a part of its annual capital borrowing into another stated maturity, variable rate debt, or fixed rate debt amortized to maturity as determined by then market conditions. The table does not reflect any accelerated amortizations that may result under the term out provisions as discussed previously for the Sunshine State Loans and 2014A and 2014B Bonds. The average interest rate at year end on the variable rate State loans was 1.84% and 2.03% for the 2014 Bonds.

On December 1, 2016, the Commission and a bank entered into a Letter of Credit (LOC) Reimbursement Agreement to provide LOCs to secure the principal amounts (variable rate bonds) for the Series 2010A and 2010B State Loans of approximately \$92.4 million for a term of 5 years expiring in December 2021. In the event that the LOCs for the variable rate Series 2010A and 2010B Bonds are not renewed and replacement LOCs are not provided by the expiration date of December 2021, Seaport shall prepay the loans in full by paying the then applicable prepayment price in the amount of approximately \$92.4 million (balance as of December 2021). In the event that the LOCs are exercised, the outstanding principal amounts will be converted into a term loan, payable in six equal consecutive semi-annual installments over a three year period. Interest payments will be calculated using the Bank Bond Rate, the Base Rate comprised of: (a) higher of Prime Rate of such day plus 2%, (b) the Feds Fund Rate of such day plus 4% or (c) 7.5% plus 1%. Assuming a rate of 5.5%, the debt service requirements would be as follows:

<b>Period</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year 1	\$ 30,803,333	\$ 5,082,550	\$ 35,885,883
Year 2	30,803,333	3,388,367	34,191,700
Year 3	30,803,334	1,694,183	32,497,517
Total Debt Service Requirements	<u>\$ 92,410,000</u>	<u>\$ 10,165,100</u>	<u>\$ 102,575,100</u>

\*\*\* The Series 2014A and B Revenue Bonds are being secured by an irrevocable, direct-pay letter of credit (LOC) issued by a Credit Facility Provider. The LOC will serve as a Liquidity Facility for the 2014 Bonds in the Weekly Mode and will expire on May 6, 2024. In the event that the LOC is not renewed and a replacement LOC is not provided by the expiration date of May 6, 2024, Seaport shall prepay the bonds in full by paying the then applicable prepayment price in the amount of approximately \$201.5 million, assuming a rate of 9.0% as follows:

<b>Period</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
Year 1	\$ 67,156,667	\$ 18,132,300	\$ 85,288,967
Year 2	67,156,667	12,088,200	79,244,867
Year 3	67,156,666	6,044,100	73,200,766
Total Debt Service Requirements	<u>\$ 201,470,000</u>	<u>\$ 36,264,600</u>	<u>\$ 237,734,600</u>

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 4. Long-Term Debt (Continued)

##### Capital Lease – Direct borrowing

On October 27, 2015, the Seaport entered into a capital lease agreement as lessee for financing the installation and acquisition of certain energy improvement equipment (Equipment) with Banc of America Public Capital Corp (Bank), the lessor. Under the term of the agreement, which is accounted for as a capital lease, the Seaport will make semi-annual payments that range from \$123,818 to \$195,267, including interest at 2.65% through 2033. The lessor, the Bank, will not retain a first priority security interest in the Equipment, but in the event of non-appropriation or default, the Seaport, as lessee, will be required to return said Equipment to the lessor, the Bank.

Annual future minimum lease payments and the present value of minimum lease payments are as follows:

<b>Years Ending September 30,</b>	<b>Total Payments</b>
2020	\$ 266,248
2021	274,070
2022	285,129
2023	296,516
2024	305,234
2025-2029	1,666,270
2030-2034	1,317,416
Total minimum lease payments	4,410,883
Less amount representing interest	(767,835)
Present value of minimum lease payments	<u>\$ 3,643,048</u>

The net book value of capital assets acquired through the capital lease as of September 30, 2019, are as follows:

<b>Asset</b>	<b>Balance</b>
Equipment	\$ 4,385,403
Less accumulated depreciation	(723,419)
Capital asset, net	<u>\$ 3,661,984</u>

##### Commercial Paper Notes

On July 23, 2019, the Board adopted a resolution authorizing to increase the aggregate principal amount from \$200 million to not exceed the aggregate principal of \$400 million of Miami-Dade County Florida Seaport Commercial Paper Notes (Notes). The implementation of Seaport's Notes will provide temporary financing to fund a portion of Seaport's capital improvement program. Two series have been issued to date: The Seaport Notes Series A-1 (AMT) and Seaport Notes Series A-2 (Taxable), both of which are not to exceed aggregate principal amounts of \$400 million. The commercial paper program requires remarketing of the instrument for any period from 1 to 270 days. Due to the liquidity requirements and rolling maturity of the Notes, a Letter of Credit (LOC) provider can provide the source of funds to repay investors. The LOC in the amount of \$400 million was approved for the purpose of making funds readily available for the payment of principal and interest on the Notes. The LOC expires on July 27, 2022, subject to earlier termination as provided therein and to extension or renewal as provided therein. The Notes and accrued interest are payable solely from future revenue bond proceeds.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

---

**Note 4. Long-Term Debt (Continued)**

At September 30, 2019, the Seaport had approximately \$247.7 million outstanding of Seaport Notes with maturities as follows:

<u>Principal Balance</u> Series A-1	<u>Maturity Date</u>	<u>Principal Balance</u> Series A-2	<u>Maturity Date</u>
\$ 10,000,000	5/21/2020	\$ 2,619,000	4/2/2020
41,500,000	5/21/2020		
31,500,000	Remarketed daily		
27,000,000	Remarketed daily		
84,643,000	5/21/2020		
50,393,000	5/21/2020		
<u>\$ 245,036,000</u>			

**Note 5. Operating Lease Agreements**

In July 2011, the Seaport entered into an amended Office Space Building Lease Agreement as lessor, with a cruise ship company (the Company). The initial term of the amended lease is 10 years through March 31, 2021, with an additional five-year renewal terms at the Company's option.

The Seaport also has several other operating leases (as lessor) consisting principally of the leasing of land, office space, and warehouses to several tenants. The lease agreements consist of both cancelable and noncancelable agreements. The agreements expire over the next 18 years.

Future minimum lease income under the operating leases (with initial or remaining lease terms in excess of one year) as of September 30, 2019, is summarized in the table below (in thousands):

<u>Years Ending September 30,</u>	<u>Annual Operating Lease Income</u>
2020	\$ 33,863
2021	32,813
2022	32,896
2023	32,721
2024	26,509
2025-2029	126,542
2030-2034	80,674
2035-2039	71,290
2040-2044	19,041
	<u>\$ 456,349</u>

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

#### Note 5. Operating Lease Agreements (Continued)

Rental income for operating leases was \$32.8 million for the fiscal year ended 2019. At September 30, 2019, the net book values of assets being leased by Seaport as lessor are as follows:

Asset	Asset Cost	Accumulated Depreciation	Net Book Value
Land	\$ 85,305,431	\$ -	\$ 85,305,431
Buildings	38,663,129	37,811,219	851,910
Total	<u>\$ 123,968,560</u>	<u>\$ 37,811,219</u>	<u>\$ 86,157,341</u>

#### Note 6. Long-Term Obligations

Changes in long-term obligations for the year ended September 30, 2019, are as follows (in thousands):

	Beginning Balance	Increase	Decrease	Ending Balance	Due within One year
Bonds and loans payable:					
Revenue bonds	\$ 562,260	\$ -	\$ 7,130	\$ 555,130	\$ 7,450
General obligation bonds	71,375	-	6,585	64,790	6,875
Sunshine State loans	264,950	-	12,120	252,830	12,160
Capital acquisition bonds	98,712	-	4,300	94,412	4,320
Unamortized (discount) and premiums, net	28,768	-	2,224	26,544	-
Total	<u>1,026,065</u>	<u>-</u>	<u>32,359</u>	<u>993,706</u>	<u>30,805</u>
Other liabilities:					
Compensated absences	7,324	2,494	2,321	7,497	1,807
Total other post-employment ben	5,877	893	-	6,770	-
Net pension liability	20,873	3,253	-	24,126	-
Capital lease – direct borrowing	3,802	-	159	3,643	171
Commercial paper notes	170,262	77,393	-	247,655	-
Total	<u>208,138</u>	<u>84,033</u>	<u>2,480</u>	<u>289,691</u>	<u>1,978</u>
Total long-term liabilities	<u>\$ 1,234,203</u>	<u>\$ 84,033</u>	<u>\$ 34,839</u>	<u>\$ 1,283,397</u>	<u>\$ 32,783</u>

#### Note 7. Restricted Assets

Restricted assets represent bond proceeds and other cash, cash equivalents, and investments required to be restricted for debt service, acquisition of certain lease assets; certain feasibility studies and improvements under the terms of outstanding bond and other contractual agreements. Assets restricted for debt service are for the payment of debt principal and interest. Assets restricted for reserve maintenance are for the payment of unusual or extraordinary maintenance or repairs of Seaport properties that are intended to extend the life of the asset. Under the terms of outstanding debt and other contractual agreements, assets were restricted for the following purposes (in thousands):

Purpose	Balance
Debt service and reserve	\$ 83,821
Capital improvement and other projects	50,435
Total	<u>\$ 134,256</u>



## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 8. Pension Plans

The Seaport Department, through Miami-Dade County, provides retirement benefits to its employees through the Florida Retirement System and a Deferred Retirement Option Program (DROP), as well as state approved Other Post-Employment Benefits (OPEB) in the form of subsidized health insurance premiums.

#### Florida Retirement System Overview

The Seaport Department, through Miami-Dade County, participates in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective October 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Seaport Department are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature.

The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site ([http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications)).

#### FRS Pension Plan

##### Plan Description

The FRS Pension Plan (the FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members enrolled prior to July 1, 2011 are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the FRS Plan may include up to 4 years of credit for military service toward creditable service.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 8. Pension Plans (Continued)

The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

#### Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

<b>Class, Initial Enrollment and Retirement Age / Years of Service</b>	<b>% Value</b>
<b>Regular Class members initially enrolled before July 1, 2011</b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68
<b>Elected County Officers</b>	3.33
<b>Senior Management Service Class</b>	2.00
<b>Special Risk Regular</b>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on or after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 8. Pension Plans (Continued)**

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates in effect from July 1, 2018 through June 30, 2019, were as follows:

Class	Effective July 1, 2018 through June 30, 2019		Effective July 1, 2019 through June 30, 2020	
	Percent of Gross Salary		Percent of Gross Salary	
	Employee	Employer (*)	Employee	Employer (*)
FRS, Regular	3.00	8.26	3.00	8.47
FRS, Elected County Officers	3.00	48.70	3.00	48.82
FRS, Senior Management Service	3.00	24.06	3.00	25.41
FRS, Special Risk Regular	3.00	24.50	3.00	25.48
DROP – Applicable to members from all of the above classes	0.00	14.03	0.00	14.60

\*Employer rates include 1.66% for the postemployment health insurance subsidy, and employer rates, other than for DROP participants, include 0.06% for administrative costs.

Seaport's employer contributions to the FRS totaled \$1.6 million and employee contributions totaled \$0.57 million for the fiscal year ended September 30, 2019.

Seaport's Allocation

Seaport's proportionate share of the County's share of the FRS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources as of September 30, 2019 (in thousands):

Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
\$19,146	\$6,890	\$1,132	\$3,021

The amounts reflected in the table above represent an allocation of 0.70% of the total County's balances for the FRS Plan for the fiscal year ended September 30, 2019. Seaport's proportionate share of the total County balances was based on Seaport's annual contributions relative to fiscal year contributions for all participating County employees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2019, Seaport reported a liability of \$19.1 million for its proportionate share of the County's share of the FRS Plan's net pension liability. For fiscal year ended 2019, the net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The overall County's proportionate share of the net pension liability was based on the 2019 fiscal year contributions relative to the 2019 fiscal year contributions of all participating entities.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 8. Pension Plans (Continued)**

For the fiscal year ended, Seaport recognized pension expense of \$3.0 million and reported its share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,136	\$ 12
Change of assumptions	4,917	-
Net difference between projected and actual earnings on FRS pension plan investments	-	1,059
Changes in proportion and differences between Seaport FRS contributions and proportionate share of contributions	349	61
Seaport FRS contributions subsequent to the measurement date	488	-
<b>Total</b>	<b>\$ 6,890</b>	<b>\$ 1,132</b>

The deferred outflows of resources related to pensions totaling approximately \$488,000 resulting from Seaport's contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in fiscal year 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<b>Fiscal Year Ending September 30</b>	<b>Deferred outflows/ (inflows), net</b>
2020	\$ 1,846
2021	636
2022	1,390
2023	1,038
2024	286
Thereafter	74
<b>Total</b>	<b>\$ 5,270</b>

*Actuarial Assumptions*

The FRS pension actuarial assumptions that determined the total pension liability as of June 30, 2019, were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	6.90%, net of pension plan investment expense, including inflation
Discount Rate	6.90%

Mortality rates were based on the PUB2010 base table with scale MP-2018 tables.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 8. Pension Plans (Continued)**

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Long-Term Expected Rate of Return

The long-term expected rate of return on the FRS Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation <sup>1</sup></b>	<b>Annual Arithmetic Return</b>	<b>Compound Annual (Geometric) Return</b>	<b>Standard Deviation</b>
Cash	1%	3.3%	3.3%	1.2%
Fixed income	18%	4.1%	4.1%	3.5%
Global equity	54%	8.0%	6.8%	16.5%
Real estate (property)	10%	6.7%	6.1%	11.7%
Private equity	11%	11.2%	8.4%	25.8%
Strategic investments	6%	5.9%	5.7%	6.7%
	100%			
Assumed inflation-Mean		2.6%		1.7%

Note: (1) As outlined in the Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.90% rate of return assumption used in the June 30, 2019 calculations was determined by the FRS Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the FRS Plan.

Sensitivity of Seaport's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents Seaport's proportionate share of the County's share of the FRS Plan's net pension liability as of June 30, 2019 calculated using the discount rate of 6.90%, as well as what Seaport's proportionate share of the net pension liability would be if it was calculated using a discount rate that is one percentage point lower (5.90%) or one percentage point higher (7.90%) than the current rate (in thousands):

	<b>Decrease 5.90%</b>	<b>Discount Rate 6.90%</b>	<b>Increase 7.90%</b>
Seaport's proportionate share of the net pension liability	\$ 33,096	\$ 19,146	\$ 7,494

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 8. Pension Plans (Continued)

##### Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

#### The Retiree Health Insurance Subsidy Program (HIS)

##### Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

##### Benefits Provided

For the fiscal year ended, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

##### Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended, the HIS contribution was 1.66%. The County contributed 100% of its statutorily required contributions for the current year. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Seaport's contributions to the HIS Plan totaled \$248,775 for the fiscal year ended.

##### Seaport's Allocation

Seaport's proportionate share of the HIS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources as of the year ended are as follows (in thousands):

Net Pension Liability	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense
\$4,980	\$836	\$432	\$213

The amounts reflected in the table above represent an allocation of 0.70% of the total County balances for the HIS Plan for fiscal year ended. Seaport's proportionate share of the total County balances for fiscal year 2019 was based on Seaport's fiscal year contributions relative to contributions for all participating County employees for the fiscal year.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 8. Pension Plans (Continued)**

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At September 30, 2019, the Seaport reported a net pension liability of \$4.98 million for its proportionate share of the County's share of the HIS Plan's net pension liability. For fiscal year ended, the net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The overall County's proportionate share of the net pension liability was based on 2019 fiscal year contributions relative to the 2019 fiscal year contributions of all participating entities.

For the fiscal year ended, Seaport recognized pension expense(credit) of \$213,000 and reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 60	\$ 6
Change of assumptions	577	407
Net difference between projected and actual earnings on HIS pension plan investments	3	-
Changes in proportion and differences between Seaport HIS contributions and proportionate share of HIS contributions	129	19
Seaport contributions subsequent to measurement date	67	-
<b>Total</b>	<b>\$ 836</b>	<b>\$ 432</b>

The deferred outflows of resources related to pensions totaling approximately \$67,000 resulting from Seaport's contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in fiscal year 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<b>Fiscal Years Ending September 30,</b>	<b>Deferred Outflows/ (Inflows), Net</b>
2020	\$ 113
2021	99
2022	63
2023	(7)
2024	23
Thereafter	46
<b>Total</b>	<b>\$ 337</b>

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

---

**Note 8. Pension Plans (Continued)**

Actuarial Assumptions

The HIS plan pension actuarial valuation was determined using the following actuarial assumptions as of July 1, 2018 applied to all periods included for the measurement:

Inflation	2.60%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	3.50%, net of pension plan investment expense, including inflation
Discount Rate	3.50%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability for the HIS Plan was 3.50%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of Seaport's Net Pension Liability to Changes in the Discount Rate

The following table presents the Seaport's proportionate share of the County's share of the HIS Plan's net pension liability calculated using a discount rate of 3.50%, as well as what the Seaport's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one percentage point higher (4.50%) than the current rate (in thousands):

	<b>1% Decrease 2.50%</b>	<b>Current Discount Rate 3.50%</b>	<b>1% Increase 4.50%</b>
Seaport's proportionate share of the net pension liability	\$ 5,685	\$ 4,980	\$ 4,393

Pension plan fiduciary net position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.



**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 8. Pension Plans (Continued)**

The following table summarizes pension expense, net pension liability, deferred inflow and outflow of resources for the FRS Pension Plan (FRS) and Retiree Health Insurance Subsidy Program (HIS), as previously discussed. Amounts are in thousands:

<b>Plan</b>	<b>Net Pension Expense</b>	<b>Net Pension Liability</b>	<b>Deferred Inflow of Resources</b>	<b>Deferred Outflow of Resources</b>
FRS	\$ 3,021	\$ 19,146	\$ 1,132	\$ 6,890
HIS	213	4,980	432	836
<b>Total</b>	<b>\$ 3,234</b>	<b>\$ 24,126</b>	<b>\$ 1,564</b>	<b>\$ 7,726</b>

**FRS – Defined Contribution Pension Plan**

Seaport, through Miami Dade County, contributes to the FRS Defined Contribution Investment Plan (Investment Plan). The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Miami-Dade County employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds.

Benefit terms, including contribution requirements for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

	<b>Percent of Gross</b>
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 8. Pension Plans (Continued)

control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to County and its departments.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Seaport's Investment Plan pension contributions totaled approximately \$406,158 for the fiscal year ended.

#### Note 9. Post-Employment Benefits Other than Pensions

In accordance with the requirements of Governmental Accounting Standards Board Statement 75 (GASB 75) for other post-employment benefits (OPEB), the County accrues the cost of retiree health subsidy and OPEB during the period of employees' active employment as the benefits are being earned. It requires the unfunded actuarial accrued liability to be disclosed in order to accurately account for the total future cost of OPEB and the financial impact on the County and its departments. The financial impact of this statement is reflected in the accompanying financial statements.

**Plan Description.** The County, for which the Seaport participates, administers a single-employer defined benefit healthcare plan (the Plan) that provides postretirement medical and dental coverage to retirees as well as their eligible spouses and dependents. Benefits are provided through the County's group health insurance plan, which covers both active and retired members.

Benefits are established and may be amended by the Miami-Dade County Board of County Commissioners, whose powers derive from F.S. 125.01(3) (a). The Plan does not issue a publicly available financial report.

**Eligibility:** To be eligible to receive retiree medical and dental benefits, participants must be eligible for retirement benefits under the Florida Retirement System or the Public Health Trust of Miami-Dade County, Florida, Defined Benefit Retirement Plan and pay required contributions.

- Regular Class Employees (all employees not identified as members of the Special Risk Class) hired prior to July 1, 2011 are eligible for post-employment benefits at age 62 with 6 years of service, or with 30 years of service at any age. Eligibility for reduced retirement is 6 years of service at any age. Those hired on or after July 1, 2011 are eligible at age 65 with 8 years of service, or 33 years of service at any age.
- Special Risk Employees (Police Officers, Firefighters and Corrections Officers) hired prior to July 1, 2011 are eligible for post-employment benefits at age 55 with 6 years of service, or with 25 years of service at any age. Eligibility for reduced retirement is 6 years of service at any age. Those hired on or after July 1, 2011 are eligible at age 60 with 8 years of service, or 30 years of service at any age.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 9. Post-Employment Benefits Other than Pensions (Continued)

**Benefits:** A number of plan changes to the pre-Medicare retiree plans were made effective January 1, 2017. The valuation reflects the impact of these changes. Eligible pre-Medicare retirees receive health care coverage through one of four self-funded medical plans.

- AvMed POS
- AvMed HMO High
- AvMed HMO Select
- Jackson First HMO

Retirees may continue coverage beyond Medicare eligibility by enrolling in one of the County-sponsored, self-insured Medicare Supplemental plans provided by AvMed. The County only contributes to post-65 retirees electing one of these plans.

- AvMed Medicare Supplement Low Option with Rx
- AvMed Medicare Supplement High Option with Rx
- AvMed Medicare Supplement High Option without Rx

**Funding Policy:** The County contributes to both the pre-65 and post-65 retiree medical coverage. Medical contributions vary based on plan and tier. Retirees pay the full cost of dental coverage. The postretirement medical is currently funded on a pay-as-you go basis (i.e., Miami-Dade County funds on a cash basis as benefits are paid). The County's contribution is the actual pay-as-you-go postemployment benefit payments less participant contributions for the year. No assets have been segregated and restricted to provide postretirement benefits. Contributions are required for both retiree and dependent coverage. Retirees contribute a portion of the full active premium equivalent rates for health coverage. The full monthly premiums, retiree contribution amounts and the County subsidies are provided in the tables below. The County subsidy is assumed to remain flat.

#### **Total OPEB Liability**

The Seaport's allocated share of the County's total OPEB liability is \$6.8 million measured as of September 30, 2019 and determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the September 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	September 30, 2019
Discount rate	2.66% per annum
Salary increases rate	3.5% per annum
Medical consumer price index trend	2.0% per annum
Inflation rate	3.0% per annum
Actuarial cost method	Entry Age Normal based on percentage of projected salary
Amortization method	11.4 years
Healthcare cost trend rates	Medical/Rx 6.5% initial to 4.5% ultimate
Retirees share of benefit-related costs	41.1%
Mortality rates	Generational RP-2014, back-projected to 2006, projected forward using scale MP-18

The discount rate was based on the Bond Buyer 20-Bond GO index.

**Miami-Dade County, Florida Seaport Department**

**Notes to Financial Statements**

**Note 9. Post-Employment Benefits Other than Pensions (Continued)**

The actuarial assumptions used in the September 30, 2019 valuation were based on the results of an actuarial experience study for the period of October 1, 2018 to September 30, 2019.

**Changes in Total OPEB Liability**

Changes in Seaport's total OPEB liability for the year ended are as follows (in thousands):

Balance at September 30, 2018	\$ 5,877
Changes for the year:	
Service cost	117
Interest	248
Change of benefit terms	918
Benefits payments	(390)
Total	893
Balance at September 30, 2019	\$ 6,770

The increase in the total OPEB liability is mostly due to: (1) a change in the actuarial cost method from Projected Unit Credit to Entry Age Normal, (2) a change to the chained CPI, which is used to calculate the excise tax, and (3) resetting the base trend.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.* The following presents the total OPEB liability of the Seaport, as well as what the Seaport's total OPEB liability would be if it were calculated using a discount rate that 1-percentage-point lower or 1-percentage-point higher than the current discount rate (in thousands):

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Total OPEB Liability	\$ 7,419	\$ 6,770	\$ 6,202

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the total OPEB liability of the Seaport, as well as what the Seaport's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 6,162	\$ 6,770	\$ 7,518

**OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources**

For the year ended, the Seaport recognized OPEB expense of \$32,581 and reported deferred outflows of resources and deferred inflows of resources for changes of assumptions of \$831,000 and \$276,000 respectively, related to OPEB.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 9. Post-Employment Benefits Other than Pensions (Continued)

Amounts reported as net of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows (in thousands):

<u>Fiscal Years Ending September 30,</u>	<u>Deferred Outflows/ (Inflows), Net</u>
2020	\$ 51
2021	51
2022	51
2023	51
2024	51
Thereafter	300
Total	<u>\$ 555</u>

#### Note 10. Risk Management

The County's Risk Management Division (the RMD) administers workers' compensation, general and automobile liability self-insurance programs. The Seaport, along with other County departments, participates in the County's self-insurance programs. Certain group health insurance programs are also self-insured. An independent administrator administers the programs. There has been no significant reduction in coverage for the last 3 years. Seaport properties are covered under the County's Master Property Insurance Program. The County purchases coverage through commercial carriers. The insurance program contains a \$5 million deductible per occurrence for most perils. A \$200 million deductible per occurrence applies to named windstorm losses. The current County wide limit per occurrence provided by this program is \$350 million (inclusive of deductibles). Property coverage for the Seaport's gantry cranes are provided through a combination of the County's program and a policy purchased by the crane management company. There were no property damage claims at the Seaport that exceeded the commercial coverage for the last three fiscal years.

The County maintains no excess coverage with independent insurance carriers for the workers' compensation and general liability self-insurance programs. Premiums are charged to the various County departments based on amounts necessary to provide funding for current and anticipated losses. For the year ended September 30, 2019, the Seaport incurred approximately \$1.97 million in insurance premium costs. The estimated liability for reported and unreported claims of the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims, past experience adjusted for current trends, and other factors that would modify past experience. Outstanding claims are evaluated through a combination of case-by-case reviews and the application of historical experience. The estimates of incurred, but not reported losses are based on historical experience, and are reported only in the County's internal service fund as a liability. The unfunded losses of the RMD are the responsibility of general fund, and not a liability of the various departments that pay into self-insurance fund, therefore no liability for unfunded losses is reported by the Seaport.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 11. Related-Party Transactions – County Services Received

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. Charges for services provided to the Seaport by other County departments included as operating expenses in the accompanying Statements of Revenues, Expenses and Changes in Net Position amounted to approximately \$34.0 million for the fiscal year ended. The following table presents a list of service charges provided for the fiscal year ended (in thousands):

<b>Charges for Service</b>	<b>Amount</b>
Audit and management services	\$ 190
Fire services	5,387
Fleet management	721
Administrative service charges	2,311
Information technology	4,850
Police services	12,042
Public works services	356
Water and sewer	2,427
Other	5,751
Total	<u>\$ 34,035</u>

Administrative Service Charges above represent the Seaport's pro-rata share of expenses incurred by certain General Fund departments (i.e. Internal Services Department, County Attorney's Office, Office of Management and Budget, Finance Department, etc.), on behalf of the Seaport.

#### Note 12. Commitments, Contingencies and Guarantees

The Board approved various terminal usage agreements with the Port's major cruise lines and cargo terminal operators. These agreements provide certain wharfage and dockage incentive discounts from the published Tariff as well as marketing incentives in return for minimum annual revenue guarantees, capital recovery surcharges and preferential berthing arrangements at certain terminal facilities. The operating agreements also provides for container yard improvements, reduced reefer rates and other commitments to incur expense and make certain incentive payments which are not reflected in the table of total gross minimum annual revenue guarantees below.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 12. Commitments, Contingencies and Guarantees (Continued)

The following table provides gross minimum annual revenue guarantees due the Seaport for the following years (in thousands):

Years Ending September 30,	Cruise Operators	Cargo Operators
2020	\$ 103,351	\$ 54,036
2021	114,734	56,205
2022	123,821	58,468
2023	149,120	60,829
2024	157,691	63,528
2025-2029	720,231	360,963
2030-2034	640,507	109,824
2035-2039	718,403	-
2040-2044	677,455	-
2045-2049	582,209	-
2050-2053	225,232	-
Totals	<u>\$ 4,212,754</u>	<u>\$ 763,853</u>

Seaport has entered into several terminal usage agreements with cruise line operators which commits the Seaport to build new cruise terminals and make certain terminal improvements at future dates, in order to accommodate the cruise operators' passengers and vessel operations. The Seaport intends to fund the following projects primarily with proceeds from long-term debt as follows:

- On September 19, 2019, the Board approved a resolution to amend one of its existing terminal agreements: (a) allowing the operator to build a new terminal for an increased amount of \$239 million; (b) provide the operator with preferential berthing rights at certain existing terminals and at the new terminal; (c) increase the minimum annual passengers for the cruise operator, and (d) requiring Seaport to make certain infrastructure improvements. The Seaport's contribution to the new terminal is approximately \$100 million, not subject to be reimbursed by the cruise operator. The cruise operator will reimburse the Seaport for all advanced project costs over \$100 million and up to \$239 million. As of fiscal year end 2019, Seaport's remaining commitment towards the new terminal was \$138.6 million, of which \$38.6 million is subject to reimbursement from the cruise operator. The terminal being constructed will be an asset of the Seaport.
- On September 19, 2019, the Board approved an amendment to a preferential berthing agreement with a certain cruise operator to relinquish those rights for a new cruise terminal to be completed by October 15, 2022. The Seaport's cost of the new cruise terminal is expected to be approximately \$179 million, for a period of thirty years of preferential berthing rights to the cruise operator, with two options to renew of five years each. The terminal being constructed will be an asset of the Seaport.
- On September 19, 2019, the Board approved a ground lease agreement for two terminals with a cruise operator for a lease term of sixty-two years that is expected to be completed by October 15, 2022. The estimated costs for both terminals are approximately \$300 million, which the Seaport's obligation would be a one-time capital contribution of \$15.2 million. The terminals being constructed will be assets of the Seaport.

## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### Note 12. Commitments, Contingencies and Guarantees (Continued)

- On September 19, 2019, the Board approved a preferential berthing agreement with a cruise operator upon substantial completion of certain cruise terminal improvements, granting berthing rights to a certain cruise terminal for an initial term of twenty years. The Seaport and cruise operator's share for these improvements would be approximately \$195 million and \$120 million, respectively. The terminal being constructed will be an asset of the Seaport.

#### Construction

As of the fiscal year end, Seaport had construction commitments of \$107.6 million to include the construction of a new cruise terminal, cruise and cargo improvements, and other port-wide infrastructure improvements as discussed above.

#### Litigation

The Seaport as a department of the County is subject to a variety of suits and proceedings arising in the ordinary conduct of its affairs. The County, after reviewing the current status of all pending and threatened litigation with respect to the operations of the Seaport, believes that while the outcome of litigation cannot be predicted, the final settlement of all lawsuits which have been filed and of any actions or claims pending or threatened against the Seaport or its officials in such capacity, are accrued if considered probable by the County's self-insurance program or will not have a material adverse effect upon its financial position.

#### Federal and State Grants

Federal and State of Florida grant awards are subject to audit in accordance with the Florida Single Audit Act and OMB Uniform Guidance to determine compliance with the terms and conditions of the grant awards. It is management's opinion that no material liabilities will result from any such audits, when applicable.

#### Phase III Dredging

In July 2012, the Board approved a resolution authorizing a Project Partnership Agreement between Miami-Dade County (the County) and the United States Department of the Army (the Army) for the construction of the -50 feet Dredging Miami Harbor Federal Navigation Project Phase III at the Port. The total cost of the project, including the cost of construction, Army procurement and administration, environmental mitigation and monitoring, and an Army required contingency, was estimated to be in the range of \$180 to \$220 million. The Project was completed in fiscal year 2015 and the Army submitted a final reconciliation of records and contract release form to the Seaport. In connection with the project, the County also entered into grant agreements with the Florida Department of Transportation (FDOT) to receive approximately \$115 million of funding from FDOT to reimburse the Seaport for certain specific costs incurred to complete the Project. In fiscal year 2017, the Seaport received approximately \$2.5 million from FDOT in additional funding for various post-closing projects, bringing the total of \$117.5 million of funding received from FDOT related to the project. Final close-out of this project is expected to occur in fiscal year 2020.

On September 4, 2018, the Seaport executed a Federal cost share agreement with the Army to perform a feasibility study for navigation improvements. The improvements include deepening and widening certain channels for navigational and safety upgrades for better maneuverability of larger cargo ships. The expected completion date of the study is September 2021, and is estimated to cost approximately \$3.0 million to complete towards the study. Amounts advanced to date are reported as an advance to other governments at year end on the Statement of Net Position.



## Miami-Dade County, Florida Seaport Department

### Notes to Financial Statements

---

#### **Note 13. Unrestricted Net Position**

As previously mentioned in the MD&A section, the \$160.2 million contribution to FDOT for the Port Tunnel Project (Tunnel) contributed to the negative unrestricted net position balance of \$130.4 million as of September 30, 2019 for the Seaport. As of fiscal year end to date, the Port has recognized \$42 million of SCETS revenues to offset the \$203.1 million contribution initially made towards the Tunnel that contributed to the Port's negative unrestricted net position balance. The Tunnel, located beneath the Governmental Cut, connects the Port directly with the interstate highway system. The Tunnel improves access to and from the Port, making trucking and passenger vehicle connections from the Port to the rest of the region and country substantially easier and eliminates the Port's dependence on the current Port Boulevard Bridge. It has also reduced traffic congestion in the downtown area of Miami. The Tunnel is owned by the State of Florida and is not reported as an asset of the Seaport.

In return for the County providing a portion of the funds for the Tunnel Project, in March 2015 FDOT and the County entered into a Joint Participating Agreement (JPA) to pay the County from annually appropriated State Comprehensive Enhance Transportation System Tax (SCETS) \$17 million annually in each of the State's fiscal years 2018 through 2041. Because the SCETS funds are subject to annual appropriation by FDOT, Government Accounting Standards does not allow revenues to be reported until the funds are appropriated in each fiscal year and therefore revenues will only be reported for the annual amount appropriated each year. If revenues for the full amount expected to be appropriated by FDOT was reported it would offset the negative unrestricted net position previously discussed.

#### **Note 14. Subsequent Events**

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Seaport could be significantly adversely affected. The extent to which the coronavirus may impact governmental activity, business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

On February 19, 2020, the Board passed a resolution executing an agreement with a contractor for the development of a Transportation Master Plan (Plan), consisting of a Traffic Impact Study and a Conceptual Roadway Plan. The Plan will assist the Seaport in the roadway network, site circulation, and access requirements to meet future transportation needs. The contract amount was \$3.3 million with a contingency allowance of \$300,000.

**REQUIRED SUPPLEMENTARY INFORMATION**  
(Unaudited)

**Miami-Dade County, Florida Seaport Department**  
**Required Supplementary Information**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
(dollars in thousands) (Unaudited)

<b>Total OPEB Liability</b>	<b>2018</b>	<b>2019</b>
<b>Changes for the Year:</b>		
Service Cost	\$ 338	\$ 117
Interest	-	248
Change of Benefit Terms	(335)	918
Benefit Payments	(344)	(390)
<b>Net Change in Total OPEB Liability</b>	(341)	893
<b>Total OPEB Liability – Beginning</b>	6,218	5,877
<b>Total OPEB Liability – Ending</b>	<u>\$ 5,877</u>	<u>\$ 6,770</u>
 <b>Covered-employee Payroll</b>	 \$ 23,140	 \$ 27,705
 <b>Total OPEB Liability as a Percentage of Covered-employee Payroll</b>	 25.40%	 24.44%

Notes to Schedule:

- (1) For information regarding plan contributions, rates, assumptions and amortization method, see Note 9.
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits. There were no changes to benefit terms during the measurement period. The discount rate is the only applicable change in the actuarial valuation. All other assumptions for this update report are the same as the prior valuation.
- (3) Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. Currently, only data for fiscal years presented are available.

**Miami-Dade County, Florida Seaport Department  
Required Supplementary Information  
Schedule of Seaport's Proportionate Share  
of Miami-Dade County's Net Pension Liability  
Florida Retirement System (FRS) Pension Plan  
(dollars in thousands) (Unaudited)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Seaport's proportion of Miami-Dade County's FRS Plan net pension liability	0.76%	0.79%	0.69%	0.70%
Seaport's proportionate share of Miami-Dade County's FRS net pension liability	\$ 14,958	\$ 18,160	\$ 16,275	\$ 19,146
Seaport's covered payroll	\$ 22,343	\$ 24,010	\$ 24,909	\$ 26,172
Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered payroll	87.89%	92.81%	70.33%	73.15%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.9%	83.9%	84.3%	82.6%

Notes to Schedule:

(1) See Note 8 for information regarding the Plan.

(2) The schedule of the net pension liability and related information above presents the Seaport's allocation of Miami-Dade County's share of FRS Plan net pension liability.

(3) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years presented are available.

**Miami-Dade County, Florida Seaport Department  
Required Supplementary Information  
Schedule of Seaport's Contributions  
Pension Plan  
Florida Retirement System  
(dollars in thousands) (Unaudited)**

	2016	2017	2018	2019
Seaport's proportionate share of Miami-Dade County's required FRS contribution	\$ 1,864	\$ 1,308	\$ 1,968	\$ 1,600
Seaport's contribution in relation to the contractually required contribution	1,864	1,308	1,968	1,600
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Seaport's covered payroll	\$ 23,330	\$ 24,674	\$ 24,969	\$ 26,445
FRS contribution as a percentage of covered payroll	7.99%	5.30%	7.88%	6.05%

Notes to Schedule:

- (1) See Note 8 for information regarding the Plan.
- (2) The schedule of the contributions and related information above presents the Seaport's allocation of Miami-Dade County's share of FRS Plan contributions.
- (3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years presented are available.

**Miami-Dade County, Florida Seaport Department  
Required Supplementary Information  
Schedule of Seaport's Proportionate Share  
of the Net Pension Liability  
Florida Retirement System  
Health Insurance Subsidy Pension Plan (HIS)  
(dollars in thousands) (Unaudited)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Seaport's proportion of Miami-Dade County's HIS net pension liability	0.76%	0.79%	0.69%	0.70%
Seaport's proportionate share of Miami-Dade County's HIS. net pension liability	\$ 5,603	\$ 5,237	\$ 4,598	\$ 4,980
Seaport's covered payroll	\$ 17,019	\$ 18,111	\$ 18,781	\$ 19,850
Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered payroll	32.92%	28.92%	24.48%	25.09%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%

Notes to Schedule:

- (1) See Note 8 for information regarding the Plan.
- (2) The schedule of the net pension liability and related information above presents the Seaport's allocation of Miami-Dade County's share of FRS Plan net pension liability.
- (3) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years presented are available.

**Miami-Dade County, Florida Seaport Department**  
**Required Supplementary Information**  
**Schedule of Seaport's Contributions**  
**Florida Retirement System**  
**Health Insurance Subsidy Pension Plan (HIS)**  
**(dollars in thousands) (Unaudited)**

	2016	2017	2018	2019
Seaport's proportionate share of Miami-Dade County's required HIS contribution	\$ 177	\$ 264	\$ 237	\$ 249
HIS contribution in relation to the contractually required contribution	177	264	237	249
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Seaport's covered payroll	\$ 17,681	\$ 18,567	\$ 18,895	\$ 20,045
HIS contribution as a percentage of covered payroll	1.00%	1.42%	1.25%	1.24%

Notes to Schedule:

(1) See Note 8 for information regarding the Plan.

(2) The schedule of the contributions and related information above presents the Seaport's allocation of Miami-Dade County's share of FRS Plan contributions.

(3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years presented are available.

**STATISTICAL SECTION**  
**(unaudited)**





PORTMIAMI

## **Statistical Section (unaudited)**

This part of the Seaport's comprehensive annual financial report presents information to assist users, from a historical perspective, use the information provided in the financial statements, notes to the financial statements, and required supplementary to assess the department's overall financial health.

### Contents

#### Financial Trends

These schedules contain information to assist readers assess how the Department's financial position has changed over time. (Pages 68-69)

#### Revenue Capacity

These schedules contain information to assist readers assess the variables affecting the Department's revenue capabilities. (Page 70)

#### Debt Capacity

These schedules contain information to assist readers assess the Department's debt burden and its ability to issue new debt. (Pages 71-75)

#### Demographic and Economic Information

These schedules contain demographic and economic information to assist readers understand the environment within which the Department's financial activities take place. (Pages 76-77)

#### Operating Information

These schedules contain service and infrastructure data to assist readers understand how the information in the Department's financial report relates to the services the Department provides and activities it performs. (Pages 78-80)

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

**Miami-Dade County, Florida Seaport Department**  
**Schedule of Changes in Net Position (Unaudited)**  
 Last ten fiscal years (in thousands)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Operating revenues	\$ 104,085	\$ 109,146	\$ 103,578	\$ 109,177	\$ 126,144	\$ 136,086	\$ 143,864	\$ 166,756	\$ 155,928	\$ 165,592
Investment earnings	414	512	359	153	510	861	720	953	2,344	5,317
Other nonoperating	-	810	718	687	666	666	669	8,633	17,671	19,155
Total revenues	104,499	110,468	104,655	110,017	127,320	137,613	145,253	176,342	175,943	190,064
Operating expenses	66,335	65,836	59,550	66,011	64,341	66,700	71,267	79,575	80,383	85,840
Depreciation	22,995	23,548	24,947	25,958	27,423	30,020	30,474	30,598	31,872	29,145
Interest expense	16,961	18,901	18,668	18,167	35,496	37,283	40,213	39,171	40,988	45,503
Other nonoperating expenses/transfers	4,193	1,072	6,118	1,861	5,349	1,267	-	1,628	3,332	603
Total expenses	110,484	109,357	109,283	111,997	132,609	135,270	141,954	150,972	156,575	161,091
Net income (loss) before contributions	(5,985)	1,111	(4,628)	(1,980)	(5,289)	2,343	3,299	25,370	19,368	28,973
Net contributions	11,796	6,331	12,789	(16,781)	(85,944)	47,644	3,154	1,642	3,378	8,762
Change in net position	5,811	7,442	8,161	(18,761)	(91,233)	49,987	6,453	27,012	22,746	37,735
Net position at beginning of year (1)	212,322	218,133	225,575	233,736	214,975	109,677	159,664	166,117	188,288	211,035
Net position at end of year	218,133	225,575	233,736	214,975	123,742	159,664	166,117	193,129	211,034	248,770
<b>Net position, end of year classified as:</b>										
Net investment in capital assets	194,133	201,468	217,486	204,722	272,815	317,408	300,337	293,530	304,318	331,807
Restricted for debt service	13,259	13,228	12,647	11,860	12,485	12,880	7,165	13,160	44,715	47,325
Restricted for construction and other	1,914	-	5,310	2,349	10,067	-	-	-	-	-
Unrestricted and other	8,827	10,879	(1,707)	(3,956)	(171,625)	(170,624)	(141,385)	(113,561)	(137,998)	(130,362)
Net position at end of year	\$ 218,133	\$ 225,575	\$ 233,736	\$ 214,975	\$ 123,742	\$ 159,664	\$ 166,117	\$ 193,129	\$ 211,035	\$ 248,770

Notes to Schedule

(1) Net position balance was restated as of October 1, 2014 and 2017, respectively.

**Miami-Dade County, Florida Seaport Department**  
**Schedule of Revenues and Expenses (Unaudited)**  
**Last Ten Fiscal Years (in thousands)**

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>OPERATING REVENUES:</b>										
Cruise Wharfage/Dockage	\$ 41,963	\$ 46,424	\$ 45,192	\$ 50,528	\$ 60,295	\$ 63,659	\$ 69,199	\$ 93,302	\$ 76,997	\$ 74,817
Cargo Wharfage/Dockage	21,958	23,752	23,089	23,932	24,809	24,120	23,337	19,310	22,721	24,239
Container Crane Fees	8,471	9,910	7,607	6,619	6,243	8,624	9,995	13,658	15,018	16,713
Rentals	14,826	13,906	13,428	13,365	14,829	19,254	21,999	22,124	23,120	32,829
Ground Transportation	1,464	1,880	1,763	1,861	2,100	2,329	2,230	2,311	1,625	2,689
Parking	10,042	9,184	8,305	9,374	14,963	14,691	14,679	13,747	14,068	12,081
Miscellaneous	5,361	4,090	4,194	3,498	2,905	3,409	2,425	2,304	2,379	2,224
	<u>104,085</u>	<u>109,146</u>	<u>103,578</u>	<u>109,177</u>	<u>126,144</u>	<u>136,086</u>	<u>143,864</u>	<u>166,756</u>	<u>155,928</u>	<u>165,592</u>
<b>OPERATING EXPENSES:</b>										
Cruise Operations	7,047	6,590	6,002	6,293	7,523	7,165	6,828	8,210	8,865	8,227
Cargo Operations	1,087	1,338	1,180	1,314	1,235	1,242	1,308	1,572	1,877	1,673
Maintenance	6,453	6,731	6,083	6,590	6,329	6,993	8,553	9,386	9,097	9,212
Utilities	2,950	3,256	2,225	1,814	2,881	3,730	3,675	3,002	2,758	3,427
Marketing & Advertising	1,321	1,015	1,105	1,848	1,747	1,803	2,204	2,212	2,167	2,467
Gantry Cranes Operations	6,811	6,926	6,357	7,533	7,543	7,006	8,385	8,858	9,487	9,457
Security	19,636	18,510	15,488	15,210	16,782	18,093	18,292	20,552	20,931	22,217
General & Administration	21,030	21,470	21,110	25,409	20,301	20,668	22,022	25,783	25,201	29,160
Total Operating Expenses	<u>66,335</u>	<u>65,836</u>	<u>59,550</u>	<u>66,011</u>	<u>64,341</u>	<u>66,700</u>	<u>71,267</u>	<u>79,575</u>	<u>80,383</u>	<u>85,840</u>
Operating income before depreciation	37,750	43,310	44,028	43,166	61,803	69,386	72,597	87,181	75,545	79,752
DEPRECIATION	<u>22,995</u>	<u>23,548</u>	<u>24,947</u>	<u>25,958</u>	<u>27,423</u>	<u>30,020</u>	<u>30,474</u>	<u>30,598</u>	<u>31,872</u>	<u>29,144</u>
Operating Income	14,755	19,762	19,081	17,208	34,380	39,366	42,123	56,583	43,673	50,608
<b>NON-OPERATING REVENUES (EXPENSES):</b>										
Interest Income, net	414	512	359	153	510	861	720	953	2,344	5,317
Interest expense, net	(16,961)	(18,901)	(18,668)	(18,167)	(35,496)	(37,283)	(40,213)	(39,171)	(40,988)	(45,503)
Other income (expense)	(4,193)	810	(5,400)	(1,174)	(4,683)	(601)	669	7,005	16,939	19,155
Income (loss) before Contributions and transfers	(5,985)	2,183	(4,628)	(1,980)	(5,289)	2,343	3,299	25,370	21,968	29,577
Contributions	11,796	6,331	12,789	(16,781)	(85,944)	47,644	3,154	1,642	3,378	8,761
Transfer out	-	(1,072)	-	-	-	-	-	-	(2,600)	(603)
Net contributions and transfers	<u>11,796</u>	<u>5,259</u>	<u>12,789</u>	<u>(16,781)</u>	<u>(85,944)</u>	<u>47,644</u>	<u>3,154</u>	<u>1,642</u>	<u>778</u>	<u>8,158</u>
Net income (loss)	<u>\$ 5,811</u>	<u>\$ 7,442</u>	<u>\$ 8,161</u>	<u>\$ (18,761)</u>	<u>\$ (91,233)</u>	<u>\$ 49,987</u>	<u>\$ 6,453</u>	<u>\$ 27,012</u>	<u>\$ 22,746</u>	<u>\$ 37,735</u>

**Miami-Dade County, Florida Seaport**  
**Schedule of Revenue Per Ton (Unaudited)**  
 Last Ten Fiscal Years (in thousands)

Description	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cargo revenue	\$ 30,429	\$ 33,662	\$ 30,696	\$ 30,551	\$ 31,052	\$ 32,744	\$ 33,332	\$ 32,968	\$ 37,739	\$ 40,952
Tonnage	7,389	8,222	8,108	7,981	7,700	8,614	8,778	9,162	9,612	10,122
Revenue per ton	\$ 4.12	\$ 4.09	\$ 3.79	\$ 3.83	\$ 4.03	\$ 3.80	\$ 3.80	\$ 3.60	\$ 3.93	\$ 4.05
TEU	847	907	909	901	877	1,008	1,028	1,024	1,083	1,121
Revenue per TEU	\$ 35.93	\$ 37.11	\$ 33.77	\$ 33.91	\$ 35.41	\$ 32.48	\$ 32.42	\$ 32.20	\$ 34.85	\$ 36.53

**Schedule of Revenue Per Passenger (Unaudited)**  
 Last Ten Fiscal Years (in thousands)

Description	2010	2011	2012	2013	2014	2015	2016	2017*	2018	2019
Cruise Revenue	\$41,963	\$ 46,424	\$ 45,192	\$ 50,528	\$ 60,295	\$ 63,659	\$ 69,199	\$ 73,302	\$ 76,997	\$ 74,817
Passengers	4,145	4,018	3,774	4,079	4,939	4,916	4,980	5,340	5,592	6,824
Revenue per passenger	\$ 10.12	\$ 11.55	\$ 11.97	\$ 12.39	\$ 12.21	\$ 12.95	\$ 13.90	\$ 13.73	\$ 13.77	\$ 10.96

\* In fiscal year 2017, one of the Seaport's cruise operator made a one-time early contract termination payment. This payment was excluded from cruise revenue in the calculation above.

**Miami-Dade County, Florida Seaport Department**  
**Schedule of Revenue Bonds Debt Service Coverage**  
**Last Ten Fiscal Years (Unaudited)**  
**(in thousands)**  
**Based on Maximum Debt Service Requirements**

<b>Description</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Primary Debt Coverage										
Net Operating Revenues	\$ 37,750	\$ 43,310	\$ 44,028	\$ 43,166	\$ 61,803	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752
Coverage Adjustments:										
Pledged Rent Revenue	(1,937)	(1,130)	-	-	-	-	-	-	-	-
Intergovernmental revenue*	-	-	-	-	-	-	-	8,000	17,000	17,000
Noncash Items	1,238	(293)	165	475	46	(868)	856	1,574	527	3,440
Unrestricted Interest	11	4	8	-	-	-	-	219	1,065	2,439
Revenues Available	<u>\$ 37,062</u>	<u>\$ 41,891</u>	<u>\$ 44,201</u>	<u>\$ 43,641</u>	<u>\$ 61,849</u>	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>
Revenue Bonds Maximum Debt Service Required	8,399	8,399	8,399	27,547	27,671	27,640	28,050	29,177	31,033	31,148
Coverage Required 125%	10,499	10,499	10,499	34,434	34,589	34,550	35,063	36,471	38,791	38,935
Net Revenue Coverage	353%	399%	421%	127%	179%	198%	209%	266%	243%	264%

Note: Coverage requirement under master bond ordinance is 125% of maximum principal and interest for revenue bonds.

\* Commencing in fiscal year 2017, the Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.

See Note 4 of the Notes to Financial Statements for further information.

**Miami-Dade County, Florida Seaport Department**  
**Schedule of General Obligation Bonds Debt Service Coverage**  
**Last Ten Fiscal Years (Unaudited)**  
**(in thousands)**  
**Based on Maximum Debt Service Requirements**

<b>Description</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Primary Debt Coverage										
Net Operating Revenues	\$ 37,750	\$ 43,310	\$ 44,028	\$ 43,166	\$ 61,803	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752
Coverage Adjustments:										
Pledged Rent Revenue	(1,937)	(1,130)	-	-	-	-	-	-	-	-
Intergovernmental revenue*	-	-	-	-	-	-	-	8,000	17,000	17,000
Non-Cash Items	1,238	(293)	165	475	46	(868)	856	1,574	527	3,440
Unrestricted Interest	11	4	8	-	-	-	-	219	1,065	2,439
Revenues Available	<u>\$ 37,062</u>	<u>\$ 41,891</u>	<u>\$ 44,201</u>	<u>\$ 43,641</u>	<u>\$ 61,849</u>	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>
G O Bonds Maximum										
Debt Service Required	11,149	9,884	9,884	9,863	9,863	9,863	9,863	9,863	9,863	9,863
Coverage Required 110%	12,264	10,872	10,872	10,849	10,849	10,849	10,849	10,849	10,849	10,849
Net Revenue Coverage	302%	385%	407%	402%	570%	632%	677%	894%	868%	946%

Note: Coverage requirement under master bond ordinance is 110% of maximum principal and interest for GO bonds.

\* Commencing in fiscal year 2017, the Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.

See Note 4 of the Notes to Financial Statements for further information.

**Miami-Dade County, Florida Seaport Department  
Schedule of Combined Debt Service Coverage  
Last Ten Fiscal Years (Unaudited)  
(in thousands)  
Based on Maximum Debt Service Requirements**

<b>Description</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Primary Debt Coverage</b>										
Net Operating Revenues	\$ 37,750	\$ 43,310	\$ 44,028	\$ 43,166	\$ 61,803	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752
Coverage Adjustments:										
Pledged Rent Revenue	(1,937)	(1,130)	-	-	-	-	-	-	-	-
Intergovernmental revenue*	-	-	-	-	-	-	-	8,000	17,000	17,000
Non-Cash Items	1,238	(293)	165	475	46	(868)	856	1,574	527	3,440
Unrestricted Interest	11	4	8	-	-	-	-	219	1,065	2,439
Revenues Available	<u>\$ 37,062</u>	<u>\$ 41,891</u>	<u>\$ 44,201</u>	<u>\$ 43,641</u>	<u>\$ 61,849</u>	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>
Revenue Bonds Maximum Debt Service Required	8,399	8,399	8,399	27,547	27,671	27,640	28,050	29,177	31,033	31,148
Coverage Required 125%	10,499	10,499	10,499	34,434	34,589	34,550	35,063	36,471	38,791	38,935
G O Bonds Maximum Debt Service Required	11,149	9,884	9,884	9,863	9,863	9,863	9,863	9,863	9,863	9,863
Coverage Required 110%	12,264	10,872	10,872	10,849	10,849	10,849	10,849	10,849	10,849	10,849
Excess coverage required greater (less) than maximum coverage	3,215	3,088	3,088	7,873	7,904	7,896	7,999	8,281	8,745	8,773
Needed to Meet Coverage	22,763	21,371	21,371	45,283	45,438	45,399	45,912	47,321	49,641	49,784
Net Revenues Coverage	163%	196%	207%	96%	136%	151%	160%	205%	190%	206%

Note: Coverage requirement under master bond ordinance is 125% and 110% of maximum principal and interest for revenue bonds and GO bonds, respectively. The combined debt service coverage has increased 64%, from 96% in fiscal year 2013 when the Seaport did not meet its combined debt service coverage of 100%, as required by the debt covenants, to 160% in the current fiscal year.

Refer to Note 4 of the Notes to Financial Statements for further information.

\* Commencing in fiscal year 2017, the Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.

See Note 4 of the Notes to Financial Statements for further information.



**Miami-Dade County, Florida Seaport Department**  
**Schedule Ratios of Outstanding Debt by Type (Unaudited)**  
**Last Ten Fiscal Years (in thousands)**

<b>Fiscal Year</b>	<b>G.O. Bonds</b>	<b>Revenue Bonds</b>	<b>Loans</b>	<b>Capital Acquisition Bond</b>	<b>Commercial Paper</b>	<b>Capital Lease</b>	<b>Total Debt</b>	<b>Ratio of Debt to TEUs</b>	<b>Ratio of Debt to Cruise Passengers</b>
2010	\$ 119,043	\$ 53,849	\$ 332,832	\$ 68,642	\$ -	\$ -	\$ 574,366	678	139
2011	111,559	48,435	328,981	127,941	-	-	616,916	680	154
2012	105,862	42,681	325,300	126,240	-	-	600,083	660	159
2013	107,984	402,340	322,702	122,310	-	-	955,336	1,060	234
2014	102,045	596,797	320,553	118,314	-	-	1,137,709	1,297	230
2015	95,865	589,400	314,524	114,259	-	-	1,114,048	1,105	227
2016	89,466	581,827	298,626	110,143	-	4,007	1,084,069	1,055	218
2017	82,827	580,210	286,688	108,024	37,262	3,949	1,098,960	1,073	206
2018	75,937	572,848	273,720	103,560	170,262	3,802	1,200,129	1,108	215
2019	68,783	565,194	260,717	99,012	247,655	3,643	1,245,004	1,111	182

(1) Balances presented above include premiums and discounts net of related debt.

**Miami-Dade County, Florida Seaport Department  
Schedule of Annual Total Tonnage (Unaudited)  
Last Ten Fiscal Years (in thousands)**

<b>Year</b>	<b>Total</b>	<b>Difference</b>	<b>% Change</b>
2010	7,389	-	0.0%
2011	8,222	833	11.3%
2012	8,108	(114)	-1.4%
2013	7,981	(127)	-1.6%
2014	7,700	(281)	-3.5%
2015	8,614	914	11.9%
2016	8,778	164	1.9%
2017	9,162	384	4.4%
2018	9,612	450	4.9%
2019	10,122	510	5.3%

**Miami-Dade Seaport Department  
Schedule of Total Annual TEU's (Unaudited)  
Last Ten Fiscal Years (in thousands)**

<b>Year</b>	<b>TEU's</b>	<b>Difference</b>	<b>% Change</b>
2010	847	-	0.0%
2011	907	60	7.1%
2012	909	2	0.2%
2013	901	(8)	-0.9%
2014	877	(24)	-2.7%
2015	1,008	131	14.9%
2016	1,028	20	2.0%
2017	1,024	(4)	-0.4%
2018	1,083	59	5.8%
2019	1,121	38	3.5%

**Miami-Dade Seaport Department  
Schedule of Historical Tonnage Analysis (Unaudited)  
Last Ten Fiscal Years (in thousands)**

<b>Year</b>	<b>Export Tons</b>	<b>% of Total</b>	<b>Import Tons</b>	<b>% of Total</b>	<b>Total</b>
2010	3,865	52%	3,524	48%	7,389
2011	4,376	53%	3,846	47%	8,222
2012	4,222	52%	3,886	48%	8,108
2013	4,020	50%	3,961	50%	7,981
2014	3,828	50%	3,872	50%	7,700
2015	4,046	47%	4,568	53%	8,614
2016	4,029	46%	4,749	54%	8,778
2017	4,176	46%	4,986	54%	9,162
2018	4,409	46%	5,203	54%	9,612
2019	4,376	43%	5,746	57%	10,122

**Miami-Dade Seaport Department  
Schedule of Annual Total Passengers (Unaudited)  
Last Ten Fiscal Years (in thousands)**

<b>Year</b>	<b>Total</b>	<b>Difference</b>	<b>% Change</b>
2010	4,145	-	0.0%
2011	4,018	(127)	-3.1%
2012	3,774	(244)	-6.1%
2013	4,079	305	8.1%
2014	4,939	860	21.1%
2015	4,916	(23)	-0.5%
2016	4,980	64	1.3%
2017	5,340	360	7.2%
2018	5,592	252	4.7%
2019	6,824	1,232	22.0%

Source: Seaport's Final Performance Report (Statistical) correspondingly for those fiscal years presented.

**Miami-Dade County, Florida Seaport Department  
Schedule of Miami-Dade County Population  
(Unaudited)**

Years	Resident Population	Change
1900	4,955	-
1910	11,933	6,978
1920	42,752	30,819
1930	142,955	100,203
1940	267,739	124,784
1950	495,084	227,345
1960	935,047	439,963
1970	1,267,792	332,745
1980	1,625,781	357,989
1990	1,937,000	311,219
2000	2,253,362	316,362
2010	2,563,885	310,523
2011	2,516,515	(47,370)
2012	2,551,255	34,740
2013	2,565,685	14,430
2014	2,586,290	20,605
2015	2,653,934	67,644
2016	2,696,353	42,419
2017	2,743,095	46,742
2018	2,779,322	36,227
2019	2,812,130	32,808

Source: Miami-Dade County Department of  
Regulatory and Economic Resources.

**Miami-Dade County, Florida Seaport Department  
DEMOGRAPHIC AND ECONOMIC INFORMATION**

**PRINCIPAL EMPLOYERS (Unaudited)  
FISCAL YEAR 2018 AND NINE YEARS AGO**

<b>Employer</b>	<b>2018*</b>			<b>2010</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Miami-Dade County Public Schools	33,477	1	2.43%	48,571	1	3.72%
Miami-Dade County	25,502	2	1.85	29,000	2	2.22
U.S. Federal Government	19,200	3	1.39	19,500	3	1.49
Florida State Government / State of Florida	17,100	4	1.24	17,100	4	1.31
University of Miami, Inc.	12,818	5	0.93	16,000	6	1.23
Baptist Health South Florida	11,353	6	0.82	13,376	7	1.02
American Airlines	11,031	7	0.80	9,000	9	0.69
Jackson Memorial Hospital	9,797	8	0.71	12,571	5	0.96
Publix Super Market	4,604	9	0.33	10,800	8	0.83
City of Miami	3,997	10	0.29			
	<u>148,879</u>			<u>175,918</u>		

Source: The Beacon Council, Miami, Florida, Miami Business Profile  
\* Information for fiscal year 2019 was not available for this report.

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
(Unaudited)  
LAST TEN FISCAL YEARS**

<b>Year</b>	<b>Population</b>	<b>Total Personal (in thousands of dollars)</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate</b>	<b>Civilian Labor Force</b>	<b>Median Age</b>
2010	2,563,885	92,227,399	35,972	12.0%	1,257,324	38
2011	2,516,515	97,815,794	38,870	12.7%	1,300,030	39
2012	2,551,255	100,688,604	39,466	9.7%	1,290,751	39
2013	2,565,685	104,373,301	40,680	8.9%	1,289,617	39
2014	2,586,290	111,528,866	43,123	7.2%	1,282,854	39
2015	2,653,934	116,553,169	43,917	6.2%	1,321,033	40
2016	2,696,353	123,276,064	45,440	5.8%	1,334,404	40
2017	2,743,095	126,715,595	47,818	5.0%	1,375,376	40
2018	2,779,322	138,138,976	50,022	3.6%	1,363,766	40
2019	2,812,130	(1)	(1)	2.9%	1,462,938	40

Source: U.S. Department of Commerce, Economics and Statistics Administration,  
Bureau of Economic Analysis/Regional Economic Information System.  
Florida Agency for Workforce Innovation, Labor Market Statistics.  
U.S. Census Bureau, 2009 Population Estimates and 2009 American Community Survey.  
Miami-Dade County, Department of Planning and Zoning, Research Section.  
University of Florida, Bureau of Economic and Business Research.

Legend: (1) Information unavailable.

**Miami-Dade County, Florida Seaport Department  
Schedule of Insurance in Force  
(Unaudited)**

<b>Coverage/Insurance Company</b>	<b>Insurance Company</b>	<b>Policy Period</b>	<b>Details of Coverage</b>	<b>Limits of Coverage</b>
<b>Crime Policy</b>	Fidelity & Deposit Co. of Maryland	08/19/19 - 08/19/20	Employee Theft Theft of Money and Securities	\$1,000,000 \$500,000
<b>Accidental Death:</b>	Hartford Life Insurance Co.	08/29/19 - 08/29/20	Accidental death and dismemberment	\$25,000
<b>Property Insurance:</b>	Various companies	04/15/19 - 04/15/20	Real & Personal Property	Various
<b>Automobile Liability</b>		Continuous	Self-insured	\$100,000 per/person \$200,000 per occurrence pursuant to F.S. 768.28
<b>General Liability</b>		Continuous	Self-insured	\$100,000 per/person \$200,000 per occurrence pursuant to F.S. 768.28
<b>Workers' Compensation</b>		Continuous	Self-insured	Statutory coverage

Source: Miami-Dade County General Services Administration, Risk Management Division, ISD.

**Miami-Dade County, Florida Seaport Department  
 Schedule of Full-Time Seaport Employees by Function (Unaudited)  
 Last Ten Fiscal Years**

<b>Function/program</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Cruise and Housekeeping	63	62	58	57	57	54	56	56	53	53
Cargo Operations	15	15	13	12	12	12	13	14	16	15
Port Security	135	142	130	96	96	93	88	83	83	85
Maintenance	77	78	69	69	69	69	64	62	61	70
Marketing and Advertising	10	7	8	8	8	8	11	11	13	13
Administration and Engineering	110	113	99	120	120	113	99	99	99	109
<b>Total</b>	<b>410</b>	<b>417</b>	<b>377</b>	<b>362</b>	<b>362</b>	<b>349</b>	<b>331</b>	<b>325</b>	<b>325</b>	<b>345</b>

Source: Seaport's Budget Section.

**Miami-Dade County, Florida Seaport Department  
Schedule of Capital Asset Indicators (Unaudited)  
Last Ten Fiscal Years**

<b>Description</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014*</b>	<b>2015</b>	<b>2016</b>	<b>2017**</b>	<b>2018</b>	<b>2019***</b>
Number of gantry cranes	9	9	9	9	13	13	13	13	13	13
Number of passenger terminals	12	12	12	12	12	12	12	9	8	9

\* In fiscal year 2014, the Seaport acquired 4 Post Panamax cranes.

\*\* In fiscal year 2017, the Seaport merged certain cruise terminals for naming purposes only.

\*\*\* In fiscal year 2019, a certain cruise operator's cruise terminal was completed.

Source: Seaport's Accounting Section.



Miami-Dade County Seaport Department  
*A Department of Miami-Dade County, Florida*  
1015 North America Way, 2<sup>nd</sup> Floor  
Miami, FL 33132  
Phone: 305-347-4800 • Fax: 305-329-4055  
[PortMiami@miamidade.gov](mailto:PortMiami@miamidade.gov)



[PortMiami.biz](http://PortMiami.biz)