PORTMIAMI

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

2013 Comprehensive Annual Financial Report

For the fiscal years ended September 30, 2013 and 2012

Miami-Dade Seaport Department

A Department of Miami-Dade County, Florida

Comprehensive Annual Financial Reports

For the fiscal years ended September 30, 2013 and 2012

Prepared by the Miami-Dade Seaport Department

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MIAMI-DADE COUNTY

Delivering Excellence Every Day

MIAMI-DADE COUNTY, FLORIDA SEAPORT DEPARTMENT
A Department of Miami-Dade County, Florida
Comprehensive Annual Financial Reports
For the Fiscal Years Ended September 30, 2013 and 2012

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COUNTY

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MIAMI-DADE
COUNTY

Delivering Excellence Every Day

ELECTED AND APPOINTED OFFICIALS
MIAMI-DADE COUNTY, FLORIDA

CARLOS A. GIMENEZ, *MAYOR*

BOARD OF COUNTY COMMISSIONERS
REBECA SOSA, CHAIRWOMAN
LYNDA BELL, VICE-CHAIRWOMAN

BARBARA J. JORDAN
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DISTRICT 2

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DISTRICT 5

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DISTRICT 8

DENNIS C. MOSS
DISTRICT 9

SENATOR JAVIER D. SOUTO
DISTRICT 10

JUAN C. ZAPATA
DISTRICT 11

JOSÉ "PEPE" DIAZ
DISTRICT 12

ESTEBAN BOVO, JR.
DISTRICT 13

HARVEY RUVIN
CLERK OF COURTS

LAZARO SOLIS
PROPERTY APPRAISER

ROBERT A. CUEVAS JR.
COUNTY ATTORNEY

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April 1, 2014

Honorable Carlos A. Gimenez, Mayor
Honorable Chairwoman Rebeca Sosa, and
Members of the Board of County Commissioners

Honorable Harvey Ruvin, Clerk of the Courts

Honorable Lazaro Solis, Property Appraiser

Ladies and Gentlemen:

We are pleased to present the Miami-Dade County, Florida Seaport Department's (the "Seaport") Comprehensive Annual Financial Reports ("CAFR") for the fiscal years ended September 30, 2013 and 2012. 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 ensure that the Seaport's assets are protected from loss, theft 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

McGladrey LLP, a firm of licensed certified public accountants, has audited the Seaport's financial statements. The audit was performed in accordance with 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 reasonable assurance as to whether the financial statements were free from material misstatement. The audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The scope of the audit was sufficient to satisfy State, Federal, County Charter, and bond covenant requirements. McGladrey 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 Miami-Dade Seaport Department ("the Seaport").

The Port is the largest cruise home port in the world and is among the top 11 container ports in the United States. The Port is an island port and occupies approximately 522 acres of land. For fiscal year 2013, the Seaport handled approximately 4.08 million passengers. During this same period, approximately 7.98 million tons of cargo and close to 0.9 million TEUs (twenty-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 years ended September 30, 2013 and 2012 can be found in the MD&A 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 and preceding fiscal years. 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 (please refer to the Management's Discussion and Analysis). 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 FY 2013 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 FY 2013 would be one of slow recovery as had been the case since the end of the recession in 2009. Miami-Dade County would experience moderate growth in employment and a modest reduction in its unemployment rate. The improvements in the local economy would rest on an expansion of trade and tourism brought about by strong growth in Latin America and a strengthening of the United States economy. In hindsight, FY 2013 confirmed a continued slow growth for the economy and employment as well as a modest reduction in the unemployment rate. The economies of Latin America performed worse than anticipated and the sectors thought to provide strength for the year, trade and tourism, displayed tepid growth. The local economy derived strength from a surprisingly strong real estate sector, both in terms of real estate transactions and new construction.

At the national level FY 2013 saw a deceleration of economic activity, with real gross domestic product (GDP) increasing at an annual rate of 1.7 percent, a considerably weaker showing than the 2.8 percent growth in the preceding year. Slower growth was accompanied by very low inflationary pressure. Prices increased by 1.2 percent, a level not seen since FY 2010. Despite the slow economic growth, the headline unemployment rate decreased to 7.6 percent from 8.3 percent.

For Miami-Dade's main economic engines, FY 2013 was a very interesting year. The return of real estate has been surprisingly strong, tourism went from being majority domestic to majority international and the international trade sector moved towards looking more like the US trade sector with a reduction in exports and strong increases in imports.

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

■ *International Trade and Commerce*

At the Port, cargo activity, measured in TEUs, decreased by approximately 0.9% compared to an increase of approximately 0.2% in Fiscal Year 2012. The Seaport expects cargo activity to increase slightly in Fiscal Year 2014. 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 2014, the dredging activities underway to accommodate larger vessels 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 2013, the Americas accounted for approximately 52% (Caribbean—13% South America—17%, Central America and Mexico—22%) of total cargo. This was followed by The Far East, Asia and the Pacific with 39%. The balance of approximately 9% consisted of Europe, North America, Middle East, Southwest Asia, and Africa.

▪ *Competition*

The economic downturn contributed to a decrease of approximately 0.9%, when measured in TEUs. This decrease caused the Seaport's cargo related revenues to decrease by 0.5% from fiscal year 2012. The Seaport's commitment to expanding its cargo business, coupled with incentivized cargo contracts contributed to an overall cargo activity increase. The Seaport is encouraged and anticipates continued cargo activity growth in fiscal year 2014.

International trade and commerce is a key component of Miami-Dade's economy. The sector contributed greatly to growth in the county in FY 2011 and FY 2012 but moderated its pace in FY 2013. Despite the slowdown, merchandise trade passing through the Miami Customs District (that includes an area broader than Miami-Dade) totaled $125.7 billion, the highest ever. This represents a 3.7 percent increase in total trade, although lower than the very large increase of 19.6 percent two years ago and 10.5 percent in the previous year.

▪ *Tourism*

Tourism in Miami-Dade recovered fairly quickly from the effects of the recession and posted significant gains in FY 2011 and FY 2012. Despite growth slowing down considerably in FY 2013, the industry reached new heights in terms of number of visitors, occupancy rates and room rates. In FY 2013 the Miami area became more of a year round destination than in prior years, and for the first time, international visitors surpassed domestic visitors.

Visitors to the Miami area increased about 1.5 percent in FY 2013 compared to a larger gain of 5 percent in the previous year. In total, there were 14.1 million overnight visitors over this past year up from 13.9 million recorded in 2012. The number of domestic visitors was down in FY 2013, but an increase of international visitors was large enough to keep the overall number going up. The number of international visitors was up 5.8 percent compared to the previous year, reaching 7.1 million. Domestic visitors decreased by 2.7 percent, to 6.9 million. This reflected a visitor market mix of 49 percent domestic and 51 percent international. Compared to other domestic cities, Miami has the largest percentage of international visitors.

In conjunction with the increase in visitors, the Miami International Airport passenger levels reached 40 million for the first time in FY 2013, representing a gain of 1.4 percent compared to a gain of 5.1 percent in the prior year. This outcome consists of decrease in domestic air passengers outweighed by and increase in international air passengers. MIA international passengers activity increased by 4.2 percent to 20.01 million, while domestic passengers activity decreased by 1.2 percent to 20.09 million. With the continued improvement of the facilities at MIA, aviation officials are projecting that passenger traffic in 2014 will be higher than the previous year. This is based on the continued addition and increase in frequencies of flights from MIA to more destinations domestically and around the world. After falling in the previous year, passenger traffic at the Port Miami rebounded in FY 2013 by 8.1 percent to surpass once again the 4 million mark.

Along with the higher number of visitors, hotel booking activity registered improvements as hotel occupancy rates increased on a year-round basis moving in the same direction as a year ago. In FY 2013, hotel occupancy rate increased from 76.2 percent to 77.7 percent. The increase in demand came along with a substantial increase of 17.1 percent in the average hotel room rate, reaching $173.20.

■ ***Future Outlook***

Overall, the Seaport is encouraged with the results of its cruise activity. During Fiscal Year 2013, the Board of County Commissioners approved contracts with three of the new cruise lines. Under the terms of the contracts, one of the cruise partners guarantees approximately $90 million in revenue over the first ten years and the other guarantees homeporting new ships in Fiscal Year 2014. These new ships that will be homeported are anticipated to yield a net increase of approximately 250,000 passengers per year. The Seaport anticipates that these amendments, along with the cruise agreement approved by the Board of County Commissioners during Fiscal Year 2009 will benefit the Port in the future. During Fiscal Year 2010, an F3 class cruise ship sailed from the Port of Miami for the first time. The F3 class ships are among the largest passenger cruise ships in the world. Recent cruise terminal facilities enhancements will allow the Port to accommodate the new larger ships as well as luxury vessels.

Year over year economic growth in the United States slowed considerably from 2.8 to 1.7 percent in FY 2013. But that 1.7 percent resulted from a very slow first quarter that accelerated ever since, from an annualized rate of 0.1 percent in the first quarter to a rate of 4.1 percent in the fourth quarter. The stock market, a forward looking indicator, recorded its best performance in 25 years during calendar year 2013. And after years of very contentious budget battles and a partial government shutdown, the U.S. Congress achieved a bipartisan budget deal that paves the way for calm waters on the political front for the next two years. Thus, the prospect for growth of the nation's economy is bright.

By contrast economic growth in the emerging markets and more importantly Latin America is expected to slow in FY 2014. The combination of robust US economy and a slower Latin American expansion is expected to prolong the strengthening of imports and weakening of exports in the Miami Customs District. The same phenomenon is likely to produce a return of Miami-Dade's tourism to its traditional majority-domestic pattern in FY 2014 as well.

After a breakout year for real estate and construction, the level of activity in 2014 is expected to remain high with additional proposed projects coming on line and continued strength in real estate transactions derived from pent up demand and a perception of a stronger economy.

Employment should strengthen as a result of more activity in the real estate arena and stable to positive growth on all other sectors. The big question mark for FY 2014 is if *Local Government* employment will continue to shed jobs as has been the case for the past five years or if it will turn the corner and start to positively impact the job picture.

For the upcoming fiscal year, the signs that are present in the current economic environment point to a year of modest gains in payroll employment, and some continued progress on reducing unemployment. Weighing all the likely developments in major areas of the economy leads to a forecast for FY 2014 that is likely to be similar to the previous one. There is expected to be continued improvements on the economic front with higher growth rates. The degree of improvement will be a function of stability in the government employment and the magnitude of growth in the real estate and construction sectors. A smaller decline in the unemployment rate than that experienced this year is likely to occur in FY 2014.

The Miami-Dade economy appears poised to continue its recovery through FY 2014 with a modest acceleration in growth. This is based on expected strong performance in the real estate and construction sectors, its strength in the tourism industry, and its large and growing population base.

Long Term Financial Planning

MAJOR INITIATIVES

■ ***Construction Management***

The Seaport's proposed Capital Improvement Program for the period October 1, 2013 through September 30, 2018 is budgeted at $574.7 million. Of this amount, approximately $464.9 million, $95.9 million and $14.0 million will be funded by debt proceeds, state grants, and tenant financing, respectively. Of the $680.1 million, approximately $443.3 million, $215.5 million, $14.0 million and $7.3 million will fund the Seaport facility improvements, dredging, cargo facilities improvements and equipment acquisition, respectively. The difference of $105.4 million will be funded by a prior year carryover.

The Seaport secured Congressional approval in the fall of 2007 for the Miami Harbor Project. The next phase of the project calls for deepening the Seaport's south channel to a depth of 50 feet from the existing—42 feet. The 50—foot depth harbor will make the Seaport one of a few port's along the U.S. east coast capable of accommodating mega container vessels. 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 2015-2018.

CHART 1
CIP FUNDING SOURCES
($ IN THOUSANDS)

Revenue	Fiscal Year 2014	Fiscal Year 2015 - Future	Total
Debt Proceeds	$ 284,808	$ 180,058	$ 464,866
State Grants	76,276	19,600	95,876
Tenant Financing	8,500	5,500	14,000
Total	$ 369,584	$ 205,158	$ 574,742

CIP PROJECT SUMMARY
($ IN THOUSANDS)

Expenditures	Fiscal Year 2014	Fiscal Year 2015 - Future	Total
Cargo facilities; Improvements	$ 7,956	$ 6,053	$ 14,009
Equipment acquisition	4,294	3,006	7,300
Port facilities; Improvements	269,834	173,509	443,343
Dredging	127,500	88,000	215,500
	$ 409,584	$ 270,568	$ 680,152

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, 2012. This was the fourteenth 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.

PORTMIAMI

Respectfully submitted,

Juan Kuryla,
Port Director

Kevin T. Lynskey,
Deputy Port Director

Miriam N. Abreu, CPA
Assistant Director for Finance

MIAMI-DADE COUNTY

Delivering Excellence Every Day

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

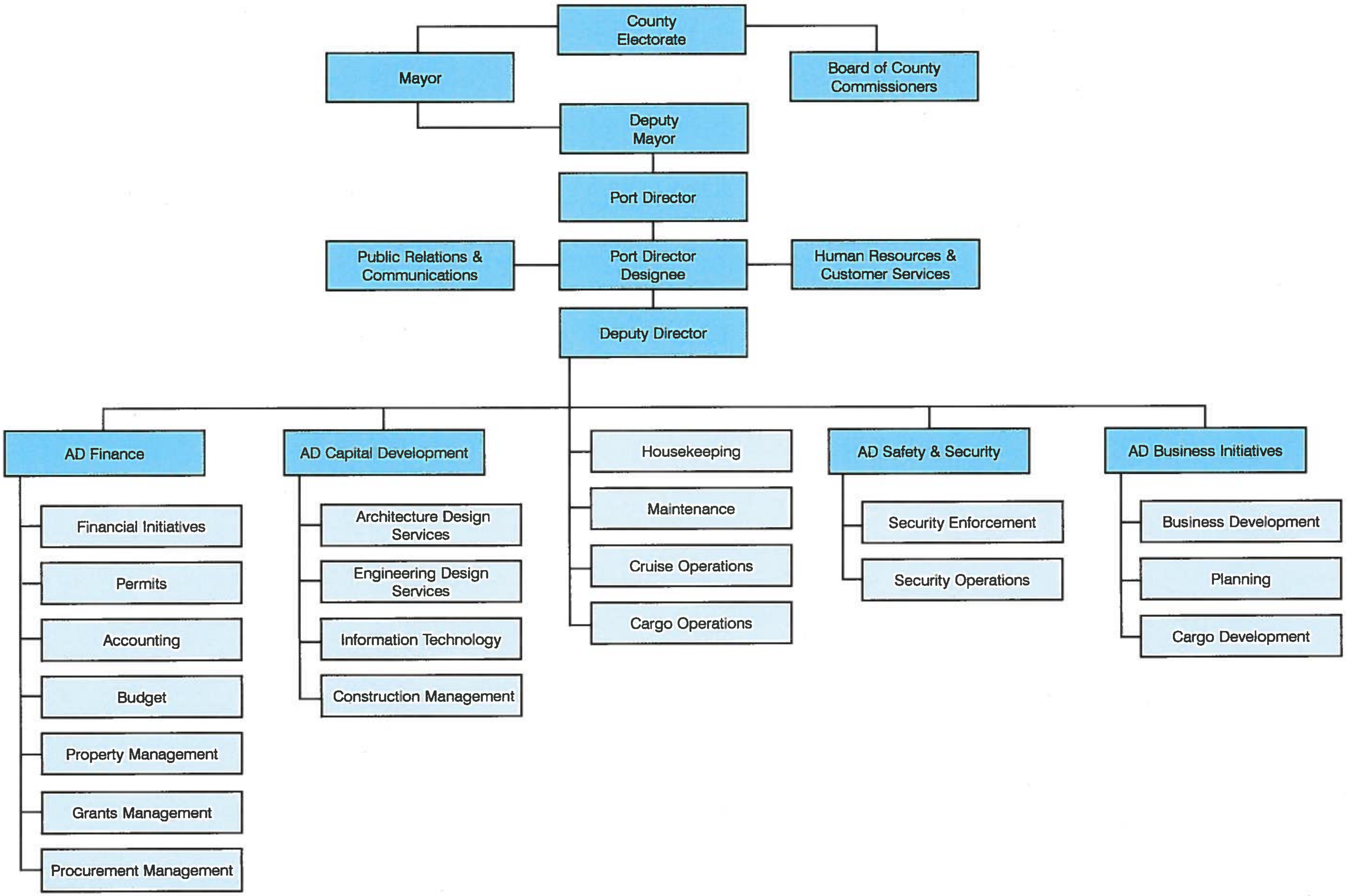
Miami-Dade County
Seaport Department
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

Miami-Dade County Seaport Department
Organizational Chart
2012-2013



FINANCIAL SECTION

McGladrey

Independent Auditor's Report

The Honorable Chairperson and
Members of the Board of County Commissioners
of 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 years ended September 30, 2013 and 2012, 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 audits. We conducted our audits 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 audits 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 financial statement 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, 2013 and 2012, and the changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in note 1, the financial statements present only the Department and do not purport to, and do not, present fairly the financial position of Miami-Dade County, Florida, as of September 30, 2013 and 2012, and the changes in its financial position, or where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 5, for the year ended September 30, 2013 the Department did not comply with the Rate Covenant provision of the County's Master Ordinance 88-66, as amended, which authorizes and secures the Department's revenue bonds.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) and schedule of funding progress 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 audits were 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 audits 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 reports dated April 1, 2014 and February 22, 2013 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 those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are 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.

McGladrey LLP

Miami, Florida
April 1, 2014

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 for the fiscal years ended September 30, 2013 and 2012. 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 in the introductory section, the financial statements, the accompanying notes, and the statistical section. The financial statements consist of the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; the Statements of Cash Flows; and the Notes to the Financial Statements.

The Statements of Net Position present the financial position of the Seaport as of a specific date. It provides information about the nature and amount of resources (assets) and obligations (liabilities), with net position being the difference between assets and liabilities. 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 Statements of Revenues, Expenses, and Changes in Net Position present 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 Statements of Cash Flows present the cash activities of the Seaport segregated in the following major categories: operating, non-capital financing activities, capital and related financing activities, and investing. These statements also present 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

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, 2013 was $221.1 million, comprising of approximately $210.9 million in net investment in capital assets; approximately $14.2 million in restricted for debt service and construction and unrestricted deficit of approximately $4.0 million. Total Seaport net position as of September 30, 2012 was $238.2 million, comprising of approximately $222.0 million in net investment in capital assets; approximately $17.9 million in restricted for debt service and construction and unrestricted deficit of approximately $1.7 million. Total Seaport net position as of September 30, 2011 was $225.6 million, comprising of approximately $201.5 million in net investment in capital assets; approximately $13.2 million in restricted for debt service and unrestricted of approximately $10.9 million.

Table I

SUMMARY STATEMENTS OF NET POSITION
AS OF SEPTEMBER 30,
(IN MILLIONS)

	Fiscal Year 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Capital assets, net	$ 863.1	$ 59.9	$ 803.2	$ 42.3	$ 760.9
Current and other assets	339.8	266.3	73.5	(34.7)	108.2
Total assets	1,202.9	326.2	876.7	7.6	869.1
Long-term liabilities outstanding	930.7	343.5	587.2	(18.0)	605.2
Other liabilities	51.1	(0.2)	51.3	13.0	38.3
Total liabilities	981.8	343.3	638.5	(5.0)	643.5
Net position:					
Net investment in capital assets	210.9	(11.1)	222.0	20.5	201.5
Restricted	14.2	(3.7)	17.9	4.7	13.2
Unrestricted	(4.0)	(2.3)	(1.7)	(12.6)	10.9
Total net position	$ 221.1	$ (17.1)	$ 238.2	$ 12.6	$ 225.6

The decrease in net investment in capital assets from fiscal year 2012 to 2013 can mostly be attributed to depreciation on capital assets, offsetting the capital related debt. The decrease in the restricted category from fiscal year 2012 to 2013 can be attributed to debt payments in accordance with amortization schedule. The decrease in the unrestricted category from fiscal year 2012 to 2013 can be mostly attributed to the decrease in operating income. The increase in net investment in capital assets from fiscal years 2011 to 2012 can be attributed to new construction projects and acquisition of assets. The increase in restricted net assets from fiscal year 2011 to 2012 can be attributed to an increase in the construction fund, offset by scheduled debt payments. The decrease in unrestricted net assets from fiscal year 2011 to 2012 can be mostly attributed to decreases in Seaport's current assets coupled with increases in its current liabilities, as compared with fiscal year 2011.

The Seaport worked closely with its consultants to finalize the Port's 2035 Master Plan, ("the Plan"). The Plan was unveiled in December 2011. The Plan will be a useful roadmap for the Seaport to ensure that it maintains its unique dual distinction as Cargo Gateway of the Americas and Cruise Capital of the World; meets the future demands and expectations of the cargo and cruise industries and that it maximizes the use of its resources.

Table II summarizes the change in the Seaport's net position. Total net position, as of September 30, 2013, was approximately $221.1 million, representing a decrease of approximately $17.1 million from prior year. Total net position, as of September 30, 2012, was approximately $238.2 million, representing an increase of approximately $12.6 million from prior year. The decrease in fiscal year 2013 can be mostly attributed to the Seaport's contribution towards the Port Tunnel project of $29.25 million. The increase in fiscal year 2012 from 2011can be attributed to an increase in net investment in capital assets, partially offset by decreases in the restricted net position.

Table II

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

	Fiscal Year 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Operating revenues					
Cruise wharfage/dockage	$ 50.5	$ 5.3	$ 45.2	$ (1.2)	$ 46.4
Cargo wharfage/dockage	23.9	0.8	23.1	(0.7)	23.8
Container crane user fees	6.6	(1.0)	7.6	(2.3)	9.9
Rentals	13.4	-	13.4	(0.5)	13.9
Ground transportation	1.9	0.1	1.8	(0.1)	1.9
Parking	9.4	1.1	8.3	(0.9)	9.2
Misc. charges and fees	3.5	(0.7)	4.2	0.1	4.1
Total operating revenues	109.2	5.6	103.6	(5.6)	109.2
Investment earnings	0.1	(0.3)	0.4	(0.1)	0.5
Other nonoperating	0.7	-	0.7	(0.1)	0.8
Total revenues	110.0	5.3	104.7	(5.8)	110.5
Operating expenses	66.0	6.4	59.6	(6.2)	65.8
Depreciation	25.9	1.0	24.9	1.4	23.5
Interest expense, net	18.2	(0.5)	18.7	(0.2)	18.9
Other nonoperating expenses	0.2	(1.4)	1.6	1.6	-
Total Expenses	110.3	5.5	104.8	(3.4)	108.2
Net Income (loss) before contributions and transfers	(0.3)	(0.2)	(0.1)	(2.4)	2.3
Net contributions	(16.8)	(29.5)	12.7	6.4	6.3
Transfers out	-	-	-	1.1	(1.1)
Change in net position	(17.1)	(29.7)	12.6	5.1	7.5
Net position at beginning of year	238.2	12.6	225.6	7.5	218.1
Net position at end of year	$ 221.1	$ (17.1)	$ 238.2	$ 12.6	$ 225.6

Operating revenues for fiscal year 2013 were approximately $109.2 million or $5.6 million higher than last fiscal year. The increase can be attributed to increases in cruise and related revenues, cargo and related revenues, ground transportation, parking and miscellaneous charges. The increases in cruise and related revenues, ground transportation and parking are related to increases in passenger cruise activity and tariff rate. The increase in cargo and related revenue and decrease in container crane user fees are mostly attributed to increase in tariff rate, offsetting a decrease in cargo activity. Operating revenues for fiscal year 2012 were approximately $103.6 million or $5.6 million lower than last fiscal year. The decrease can be attributed to decreases in cruise and related revenues, cargo and related revenues, container crane user fees, parking, rentals and ground transportation, partially offset by an increase in miscellaneous charges. The decrease in cargo and related revenues, including container crane user fees can be attributed to a decrease in cargo activity. The decrease in cruise and related revenues is mostly attributed to the decrease in cruise activity and the Port's reserving $1.8 million in accounts receivable due from its one of the cruise operator.

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 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Operating Revenues:					
Cruise wharfage/dockage	$ 50.5	$ 5.3	$ 45.2	$ (1.2)	$ 46.4
Cargo wharfage/dockage	23.9	0.8	23.1	(0.7)	23.8
Container crane user fees	6.6	(1.0)	7.6	(2.3)	9.9
Rentals	13.4	-	13.4	(0.5)	13.9
Ground transportation	1.9	0.1	1.8	(0.1)	1.9
Parking	9.4	1.1	8.3	(0.9)	9.2
Miscellaneous fees and charges	3.5	(0.7)	4.2	0.1	4.1
Total revenues	$ 109.2	$ 5.6	$ 103.6	$ (5.6)	$ 109.2

Operating expenses for fiscal year 2013 increased approximately $6.4 million from the prior year. The major factor attributed to the increase in expenses from fiscal year 2012 to 2013 was the marketing incentive payments made to a cruise operator for home porting a new vessel and an anticipated net increase in passenger activity annually at the Port. Operating expenses for fiscal year 2012 decreased approximately $6.2 million from fiscal year 2011. As a continuation from fiscal year 2011, the Port continued to streamline processes and increase efficiencies to reduce costs. Additionally, employee contributions and concessions, which became effective during fiscal year 2010, carried over to fiscal year 2011 through fiscal year 2013, and have yielded savings for the Seaport.

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 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Operating Expenses:					
Cruise Operations	$ 6.3	$ 0.3	$ 6.0	$ (0.6)	$ 6.6
Cargo Operations	1.3	0.1	1.2	(0.1)	1.3
Maintenance	6.6	0.5	6.1	(0.6)	6.7
Utilities	1.8	(0.4)	2.2	(1.1)	3.3
Marketing and Advertising	1.9	0.8	1.1	0.1	1.0
Gantry Cranes	7.5	1.1	6.4	(0.5)	6.9
Security	15.2	(0.3)	15.5	(3.0)	18.5
General and administration	25.4	4.3	21.1	(0.4)	21.5
Total Operating Expenses	$ 66.0	$ 6.4	$ 59.6	$ (6.2)	$ 65.8

Capital assets and debt administration

Capital assets

The Seaport's total investment in capital assets, net of accumulated depreciation, at September 30, 2013, September 30, 2012 and September 30, 2011 was $863.2 million, $803.2 million and $760.9 million, respectively. This represents an increase of $60.0 million, from fiscal year 2012 to 2013 and also an increase of $42.3 million, from fiscal year 2011 to 2012. The increases for both fiscal years 2012 to 2013 and from 2011 to 2012 can be mostly attributed to costs incurred for various capital construction projects with the Seaport's Master Plan and Multi-year Capital Budget. Additional information in changes in capital assets can be found in Note 4 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 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Land and related costs	$ 210.6	$ -	$ 210.6	$ 0.2	$ 210.4
Buildings, transit sheds and terminals	259.4	(13.6)	273.0	(6.4)	279.4
Machinery and equipment	48.1	(1.7)	49.8	13.9	35.9
Improvements other than buildings	199.2	(6.3)	205.5	15.5	190.0
Construction in progress	145.9	81.6	64.3	19.1	45.2
Totals	$ 863.2	$ 60.0	$ 803.2	$ 42.3	$ 760.9

During fiscal year 2013, several construction projects were completed. These projects include major improvements to certain cargo terminals and related construction, related infrastructure improvements and certain surveillance security projects. Additional construction in progress information can be found in Note 4 to the financial statements. The significant projects under construction in accordance with the Seaport's Master Development program are as follows:

Projects underway

- Construction of new traffic circulation patterns and roadways
- Cargo yard improvements
- Wharf strengthening for dredging
- Rail rehabilitation
- Acquisition, construction, and implementation of cruise terminal and gateway security enhancements
- Dredging to accommodate larger cargo vessels

Debt administration

At September 30, 2013, 2012 and 2011, the Seaport had $932.8 million, $600 million and $616.9 million, respectively, in bonds and loans outstanding. The net increase from fiscal year 2012 to 2013 can be mostly attributed to issuance of the Revenue Bond Series 2013 A and 2013 B, offsetting the refunding of Series 1995 and 1996 Bonds Series with the issuance of Revenue Refunding Series 2013 C and 2013 D Bonds and scheduled annual principal payments. In fiscal year 2013, the net revenues requirements for maximum principal and interest applicable to Revenue Bonds and General Obligation Bonds were not met. When the net revenues requirements are not met, the Master Ordinance 88-66 requires the Seaport to request the Bond Consulting Engineers to make recommendations as to actions the Seaport can take to enable the Seaport to meet the net revenues requirements in the future. The Consulting Engineers have made their recommendations that the Seaport will be able to meet the bond covenants with the increases already included in the Seaport's adopted 2014 budget. The net decrease from fiscal year 2011 to 2012 can be attributed to annual principal payments in accordance with the respective debt payment schedule. Additional long-term debt detail can be found in Notes 5 and 8 to the financial statements.

Table VI

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

	Fiscal Year 2013	Change from Fiscal Year 2012	Fiscal Year 2012	Change from Fiscal Year 2011	Fiscal Year 2011
Seaport general obligation bonds	$ 100.6	$ (5.1)	$ 105.7	$ (5.7)	$ 111.4
Seaport revenue bonds	389.1	346.0	43.1	(5.8)	48.9
Sunshine state loans	321.3	(4.2)	325.5	(3.8)	329.3
Capital acquisition bonds	121.8	(3.9)	125.7	(1.6)	127.3
Totals	$ 932.8	$ 332.8	$ 600.0	$ (16.9)	$ 616.9

In August 2013 (most recent rating available) Moody's Investors Service (Moody's) assigned an underlying rating of A3 with a stable outlook to Miami-Dade County Seaport Department's Revenue Bonds Series 2013A and 2013B, and Revenue Refunding Bonds Series 2013C and 2013D, and all other outstanding Revenue Bonds. The stable outlook is based on the Port's strong competitive position as the world's largest passenger cruise port and key to economy and trade for South Florida. Its location near the Caribbean Sea and the Panama Canal, access to several modes of transportation, and extensive and growing infrastructure are also key stabilizing features.

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 liability from reported and unreported claims is included in Note 11. Other obligations include accrued vacation pay and sick leave, accrued health insurance benefits for retirees, arbitrage liability, and other contingent liabilities.

Economic factors and next year's budget and rates

For the 2013 fiscal year, cargo activity, measured in Twenty Foot Equivalent Units (TEUS) decreased approximately 0.9% from the prior year, compared to an increase of 0.2% in fiscal year 2012. 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 and the Pacific, and Europe.

In 2009 Fiscal Year the Seaport implemented new service incentive rates. The incentive rates have been successful in attracting new services from competitor ports. These new service incentive rates, a slight improvement in the economy, and other contractual incentives programs contributed to the increase in cargo activity throughput. The Port is optimistic that this will continue in the upcoming fiscal year. 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, will increase. Additionally, the new Free Trade Agreements with Colombia, Panama, and South Korea will offer new opportunities to expand international trade and commerce benefitting the Port of Miami and the State of Florida.

For 2014, as long as the U.S. or global economy remains free of shocks, it is expected that the numbers of visitors to Miami-Dade will increase. Passenger levels at Miami International Airport (MIA) increased approximately 1.4% from prior year, compared to an increase of approximately 5.1% in Fiscal Year 2012. During Fiscal Year 2013, approximately 4.08 million passengers came through the Port of Miami. This represents an increase, from Fiscal Year 2012. The Seaport is extremely optimistic and encouraged with the future of the Port. The Seaport is currently underway with three key projects—the Port Tunnel, the reengineering of the port railroad, and the Deep Sea Dredge. Collectively, these projects will allow the Seaport to increase throughput, become more efficient and position itself as a key player in the global marketplace. The new Port tunnel, scheduled to be operational in 2014, will direct traffic off city streets and re-route trucks and other vehicles directly into the heart of port operations. This major enhancement to the region's transportation infrastructure will provide new efficiencies with the goal of doubling cargo traffic over the next decade. Additionally, the Port's re-engineered rail line will be able to reach key distribution centers throughout the U.S. quickly and efficiently. The Deep Sea Dredge will allow access to Post Panamax cargo ships and will position the Port of Miami as a key Port in the global market place. Scheduled for completion to synchronize with the opening of the expanded Panama Canal in 2015, deepening the Port of Miami's waters to -50 feet will allow the largest cargo ships to call the Seaport home. In all, it's predicted that our trio of port enhancements will create thousands of new jobs; making South Florida a true powerhouse in international trade and commerce.

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 2014 includes the necessary increases in order for the Seaport to meets 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

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MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statements of Net Position
As of September 30, 2013 and September 30, 2012

Assets	**2013**	2012
Current assets:		
Pooled cash and cash equivalents	$ **64,566**	$ 125,173
Pooled investments	**25,898,911**	5,242,676
Accounts receivable, less allowance for doubtful accounts of $1,067,510 and $2,970,619 at September 30, 2013 and 2012, respectively	**12,297,478**	8,180,356
Prepaid expenses and other current assets	**3,784,414**	5,020,833
Total current unrestricted assets	**42,045,369**	18,569,038
Restricted assets:		
Current restricted assets:		
Pooled cash and cash equivalents	**1,412,620**	1,686,015
Pooled investments	**27,916,585**	22,644,054
Due from other governments	**2,348,867**	5,063,373
Total current restricted assets	**31,678,072**	29,393,442
Total current assets	**73,723,441**	47,962,480
Noncurrent assets:		
Noncurrent restricted assets		
Pooled investments	**132,058,258**	21,068,658
Advance to other governments	**127,875,519**	—
Total noncurrent restricted assets	**259,933,777**	21,068,658
Capital Assets:		
Land and related costs	**210,572,566**	210,572,566
Buildings, transit sheds, and terminals	**464,488,120**	464,133,500
Improvements other than buildings	**303,610,352**	302,748,759
Machinery and equipment	**79,203,752**	76,143,740
Construction in progress	**145,927,287**	64,290,755
Capital assets, gross	**1,203,802,077**	1,117,889,320
Less accumulated depreciation	**(340,644,185)**	(314,686,544)
Capital assets, net	**863,157,892**	803,202,776
Bond issuance costs, net	**6,139,635**	4,494,584
Total noncurrent assets	**1,129,231,304**	828,766,018
Total assets	**1,202,954,745**	876,728,498

(Continued)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statements of Net Position (continued)
As of September 30, 2013 and September 30, 2012

Liabilities and Net Position	**2013**	2012
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued expenses	$ **6,913,195**	$ 5,485,025
Accrued payroll and related expenses	**917,582**	844,880
Compensated absences	**1,657,649**	1,584,815
Current portion of loans payable	**5,370,000**	4,235,000
Current portion of capital acquisition bonds payable	**3,965,000**	3,900,000
Unearned revenue	**55,493**	35,570
Other liabilities	**—**	3,984,199
Due to other Miami-Dade County funds	**602,027**	1,856,171
Total current liabilities payable from unrestricted assets	**19,480,946**	21,925,660
Current liabilities payable from restricted assets:		
Current portion of revenue and general obligation bonds payable	**11,860,000**	11,255,000
Accrued interest payable	**6,943,256**	7,515,127
Accounts payable and accrued expenses	**9,514,403**	9,385,374
Contracts and retainage payable	**2,039,891**	1,237,941
Due to other Miami-Dade County funds	**565,522**	—
Other liabilities	**755,000**	—
Total current liabilities payable from restricted assets	**31,678,072**	29,393,442
Total current liabilities payable from unrestricted and restricted assets	**51,159,018**	51,319,102
Long-term liabilities:		
Bonds payable, plus net unamortized premium and deferred loss of $12,211,556 at September 30, 2013 and $237,027 September 30, 2012	**490,066,556**	137,287,973
Loans payable, less unamortized deferred loss of $230,453 at September 30, 2013 and $259,518 September 30, 2012	**315,724,547**	321,065,482
Capital acquisition bonds payable, plus unamortized premium of $532,504 at September 30, 2013 and $562,961 September 30, 2012	**118,344,587**	122,340,044
Compensated absences	**4,899,248**	4,496,582
Other post - employment benefit	**791,000**	659,000
Other liabilities	**855,000**	1,330,000
Total long-term liabilities	**930,680,938**	587,179,081
Total liabilities	**981,839,956**	638,498,183
Net Position		
Net investment in capital assets	**210,861,542**	221,980,776
Restricted for debt service and reserve	**11,860,000**	12,646,844
Restricted for construction	**2,348,867**	5,309,898
Unrestricted	**(3,955,620)**	(1,707,203)
Total Net Position	$ **221,114,789**	$ 238,230,315

(Concluded)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statements of Revenues, Expenses and Changes in Net Position
Years ended September 30, 2013 and September 30, 2012

	2013	2012
Operating revenues:		
Cruise wharfage/dockage	$ 50,528,544	$ 45,191,418
Cargo wharfage/dockage	23,931,442	23,089,174
Container crane user fees	6,618,876	7,607,200
Rentals	13,365,430	13,428,135
Ground transportation	1,860,916	1,762,710
Parking	9,374,200	8,304,379
Miscellaneous charges and fees	3,498,086	4,194,964
Total operating revenues	109,177,494	103,577,980
Operating expenses:		
Cruise operations	6,293,032	6,002,364
Cargo operations	1,314,494	1,179,946
Maintenance	6,589,777	6,083,400
Utilities	1,814,096	2,224,854
Marketing and advertising	1,847,836	1,104,449
Gantry cranes	7,532,497	6,356,951
Security	15,210,156	15,488,412
General and administrative	25,409,110	21,109,975
Total operating expenses before depreciation	66,010,998	59,550,351
Operating income before depreciation	43,166,496	44,027,629
Depreciation expense	25,957,641	24,946,797
Operating income	17,208,855	19,080,832
Nonoperating revenues (expenses):		
Investment earnings	152,465	359,177
Interest expense, net of capitalized interest	(18,167,056)	(18,668,064)
Interest subsidy	687,064	718,101
Other, net	(215,970)	(1,623,970)
Total nonoperating revenues (expenses)	(17,543,497)	(19,214,756)
Income (Loss) before capital contributions and special item	(334,642)	(133,924)
Capital contributions - from governments	12,469,116	12,788,820
Special item - Contributions to Port Tunnel Project (Note 5)	(29,250,000)	—
Change in net position	(17,115,526)	12,654,896
Total net position - Beginning	238,230,315	225,575,419
Total net position - Ending	221,114,789	238,230,315

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statements of Cash Flows
Years ended September 30, 2013 and September 30, 2012

	2013	2012
Cash flows from operating activities:		
Cash received from customers and tenants	$ 105,080,297	$ 104,920,751
Cash paid to suppliers	(42,255,678)	(31,547,269)
Cash paid to employees for services	(25,568,875)	(26,218,990)
Net cash provided by operating activities	37,255,744	47,154,492
Cash flows from noncapital financing activities:		
Contribution to fund Port Tunnel project	(29,250,000)	—
Cash flows from capital and related financing activities:		
Advance payment to other government	(130,525,421)	—
Capital grants received	15,183,622	8,473,420
Principal payments:		
Bonds	(11,255,000)	(11,500,000)
Notes and loans	(4,235,000)	(3,710,000)
Capital Acquisition Bonds	(3,900,000)	(1,670,000)
Interest paid	(21,338,159)	(20,165,017)
Interest subsidy received	687,064	718,102
Purchase of capital assets	(78,980,794)	(57,161,202)
Proceeds from bonds	382,650,000	—
Bond premiums	13,200,029	—
Payment to refund Series 1995 and 1996 Bonds	(30,714,577)	—
Bond issuance costs for Series 2013A, 2013B, 2013C and 2013D Bonds	(2,345,608)	—
Net cash (used for) provided by capital and related financing activities	128,426,156	(85,014,697)
Cash flows from investing activities:		
Investments purchased	(185,873,755)	(48,955,388)
Proceeds from sale and maturities of investments	48,955,388	79,183,728
Interest and dividends from investments	152,465	359,177
Net cash (used for) provided by investing activities	(136,765,902)	30,587,517
Net decrease in cash and cash equivalents	(334,002)	(7,272,688)
Cash and cash equivalents (including restricted assets) at beginning of year	1,811,188	9,083,876
Cash and cash equivalents (including restricted assets) at end of year	$ 1,477,186	$ 1,811,188

(Continued)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statements of Cash Flows (continued)
Years ended September 30, 2013 and September 30, 2012

		2013		2012
Reconciliation of operating income to net cash provided by operating activities				
Operating income	$	17,208,855	$	19,080,832
Adjustments to reconcile operating income to net cash				
Depreciation		25,957,641		24,946,797
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable, net		(4,117,122)		1,410,524
(Increase) decrease in prepaid expenses and other current assets		1,236,419		(286,500)
Increase (decrease) in accounts payable, accrued expenses and due to other Miami-Dade County Funds		174,026		1,981,068
Increase (decrease) in accrued payroll and related expenses and compensated absences		145,535		69,490
Increase (decrease) in unearned revenue and other liabilities		(3,884,276)		(67,752)
Increase (decrease) in compensated absences and post - employment benefit		534,666		20,033
Net cash provided by operating activities	$	37,255,744	$	47,154,492

Supplemental disclosure for noncash investing, capital and financing activities:

Construction and related liabilities were $12,119,816 and $10,623,315 for fiscal years ended 2013 and 2012, respectively. Additionally, the Seaport capitalized $2,785,560 and $1,225,006 of interest expense during the same years.

During fiscal year 2013, the Seaport partially refunded the Series 1995 Bonds and Series 1996 Bonds with the issuance of the Series 2013C Bonds and 2013D Bonds and recorded a $1.15 million deferred loss on refunding related to this transaction.

For fiscal years 2013 and 2012, the Seaport did not record or receive any noncash capital contributions. Capital grants receivable were $2,348,867 and $5,053,373 at fiscal year 2013 and 2012, respectively.

For fiscal years 2013 and 2012, the Seaport did not record any changes in fair value of investments due to amounts being immaterial.

(Concluded)

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

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(1) General Description

The Miami-Dade County, Florida Seaport Department (thereafter "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 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.

(2) Summary of significant accounting policies

(a) 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.

(b) 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 separate cash and investment accounts are required 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. Cash includes cash on hand, 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.

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.

(c) 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 $1.07 million and $2.97 million for fiscal years 2013 and

2012, respectively. The Seaport records adjustments to the allowance with an offset to revenue in the Statements of Revenues, Expenses and Changes in Net Position.

(d) Restricted Assets
The use of certain assets is restricted by specific bond covenants and other legal requirements. Assets so designated are identified as restricted assets on the statements of net position.

(e) 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.

(f) Capital Assets and Depreciation
Property and equipment are recorded at cost, except for property contributed by third parties, which is recorded at fair market value at the date of contribution. Expenditures for maintenance, 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 statements of revenues, expenses, and changes in net position.

Capital assets are depreciated over their useful lives unless they are inexhaustible (e.g., land, dredging, and certain individual items or collections with historical or artistic value). The 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:

Asset Type	Useful Life
Buildings and structures	25-50 years
Improvements other than buildings	15-50 years
Machinery and equipment	5-25 years

(g) Interest on Indebtedness
Interest is charged to expense as incurred, except for the amount of interest that is capitalized which is determined by applying the Seaport's weighted average interest rate to the average amount of accumulated expenditures for capital construction during the period and for interest related to tax-exempt borrowings used for construction projects, net of interest earned on those construction funds borrowed, which are capitalized. In fiscal years 2013 and 2012, the Seaport incurred interest expense of approximately $18.2 million and $18.7 million, net of capitalized interest of approximately $2.8 million and $1.8 million, respectively.

(h) Refunding of Debt
For 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 as a component of interest expense 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. The deferred refunding gain/loss amount is reported as an addition/ deduction to/from the applicable debt in the accompanying financial statements.

(i) Debt Premiums, Discounts and Issuance Costs
Discount and premiums on debt and debt issuance costs 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.

(j) Compensated Absences
Seaport accounts for compensated absences by accruing a liability for employees' compensation for future absences according to the guidelines of GASB Statement No. 16, Accounting for Compensated Absences. As of September 30, 2013 and 2012, long-term liabilities for compensated absences were $4.9 million and $4.5 million, respectively. As of September 30, 2013 and 2012, short-term liabilities for compensated absences were $1.7 million and $1.6 million, respectively.

(k) 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 to future years. The County's direct involvement in the Plan is limited to remitting the amounts 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 is not included in Seaport's financial statements.

(l) Revenue and Expense Classifications
Items of income 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:

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.

For fiscal years 2013 and 2012, approximately 79% and 74% of the Port's operating revenues and corresponding receivables are generated from five operators. The following tables summarize the balances for cruise and cargo operators. Amounts are in thousands.

Fiscal year 2013:

Cruise Operator		Revenue	Receivable	Cargo Operator		Revenue	Receivable
Company A		$ 29,608	$ 1,220	Company D		$ 17,334	$ 1,182
Company B		12,570	1,525	Company E		13,257	1,476
Company C		14,113	1,310	Total	**	$ 30,591	$ 2,658
Total	*	$ 56,291	$ 4,055				

Fiscal year 2012:

Cruise Operator		Revenue	Receivable	Cargo Operator		Revenue	Receivable
Company A		$ 26,725	$ 2,150	Company D		$ 15,373	$ 875
Company B		13,267	1,025	Company E		12,838	778
Company C		13,251	1,146	Total	**	$ 28,211	$ 1,653
Total	*	$ 53,243	$ 4,321				

* Includes cruise wharfage/dockage and parking revenues.
** Includes cargo wharfage/dockage and rental revenues and container crane user fees.

(m) 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 (see note 5). 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.

(n) Pension Plan and Postemployment Benefits
The Seaport contributes to the Florida Retirement System, a cost-sharing multi-employer plan. Under GASB Statement No. 27, Accounting for Pensions by State and Local Government Employers, employers that participate in multi-employer defined benefit plans are required to measure and disclose an amount for annual pension costs on an accrual basis of accounting based on contractually required contributions. The Seaport applies GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*, for the measurement, recognition and display of OPEB expenses, liabilities, and assets.

(o) Grants
Grants received for the acquisition or construction of capital assets are recorded as capital contributions in the Statements of Revenues, Expenses and Changes in Net Position when eligibility requirements are met, which is when qualifying eligible cost are incurred.

(p) 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 liabilities 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.

(q) Reclassification
Certain prior year amounts have been reclassified to conform with the current year's presentation.

(r) Net position
Equity in 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. 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.

(s) Unearned revenues
Unearned revenue consists of payments received in advance from customers. Such amounts are recognized as revenue in subsequent periods as they are earned.

(t) Advance to other governments
Advance to other governments are upfront payments made to other governments to fund certain capital improvements projects for the Port. For the fiscal year ending 2013, upfront payments were made to the United States Department of the Army for the dredging of the Port.

(3) Cash, Cash Equivalents, and Investments
The County is responsible for all treasury functions, and pools all cash and investments, except for separate cash and investment accounts which are maintained under legal restrictions. 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". The carrying amounts of Seaport's cash on hand is $1.5 million, pooled current and noncurrent investments held by the County are $27.9 million and $132.1 million, respectively, which represents less than 10% of the County's pooled cash, cash equivalent and investments as of September 30, 2013. (See the County's Comprehensive Annual Financial Report for disclosures relating to its interest rate risk, credit risk, custodial credit risk, and concentration of credit risk).

During fiscal year 2013, Seaport maintained the reserves required by the Master Bond Ordinance (see note 5) and made all transfers and deposits required by the Master Bond Ordinance and other subordinated debt agreements from available operating and nonoperating revenue.

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(4) Capital assets

Capital asset activity for the years ended September 30, 2013 and 2012, are as follows (in thousands):

	Balance at 9/30/11	Additions/ Transfers	Deletions/ Transfers	Balance at 9/30/12	Additions/ Transfers	Deletions/ Transfers	Balance at 9/30/13
Capital assets not being depreciated:							
Land and related costs	$ 210,415	$ 158	$ -	$ 210,573	$ -	$ -	$ 210,573
Construction in progress	45,208	63,897	(44,814)	64,291	82,689	(1,053)	145,927
Total capital assets not being depreciated	255,623	64,055	(44,814)	274,864	82,689	(1,053)	356,500
Capital assets being depreciated:							
Buildings, transit sheds and terminals	456,481	7,652	-	464,133	355	-	464,488
Improvements other than buildings	280,306	22,443	-	302,749	861	-	303,610
Machinery and equipment	58,270	17,874	-	76,144	3,060	-	79,204
Total capital assets being depreciated	795,057	47,969	-	843,026	4,276	-	847,302
Less accumulated depreciation for:							
Buildings, transit sheds and terminals	(177,063)	(14,012)	-	(191,075)	(14,036)	-	(205,111)
Improvements other than buildings	(90,342)	(6,917)	-	(97,259)	(7,158)	-	(104,417)
Machinery and equipment	(22,334)	(4,019)	-	(26,353)	(4,763)	-	(31,116)
Total accumulated depreciation	(289,739)	(24,948)	-	(314,687)	(25,957)	-	(340,644)
Total capital assets being depreciated, net	505,318	23,021	-	528,339	(21,681)	-	506,658
Total capital assets, net	$ 760,941	$ 87,076	$ (44,814)	$ 803,203	$ 61,008	$ (1,053)	$ 863,158

For fiscal years 2013 and 2012, Seaport expensed construction in progress costs totaling $288,024 and $240,939, respectively. These write-offs were recorded as operating expenses in the Statements of Revenues, Expenses and Changes in Net Position.

The following table summarizes the major construction in progress projects for the Port as of September 30, 2013 (dollars in thousands).

Project Description	**Amount**
Dredging to accommodate larger cargo vessels	$ 41,807
Wharf strengthening for dredging	28,625
Cargo yard related improvements	9,239
Security enhancements	8,714
Cruise terminal improvements	22,987
Acquisition of certain gantry cranes	32,798
Total	$ 144,170

(5) Long-term Debt

(a) Bond Covenant Noncompliance

Under the provisions of 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 percent 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 percent of the maximum principal and interest requirements on all revenue bonds for any future fiscal year plus 110 percent 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 percent of the amount required to pay maturing principal and interest semiannually.

The net revenue as defined by the Ordinance, for the previously stated percentages of maximum principal and interest applicable to Revenue Bonds and General Obligation Bonds, was not met in fiscal year 2013. When the net revenue requirement is not met, the Ordinance requires the Seaport to perform certain procedures, including but not limited to, engage and request the bond consulting engineers to make recommendations as to a revision of the rates, fees, rentals, other charges, and any changes in methods of operation the Seaport can take to enable the Seaport to meet the net revenue requirements in the future. Within 30 days of learning of the rate covenant noncompliance, the Seaport engaged a consulting engineer to make recommendations pursuant to section 501 of the Ordinance. The consulting engineers have since provided their report which concluded that the Seaport will be able to meet the bond covenants with the rate increases that went into effect on October 1, 2013, as part of the Seaport's adopted 2014 budget.

Pursuant to section 802(h) of the Ordinance, the Seaport's rate covenant failure does not result in an event of default as defined in the Ordinance, unless at least 10 percent of the aggregate of holders of the bonds provide written notice specifying the defaults and requiring that they are remedied. Section 802(h) further provides that if the notice from holders of the bonds described above is provided to the County, there is no "event of default" under the Ordinance unless the default continues for 30 days after such written notice. Moreover, Section 802(h) provides that if the default cannot be remedied within 30 days, it shall not constitute an "event of default" under the Ordinance if the County shall begin to remedy such default within such 30 day period. As of the date of this report, the Seaport has not received any such notice from the bond holders.

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A summary of the Seaport's long-term debt outstanding as of September 30, 2013 and 2012 is presented in the following table (dollars in thousands):

Description	Year Issued	Interest Rate	Amount Issued	Year of Maturity	Outstanding Balance 2013	Outstanding Balance 2012
Revenue Bonds:						
Series 1995 (Refunding Bonds)	1995	4.60%-6.20%	$ 44,950	2014	$ 5,530	$ 22,795
Series 1996	1996	4.00%-5.50%	29,270	2014	960	20,295
Series 2013 A	2013	4.00%-6.00%	244,140	2043	244,140	-
Series 2013 B	2013	5.00%-6.25%	109,220	2043	109,220	-
Series 2013 C (Refunding Bonds)	2013	2.00%-3.00%	11,825	2016	11,825	-
Series 2013 D (Refunding Bonds)	2013	2.00%-6.00%	17,465	2027	17,465	-
Unamortized net deferred amounts					12,052	(409)
Less: Current portion					(6,490)	(6,140)
Total Long-term Revenue Bonds					394,702	36,541
General Obligation Bonds:						
Series 2011C (Refunding Bonds)	2011	2.00%-5.00%	111,375	2026	100,575	105,690
Unamortized net deferred amounts					160	172
Less: Current portion					(5,370)	(5,115)
Total Long-term General Obligation Bonds					95,365	100,747
Sunshine State Loans:						
Series 2010A	2010	1.21%	112,950	2035	112,950	112,950
Series 2010B	2010	1.19%	112,950	2035	112,950	112,950
Series 2011A (fixed rate)	2011	5.00%	50,105	2021	38,425	42,660
Series 2011B	2011	1.21%	28,500	2032	28,500	28,500
Series 2011C	2011	1.19%	28,500	2032	28,500	28,500
Unamortized net deferred amounts					(230)	(260)
Less: Current portion					(5,370)	(4,235)
Total Long-term Sunshine State Loans					315,725	321,065
Capital Asset Acquisition Bonds:						
Series 2009A	2009	3.00%-5.13%	68,630	2039	65,195	67,700
Series 2010D	2010	7.50%	21,277	2040	21,277	21,277
Series 2010E	2010	3.50%-5.00%	38,050	2030	35,305	36,700
Unamortized premium amount					533	563
Less: Current portion					(3,965)	(3,900)
Total Capital Asset Acquisition Bonds					118,345	122,340
Total long-term debt, net					$ 924,137	$ 580,693

(b) Seaport Revenue Bonds

Seaport Revenue Refunding Bonds, Series 1995 —On September 29, 1995, the County issued $44.9 million of Seaport Refunding Revenue Bonds Series 1995 (Series 1995 Bonds), the proceeds of which, together with other legally available moneys, were used to: (1) prepay $16.9 million of the then outstanding $17.3 million Seaport Revenue Refunding Bonds Series 1988A; (2) prepay $13.3 million of the then outstanding $13.6 million Seaport Revenue Refunding Bonds Series 1988B; (3) prepay $15.6 million of the then outstanding $27.3 million Seaport Revenue Refunding Bonds Series 1990E; and (4) to pay issuance costs. On September 20, 2013, an outstanding principal amount of $12.035 million of the Series 1995 Bonds were refunded with the proceeds from the Seaport Revenue Refunding Bonds Series 2013C. The Series 1995 Bonds are scheduled for payment through 2014.

Seaport Revenue Bonds, Series 1996 —On November 21, 1996, the County issued $29.3 million of Seaport Revenue Bonds, Series 1996 (Series 1996 Bonds). The net proceeds of $28.8 million were used to: (1) pay certain capital improvements costs for the Seaport's passenger terminal facilities; (2) pay issuance costs; (3) and to fund a portion of the Reserve Account Requirement for the Series 1996 Revenue Bonds. On September 20, 2013, an outstanding principal amount of $18.425 million of the Series 1996 Bonds were refunded with proceeds from the Seaport Revenue Refunding Bonds Series 2013D. The Series 1996 Bonds are scheduled for payment through 2014.

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 2013C —On September 20, 2013, the County issued $11.8 million of Seaport Revenue Refunding Bonds, Series 2013C (Series 2013C Bonds). The proceeds of $12.48 million were used to: (1) Refund substantially all of Series 1995 Bonds; (2) and pay issuance costs. As a result of refunding the Series 1995 Bonds with the issuing of the Series 2013C Bonds, the Seaport had a net present value economic gain of $778,129. The debt service for the refunded Series 1995 Bonds was $11.74 million, while the debt service of the refunding Series 2013C Bonds was $12.14 million, a difference of $0.4 million. The Series 2013C Bonds are scheduled for payment through 2016.

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. As a result of refunding the Series 1996 Bonds with the issuing of the Series 2013D Bonds, the Seaport had a net present value economic gain of approximately $1.2 million. The debt service for the refunded Series 1996 Bonds was $17.83 million, while the debt service of the refunding Series 2013C Bonds was $18.58 million, a difference of $0.75 million. The Series 2013D Bonds are scheduled for payment through 2027.

(c) 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 or 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. As a result of refunding the Series 1996 G.O. Refunding Bonds with the issuing of the Series 2011C Bonds, the Seaport had a net present value economic gain of $13.7 million. The debt service for the refunded Series 1996 G.O. Bonds was $177.3 million, while the debt service of the refunding Series 2011C Bonds was $155.2 million, a difference of $22.1 million. The series 2011C G.O. Refunding Bonds are scheduled for payment through 2026.

(d) Loans Payable and Sunshine State Governmental Finance Commission

The 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.

(e) Sunshine State Loans

The 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 to be paid solely from available Seaport revenue; accordingly, the debt has been reflected in the accompanying financial statements.

Series 2010A and 2010B Bonds

The Sunshine State Commission established a Multimodal Program on December 30, 2010, and issued bonds on the County's behalf as multimodal bonds in a variable rate mode with a weekly interest rate reset (the "Series 2010A Bonds & Series 2010B Bonds"). The proceeds of the bonds were lent to the County pursuant to a loan agreement (the "2010 Loan Agreement") and used to replace $226 million of the previously issued commission Series L Loans. The Commission and JPMorgan have entered into a Letter of Credit Reimbursement Agreement to provide a LOC to secure the Series 2010A Bonds & Series 2010B Bonds in the amount of $226 million, plus interest, for a term of three years to expire December 30, 2013. On December 19, 2013, the Commission entered into a new Letter of Credit Reimbursement Agreement with the Bank of New York Mellon. See Note 15 of the Notes to the Financial Statements. As of September 30, 2013, no draw had been made against the LOC.

In the event that the LOC is not renewed and a replacement LOC is not provided, the Seaport shall prepay the loan in full by paying the then applicable prepayment price in the amount of approximately $226 million.

Series 2011A Bonds (fixed rate)

On March 30, 2011, the Commission priced a new series of bonds under the Multimodal Program in the amount of $248 million (the "Series 2011A Bonds"). The Series 2011A Bonds are fixed rate bonds with a final maturity of 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 (the "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.

Series 2011B and 2011C Bonds

On April 14, 2011, the Commission entered into a Letter of Credit Reimbursement Agreement with JPMorgan to provide a LOC in the amount of $58 million plus interest for a term of two years to expire on December 30, 2013. The Commission issued additional Multimodal Program bonds in the amount of $57 million (the "Series 2011B" & Series "2011C Bonds") to replace the County's Series L Loans in the amount of $57 million. The Series 2011B&C Bonds were issued as multimodal variable rate bonds, with interest to be reset weekly. The JPMorgan letter of credit will provide liquidity and credit enhancement pursuant to the Letter of Credit and Reimbursement Agreement with JPMorgan. The Series 2011B&C Bonds closed on April 14, 2011, concurrently with the Series 2011A Bonds. See Note 5 (a) for a listing of the Sunshine State Loan balances that have been presented as a long-term liability of Seaport at September 30, 2013. As of September 30, 2013, no draw had been made against the LOC. For further information related to redemption of Series 2011B and Series 2011C Bonds subsequent to year end, see Note 15 to the financial statements.

(f) Capital Asset Acquisition Bonds

Capital Asset Acquisition Bonds, Series 2009A —On September 3, 2009, the County issued $69 million of Capital Asset Acquisition Special Obligation Bonds, Series 2009A (Series 2009A Bonds). The total proceeds of approximately $69 million were used to: (1) pay certain capital improvements costs for Seaport's passenger terminal facilities, dredging projects, and other improvements; (2) pay issuance costs; (3) and to fund the Reserve Account Requirement for the Series 2009A Bonds. Net proceeds received by Seaport after funding required reserves and paying issuance costs were approximately $67.5 million. The Series 2009A Bonds are scheduled for payment through the year 2039.

Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D - On December 15, 2010, the County, on behalf of the Seaport issued $40.3 million of Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D ("Series 2010D Bonds"). Of the $40.3 million proceeds, $21.3 million was allocated to the Seaport. The purposes for issuing the Series 2010D Bonds were 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 are 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.

(g) Letter of Credit and Special Item

On July 24, 2007, the Board of County Commissioners (the Board), adopted Resolution R-889-07 approving the Master Agreement which required the County to participate in the development of the Port Tunnel. One of the Seaport's commitments towards the tunnel project was to provide an irrevocable letter of credit (LOC) to fund its share of a $150 million Geotechnical and Relief Contingency Reserve. The Seaport's maximum share of the Geotechnical and Relief Contingency Reserve is $75 million. The Geotechnical and Relief Contingency Reserve are to be used first to pay any unforeseen geotechnical costs associated with the digging of the tunnel and with respect to the County, certain other relief events.

On September 25, 2009, the County entered into a LOC Reimbursement Agreement with Wells Fargo Bank, National Association (the Bank) in the amount of $75 million to fund the County's (Seaport) share of the Geotechnical and Relief Contingency Reserve if needed. The LOC automatically extended for an additional one year effective September 25, 2010 and each September 25th thereafter unless the Bank shall have notified the County in writing at least 120 days prior to such date and the Beneficiary in writing at least 30 days prior to such date, as from time to time extended pursuant to the terms of the LOC, that the Bank will not extend such applicable expiration date.

In connection with the Florida Department of Transportation (FDOT) administered Port Tunnel Project, and under the terms of the Concessionaire's (contractor) construction agreement with FDOT, FDOT and the Tunnel Concessionaire came to an agreement that required FDOT to make additional contributions totaling $58.5 million toward construction of the Port Tunnel from the Geotechnical and Contingency Reserve. The additional contributions will pay costs associated in addressing unforeseeable subsurface geologic conditions encountered by the Concessionaire in the project area that were materially different from the subsurface conditions previously disclosed or described by FDOT.

Seaport's share of the additional contributions of $29.25 million (50% of the $58.5 million additional contributions) was paid in fiscal year 2013, in accordance with the terms of the Port Tunnel Master Agreement. On January 30, 2013, FDOT received $29.25 million from Seaport's LOC to fund Seaport's share of the additional contributions from the Geotechnical and Contingency Reserve. The Seaport recorded this payment as a Special Item - Contribution to Port Tunnel Project, in the Statements of Revenues, Expenses and Changes in Net Position. In fiscal year 2013, the Concessionaire was pursuing several new relief event claims totaling approximately $4 million against FDOT, which would expose the County to approximate of $2 million based on the original LOC agreement. These new relief claims were being evaluated by FDOT and no final outcome was made. In the event the County is obligated for this new relief claims, the Count would use the LOC to pay FDOT its share.

On September 20, 2013, the Seaport used a portion of the Series 2013A bonds proceeds to pay off the outstanding LOC balance in the amount of $29.25 million plus interest of approximately $714,795. As of September 30, 2013, there was $49.75 million available to be drawn on the LOC to fund future commitments for Geotechnical and Contingency Reserves in connection with the Port Tunnel project.

On September 25, 2014, any outstanding balance drawn on the LOC will be converted to a term loan. The principal and interest on the term loan will be payable on September 25, 2015 and annually thereafter on each September 25th through September 25, 2019. The first of four principal payments shall be equal to one tenth of the term loan amount and the final installment shall be equal to the balance of the term loan. The outstanding balance of the term loan will bear interest at the effective base rate plus two percent per annum.

As part of the Seaport's additional funding commitment to the tunnel project, a contribution of $180 million (including accrued interest) will be paid to the FDOT, 10 days prior to the anticipated substantial completion date of May 2014. Included in the Seaport's capital plan is the issuance of additional debt in fiscal year 2014 to fund this contribution.

(intentionally left blank)

(h) Debt Service Requirements

The Seaport's debt service requirements to maturity by type, assuming the bonds are remarketed and the LOC is renewed and is extended through fiscal year 2043, including the current portion, at September 30, 2013, are as follows (in thousands):

Year Ending September 30,	Revenue Bonds	G.O. Bonds	Sunshine State Loans **	Cap. Acq. Bonds	Total
Principal					
2014	$ 6,490	5,370	$ 5,370	3,965	$ 21,195
2015	6,875	5,610	5,360	4,025	21,870
2016	7,050	5,830	15,015	4,085	31,980
2017	1,095	6,070	11,055	4,150	22,370
2018	6,840	6,320	12,085	4,215	29,460
2019-2023	39,225	36,015	63,810	22,440	161,490
2024-2028	50,470	35,360	86,910	25,185	197,925
2029-2033	66,380	-	105,720	23,361	195,461
2034-2038	87,675	-	16,000	23,018	126,693
2039-2043	117,040	-	-	7,333	124,373
Total	389,140	100,575	321,325	121,777	932,817
Interest					
2014	11,188	4,379	5,088	6,460	27,115
2015	21,019	4,133	4,873	6,284	36,309
2016	20,850	3,904	4,598	6,117	35,469
2017	20,728	3,658	4,126	5,947	34,459
2018	20,559	3,395	3,852	5,767	33,573
2019-2023	97,522	12,433	15,046	25,823	150,824
2024-2028	85,839	3,189	10,422	20,197	119,647
2029-2033	69,469	-	4,155	13,584	87,208
2034-2038	47,408	-	262	6,803	54,473
2039-2043	17,317	-	-	675	17,992
Total	411,899	35,091	52,422	97,657	597,069
Principal and Interest					
2014	17,678	9,749	10,458	10,425	48,310
2015	27,894	9,743	10,233	10,309	58,179
2016	27,900	9,734	19,613	10,202	67,449
2017	21,823	9,728	15,181	10,097	56,829
2018	27,399	9,715	15,937	9,982	63,033
2019-2023	136,747	48,448	78,856	48,263	312,314
2024-2028	136,309	38,549	97,332	45,382	317,572
2029-2033	135,849	-	109,875	36,945	282,669
2034-2038	135,083	-	16,262	29,821	181,166
2039-2043	134,357	-	-	8,008	142,365
Total	$ 801,039	$ 135,666	$ 373,747	$ 219,434	$ 1,529,886

** Series 2010A & B loans in the amount of $95.2 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 designated 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 in Note 5(e) for the Sunshine State Loans. The average interest rate at year end on the State Loans was 1.2%.

On December 19, 2013, the Commission and the Bank of New York Mellon entered into new Letter of Credit Reimbursement Agreements to provide LOC's to secure the principal amounts (variable rate bonds) for Series 2010 A&B bonds of approximately $95.2 million for a term of 3 years and expire on December 2016. In the event that the LOCs for the variable rate Series 2010A&B Bonds are not renewed and replacement LOCs are not provided by the expiration date of December 2016, Seaport shall prepay the loans in full by paying the then applicable prepayment price in the amounts of approximately $95.2 million.

(6) Defeasance of Debt
At September 30, 2013 and 2012, there were no defeased bonds outstanding.

(7) 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 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 20 years.

Future minimum lease income under the operating leases (with initial or remaining lease terms in excess of one year) as of September 30, 2013 are summarized in the table below (in thousands):

Year ending September 30,	Annual Operating Lease Income
2014	$ 12,167
2015	9,792
2016	9,385
2017	9,240
2018	8,939
2019-2023	41,484
2024-2028	19,838
2029-2032	3,422
Total rental income	$ 114,267

Rental income was $13.4 million for both fiscal years 2013 and 2012. At September 30, 2013, 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	38,476,416	33,954,700	$ 4,521,716
Total	$ 123,781,847	$ 33,954,700	$ 89,827,147

(8) Long-term Obligation Activity

Changes in long-term obligations for the year ending September 30, 2013 are as follows (in thousands):

	Balance at 9/30/12	Increase	Decrease	Balance at 9/30/13	Due within One year
Bonds and loans payable:					
Revenue bonds	$ 43,090	$ 382,650	$ 36,600	$ 389,140	$ 6,490
General obligation bonds	105,690	-	5,115	100,575	5,370
Sunshine State loans	325,560	-	4,235	321,325	5,370
Capital acquisition bond	125,677	-	3,900	121,777	3,965
Unamortized discounts and premium and deferred amounts, net	66	12,463	14	12,515	-
Total	600,083	395,113	49,864	945,332	21,195
Other liabilities:					
Compensated absences	6,081	2,470	1,994	6,557	1,658
Other Post-employment benefits	659	132	-	791	-
Other liabilities	1,330	300	20	1,610	755
Total	8,070	2,902	2,014	8,958	2,413
Total long-term liabilities	$ 608,153	$ 398,015	$ 51,878	$ 954,290	$ 23,608

Changes in long-term obligations for the year ending September 30, 2012 are as follows (in thousands):

	Balance at 9/30/11	Increase	Decrease	Balance at 9/30/12	Due within One year
Bonds and loans payable:					
Revenue bonds	$ 48,905	$ -	$ 5,815	$ 43,090	$ 6,140
General obligation bonds	111,375	-	5,685	105,690	5,115
Sunshine State loans	329,270	-	3,710	325,560	4,235
Capital acquisition bond	127,347	-	1,670	125,677	3,900
Unamortized discounts and premium and deferred amounts, net	19	90	43	66	-
Total	616,916	90	16,923	600,083	19,390
Other liabilities:					
Compensated absences	6,163	2,012	2,094	6,081	1,585
Other Post-employment benefits	565	94	-	659	-
Other liabilities	-	1,330	-	1,330	-
Total	6,728	3,436	2,094	8,070	1,585
Total long-term liabilities	$ 623,644	$ 3,526	$ 19,017	$ 608,153	$ 20,975

(9) Restricted Assets

Restricted assets represent bond proceeds and other cash, cash equivalents, and investments required to be restricted for debt service and maintenance and improvements under the terms of outstanding bond and other contractual agreements. Assets restricted for debt service are for the payment of bond 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 bond and other contractual agreements, assets were restricted for the following purposes (in thousands):

	Year 2013	Year 2012
Debt service and reserve	**$ 117,720**	$ 31,926
Capital grants receivable	**2,349**	5,063
Improvement and construction	**171,543**	13,473
Total	**$ 291,612**	$ 50,462

(10) Employment Benefits

(a) Pension Plan

Seaport, as a department of the County, participates in the Florida Retirement System (the "FRS"), a cost-sharing, multi-employer retirement plan, which covers substantially all of the Seaport's full-time and part-time employees. The FRS was created in 1970 by consolidating several employee retirement systems. The FRS is noncontributory and is administered by the State of Florida. All eligible employees as defined by the State who were hired after 1970, and those employed prior to 1970, which elect to be enrolled, are covered by FRS.

The Florida Legislature created a new defined contribution program that was added to the menu of choices available to FRS members beginning in June 2002. Formally created as the Public Employee Optional Retirement Program (PEORP), the FRS Investment Plan is available as an option for all current and future FRS members, including renewed members (FRS retirees who have returned to FRS employment). The FRS Investment Plan is a defined contribution plan, in which the monthly contribution rate is fixed, the final benefit will be the total account value (contributions plus investment earnings less expenses and losses) distributed during retirement. Benefits under the plan vest after six years of service. Employees who retire at or after age 62, with six years of credited service, are entitled to an annual retirement benefit, payable monthly. The FRS also provides for early retirement at reduced benefits and death and disability benefits. These benefit provisions and all other requirements are established by State of Florida statutes.

Pension costs for the County (including Seaport) as required and defined by the FRS ranged between 6.95% to 19.06%, 5.18% to 14.90%, and 4.91% to 14.10% of gross salaries for fiscal years 2013, 2012 and 2011, respectively. For the fiscal years ended September 30, 2013, 2012 and 2011, the County contributed 100 percent of the annual required contributions. These contributions aggregated $171 million, $152 million, and $265 million, respectively, which represents 8.71%, 7.6% and 13.0% of covered payroll, respectively, and 8.17%, 7.7% and 7.2% of the total contributions required of all participating agencies for fiscal years 2013, 2012 and 2011. The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. Employer contributions rates are established by state law as a level percentage of payroll (Chapter 121.70 Florida Statutes).

Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature. Pension costs of the Seaport for the years ended September 30, 2013, 2012, and 2011, as required and defined by the FRS were $1.3 million, $1.1million, and $2.7 million, respectively. These amounts are included in operating expenses in the accompanying Statements of Revenues, Expenses and Changes in Net Position.

The complete financial report of the FRS may be obtained by writing to Division of Retirement, P.O. Box 9000, Tallahassee, Florida, 32315-9000; or by contacting Research & Education by email at rep@dms.myflorida.com or by phone toll-free at 877-FRS-1FRS (877-377-1737), at 850-488-5706 in the Tallahassee local calling area, or at SUNCOM 278-5706.

(b) Postemployment Benefits Other than Pensions

In accordance with the requirements of Governmental Accounting Standards Board Statement 45 (GASB 45) 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 be disclosed in order to accurately account for the total future cost of OPEB and the financial impact on the County. 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 ("the BCC"), 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 FRS and pay required contributions.

Regular Class (All employees not identified as members of the Special Risk Class)

Eligibility for Unreduced Pension Benefits under FRS
- Age 62 with 6 years of service
- 30 years of service (no age requirement)

Eligibility for Reduced Pension Benefits under FRS
- 6 years of service (no age requirement)

Special Risk Class (Police Officers, Firefighters and Corrections Officers)

Eligibility for Unreduced Pension Benefits under FRS
- Age 55 with 6 years of special risk service
- 25 years of special risk service (no age requirement)
- Age 52 and 25 years of creditable service, including special risk service and up to maximum of 4 years of active duty wartime military service credit
- Regular Class criteria

Eligibility for Reduced Pension Benefits under FRS
- 6 years of service (no age requirement)

Benefits:
The medical plans offered provide hospital, medical and pharmacy coverage. Pre-65 retirees are able to select from five medical plans as follows.
- AvMed POS
- AvMed HMO High Option
- AvMed HMO Low Option

- JMH HMO High Option
- JMH HMO Low Option

Post-65 retirees are able to select from five medical plans as follows. The County only contributes to post-65 retirees electing an AvMed Medicare Supplement Plan.

- AvMed Medicare Supplement Low Option
- AvMed Medicare Supplement High Option with RX
- AvMed Medicare Supplement High Option without RX
- JMH HMO High Option
- JMH HMO Low Option

Number of Covered Participants for the overall County:

Actives	31,284
Retirees under age 65	2,746
Eligible spouses under age 65	812
Retirees age 65 and over	586
Eligible spouses age 65 and over	93
Total	35,521

Funding Policy. The County contributes to both the pre-65 and post-65 retiree medical coverage. Retirees pay the full cost of dental coverage. Medical contributions vary based on plan and tier. For pre-65 retirees, the County explicitly contributed an average of 21% of the cost for the AvMed POS plan, 41% for the AvMed HMO High and AvMed HMO Low plans in fiscal year 2008. The JMH HMO plans receive no explicit contribution. However, it is the County's policy that after fiscal year 2008 its per capita contribution for retiree health care benefits will remain at the 2008 dollar level.

The pre-65 retirees also receive an implicit subsidy from the County since they are underwritten with the active employees. The implicit contribution is approximately 5% of the cost. The pre-65 cost is approximately 57% greater than the combined pre-65 and active cost. The post-65 retiree contributions also vary by plan and tier. For fiscal years 2013 and 2012, the Seaport contributed $264,000 and $287,000 to the plan, respectively.

The postretirement medical and dental benefits are currently funded on a pay-as-you go basis (i.e., Miami-Dade County funds on a cash basis as benefits are paid). No assets have been segregated and restricted to provide postretirement benefits.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The methodology used to determine the Seaport's Annual OPEB cost and Net OPEB Obligation was based on its number of employees proportionate to the County's total eligible employees. Seaport's proportionate share of the total County's Annual OPEB cost and Net OPEB Obligation was approximately 1.5% for both fiscal years 2013 and 2012, respectively.

The Seaport's annual OPEB costs for the fiscal years 2013 and 2012, and the related information for the plan are as follows (dollar amounts in thousands):

	Fiscal year 2013	Fiscal year 2012
Annual required contribution	$ 398	$ 381
Interest on net OPEB obligation	29	25
Adjustment to annual required contribution	(31)	(25)
Annual OPEB cost	396	381
Contributions made	(264)	(287)
Increase in net OPEB obligation	132	94
Net OPEB obligation-beginning of year	659	565
Net OPEB obligation-end of year	$ 791	$ 659

The Seaport's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2013 and two preceding years are as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2013	$ 398	66.6%	$ 791
9/30/2012	$ 381	75.5%	$ 659
9/30/2011	$ 428	68.7%	$ 565

Funded Status and Funding Progress. The schedule below shows the County's balance of the actuarial accrued liability (AAL) as of October 1, 2012, the most recent actuarial valuation date. The funding status and funding progress was not determined separately for Seaport. The AAL was unfunded as of September 30, 2013 (dollar amounts in thousands).

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2012 *	$ -	$ 424,244	$ 424,244	0%	$ 2,145,780	20%

* Rolled forward from 10/1/2011 valuation

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions by the County are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information (RSI) following the notes to the financial statements, provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The actuarial cost method used in the valuation to determine the Actuarial Accrued Liability (AAL) and the Actuarial Required Contribution (ARC) was the Projected Unit Credit Method with service prorated. Under this method, the total present value of benefits is determined by projecting the benefit to be paid after the expected retirement date (or other event) and discounting those amounts to the valuation date. The normal cost is computed by dividing the total present value of benefits by the participant's total service (actual plus expected service) at retirement. The AAL under this method represents the total present value of benefits multiplied by the ratio of the participant's actual service to date and divided by expected service at retirement. The AAL for participants currently receiving payments and deferred vested participants is calculated as the actuarial present value of future benefits expected to be paid. No normal cost for these participants is payable. The AAL and normal costs were calculated at the measurement date, which is the beginning of the applicable fiscal year using standard actuarial techniques.

The following summarizes other significant methods and assumptions used in valuing the AAL and benefits under the plan.

Actuarial valuation date	10/01/2012
Amortization method	Level percentage of payroll, closed, over 30 years
Remaining amortization periods	25 years
Actuarial assumptions:	
Discount rate	4.4%
Inflation rate	3.0%
Payroll growth assumption	3.0%
Health care cost trend period	Grades down over six years by 0.5% per year
Health care cost trend rates	8.0% initial to 5.0% ultimate
Mortality table	RP 2000 Projected to 2015 using Scale AA

Further, the valuation assumes that the County will continue to fund the liability on a pay-as-you-go basis and that the County's policy is that its per-capita contribution for retiree benefits will remain at the 2008 level. As a result, the retiree contributions will be increased to the extent necessary so that they are sufficient to provide for the difference between the gross costs and the fixed County contributions.

The Seaport recorded $264,000 and $287,000 of contributions for fiscal years 2013 and 2012, respectively in operating expenses of the Statements of Revenues, Expenses and Changes in Net Position. Additionally, the Seaport recorded $791,000 and $659,000 as a Net OPEB liability as of fiscal years end 2013 and 2012, respectively, in the Statements of Net position, under Other long-term liabilities.

(11) Risk Management

The County's Risk Management Division (the "RMD") administers workers' compensation and 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. During fiscal years 2013 and 2012 there were no property damage claims at the Seaport that exceeded the commercial coverage.

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 years ended September 30, 2013 and 2012, the Seaport incurred approximately $2.1 million and $1.9 million in insurance premium costs, respectively.

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 recorded in the County's internal service fund as a liability.

(12) Due from other governments

The Seaport has received state and federal grants for various cruise and cargo improvements including a harbor-dredging project. As of September 30, 2013 and 2012, total receivables for reimbursement of grant expenditures incurred were $2.3 million and $5.1 million, respectively. State grant receivables as of September 30, 2013 and 2012, totaled $2.0 million and $1.2 million, respectively, and are invoiced to the granting agency upon payment by the Seaport to the contractor. Federal grant receivables as of September 30, 2013 and 2012 were $0.3 million and $3.9 million, respectively, and are invoiced to the granting agency upon payment by the Seaport to the contractor. The receivables are recorded as Due from other governments in the Statements of Net position.

(13) Related-party transactions

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 $19.8 million and $19.1 million for the fiscal years ended September 30, 2013 and 2012, respectively.

The following table on the next page presents a list of providers of services and respective charges for the fiscal years ended September 30, 2013 and 2012 (in thousands):

	2013	2012
Audit and Management Services	**$ 330**	$ 330
Fire Services	**2,684**	2,514
Fleet Management	**754**	718
General Fund Charges	**2,280**	2,500
Information Technology	**1,705**	1,757
Police Services	**7,713**	6,946
Public Works Services	**50**	-
Miami-Dade Water and Sewer	**2,080**	1,598
Other	**2,212**	2,710
Total	**$ 19,810**	$ 19,073

Amounts due to the County for the fiscal years ended September 30, 2013 and 2012 were $0.6 million and $1.9 million, respectively. General Fund Charges above represent the Seaport's pro-rata share of expenses incurred by certain General Fund departments (i.e. General Services Administration, County Attorney's Office, Office of Management and Budget, Information Technology Department, Finance Department), on behalf of the Seaport.

(14) Commitments, Contingencies and Guarantees

(a) Cruise and Cargo Terminal Usage Agreements and Terminal Operating Agreement

The Board approved various resolutions authorizing the County Manager to execute terminal usage agreements with the Port's major cruise lines (the "Lines") and cargo terminal operators. These agreements provide certain wharfage and dockage incentive discounts from the published Tariff in return for minimum annual revenue guarantees and preferential berthing arrangements at certain terminal facilities. The cargo terminal operator agreement also provides for container yard improvements and reduced reefer rates.

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

Year Ending September 30,	Cruise Lines	Cargo Operators
2014	$ 51,572	$ 28,019
2015	56,321	39,119
2016	58,591	40,606
2017	58,792	42,167
2018	60,353	43,803
2019-2023	98,302	246,159
2024-2028	-	300,959
2029-2030	-	139,112
Totals	$ 383,930	$ 879,946

(b) Consent Order

During fiscal year 2002, the Miami-Dade County Board of County Commissioners authorized the County Manager to execute a Consent Order between the State of Florida Department of Environmental Protection ("FDEP") and Miami-Dade County for settlement of Miami Harbor dredging permit violations committed by the Seaport's former dredging contractor. Accordingly, the Seaport recognized an expense and related liability in fiscal year 2002 in the amount of $2.5 million. In fiscal year 2009, the Seaport paid $2.3 million to partially satisfy the Consent Order. As of November 9, 2012 FDEP officially closed the Consent Order and there is no liability. The Seaport continues to monitor the mitigation work already done. The Seaport is in year four of a five year mitigation monitoring program.

(c) 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 County or its officials in such capacity, are adequately covered by the County's self-insurance program or will not have a material adverse effect upon the financial position of the Seaport. During fiscal year 2010, the Port accrued a litigation settlement claim of $3,984,199 and included such liability in the Statements of Net Position and recorded a loss under Nonoperating expenses, in the Statements of Revenues, Expenses and Changes in Net Position. In fiscal year 2013, the Seaport paid the settlement claim to the Plaintiff in the amount of $3,984,199 plus interest of approximately $28 thousand. In December 2013, the Plaintiff filed for approximately $3 million in attorney's fees and $70,000 in court costs. The County opposed both applications as being unreasonably excessive as to the amounts sought, which the Plaintiff is entitled to reasonable and necessary fees and costs, still to be determined by the district court. Also during fiscal year 2013, a contractor for the installation of certain passenger gantry bridges had submitted approximately $568,860 in extra work claims, which the outcome cannot be determined.

(d) Federal and State Grants

Federal grant awards are subject to audit in accordance with OMB Circular A-133 to determine compliance with the terms and conditions of the grant awards. State of Florida grant awards are subject to audit by the respective Florida grantor agencies. It is management's opinion that no material liabilities will result from any such audits.

(e) Construction

Seaport had contractual commitments of $45.1million for the construction of cruise and cargo improvements, other port-wide infrastructure improvements, and certain other asset acquisitions at September 30, 2013.

(f) Phase III Dredging

In July 2012, the Board approved a resolution authorizing a Project Partnership Agreement between Miami-Dade County ("County") and the United States Department of the Army ('Army") for the construction of the -50 feet 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, is estimated to be in the range of $180 to $220 million. In fiscal year 2013, the Seaport made advance payments to the Army of approximately $130.5 million to fund the project. The bond proceeds were used to fund $110 million of the $130.5 million advance payment made to the Army. As of September 30, 2013, work completed against the advance was $2.6 million, leaving an unspent balance of approximately $127.9 million. The unspent balance of $127.9 million is recorded as an advance to other government on the Statement of Net Position as of September 30, 2013. In connection with the project, the County also entered into grant agreements with the Florida Department of Transportation (FDOT) to receive approximately $108.7 million of funding from FDOT to reimburse the County for a portion of the cost incurred on the project and to fund the additional amounts required to complete the project. In October 2013, FDOT advance funded approximately $83 million of the grant amount.

The current estimated project cost is expected to be funded by the County and FDOT in the following amounts (in millions), as of September 30, 2013:

Contributors	Amounts
County	$ 81.5
FDOT	108.7
Total	$ 190.2

Any cost incurred in excess of the amounts listed in the table above, are expected to be funded by issuance of debt.

(15) Subsequent Event

On December 19, 2013, the Sunshine State Commission issued new Multimodal Revenue Bonds Series 2010A-1 and Series 2010B-1 in the amount of $135 million which was used to: (a) Redeem the Series 2010A Bonds maturing from 2016 through 2028 for $65 million; (b) Redeem the Series 2010B Bonds maturing from 2016 through 2024 for $61 million; (c) Reimburse the Letter of Credit (LOC) draw of $4.6 million with regards to the Multimodal Revenue Bonds Series

2010B maturing 2025; (d) Redeem the Series 2010A Bonds and Series 2010B Bonds maturing from 2029 through 2035 for $2.8 million; and (e) pay issuance costs of $852 thousand. By issuing these new bonds, the principal amounts of Series 2010A Bonds and Series 2010B Bonds were converted from a weekly rate reset period (variable rate) to a long term interest rate period (fixed rate). On December 19, 2013, the Commission and the Bank of New York Mellon entered into new Letter of Credit Reimbursement Agreements to provide LOC to secure the principal amounts (variable rate bonds) of approximately $95.2 million for a term of 3 years and expire on December 2016.

On February 27, 2014, the Sunshine State Commission which issued new Multimodal Revenue Bonds Series 2011B-1 and Series 2011C-1 in the amount of $61million which was 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 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. By issuing these new bonds, the combine principal amounts of Series 2011B Bonds and Series 2011C Bonds of $57 million were converted from a weekly rate reset period (variable rate) to a long term interest rate period (fixed rate).

The debt service requirements to maturity for the Multimodal Revenue Bonds (fixed rate) Series 2010A-1, 2010B-1, 2011B-1 and 2011C-1 are as follows (in thousands):

Year Ending September 30,	Principal	Interest	Total
2014	$ -	$ 5,455	$ 5,455
2015	-	8,553	8,553
2016	7,260	8,553	15,813
2017	7,270	8,262	15,532
2018	7,920	8,011	15,931
2019-2023	51,820	34,197	86,017
2024-2028	82,250	20,031	102,281
2029-2033	26,480	3,239	29,719
Total	$ 183,000	$ 96,300	$ 279,300

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REQUIRED SUPPLEMENTARY INFORMATION

Miami-Dade County, Florida Seaport Department
Required Supplmentary Information
Schedule of Funding Progress
For the Retiree Health Plan
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2012	**$ -**	**$ 424,244**	**$ 424,244**	**0%**	**$ 2,145,780**	**20%**
10/1/2011	$ -	$ 418,581	$ 418,581	0%	$ 2,155,921	19%
10/1/2010	$ -	$ 297,218	$ 297,218	0%	$ 1,620,593	18%

For information regarding plan contributions, rates, assumptions, and amortization method, see Note 10.

STATISTICAL SECTION

Statistical Section

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 63-64)

Revenue Capacity

These schedules contain information to assist readers assess the variables affecting the Department's revenue capabilities. (Page 65)

Debt Capacity

These schedules contain information to assist readers assess the Department's debt burden and its ability to issue new debt. (Pages 66-69)

Demographic and Economic Information

These schedules contain demographic and economic information to assist readers understands the environment within which the Department's financial activities take place. (Pages 70-73)

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 74-75)

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)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Operating revenues	$ 74,576	$ 80,360	$ 82,113	$ 84,568	$ 94,698	$ 100,057	$ 104,085	$ 109,146	$ 103,578	$ 109,177
Investment earnings	2,407	2,350	3,815	3,100	960	247	414	512	359	153
Other nonoperating	1,640	-	21,350	-	2,734	-	-	810	718	687
Total revenues	78,623	82,710	107,278	87,668	98,392	100,304	104,499	110,468	104,655	110,017
Operating expenses	49,011	53,180	61,210	64,021	61,579	68,999	66,335	65,836	59,550	66,011
Depreciation	15,188	14,872	16,132	17,927	19,863	20,790	22,995	23,548	24,947	25,958
Interest expense	18,516	19,113	23,938	25,280	22,409	19,448	16,961	18,901	18,668	18,167
Other nonoperating expenses	1,643	1,474	289	12,359	-	166	4,193	1,072	1,624	216
Total expenses	84,358	88,639	101,569	119,587	103,851	109,403	110,484	109,357	104,789	110,352
Net income (loss) before contributions	(5,735)	(5,929)	5,709	(31,919)	(5,459)	(9,099)	(5,985)	1,111	(134)	(335)
Net contributions	30,438	15,315	7,343	27,730	7,212	13,315	11,796	6,331	12,789	(16,781)
Change in net position	24,703	9,386	13,052	(4,189)	1,753	4,216	5,811	7,442	12,655	(17,116)
Net position at beginning of year	163,402	188,105	197,491	210,542	206,353	208,106	212,322	218,133	225,575	238,230
Net position at end of year	188,105	197,491	210,543	206,353	208,106	212,322	218,133	225,575	238,230	221,114
Net position, end of year classified as:										
Invested in capital assets, net of related debt	153,190	163,676	183,185	191,448	204,261	185,871	194,133	201,468	221,980	210,861
Restricted for debt service	23,117	29,720	23,901	21,257	19,078	19,125	13,259	13,228	12,647	11,860
Restricted for construction and other	-	-	-	-	-	-	1,914	-	5,310	2,349
Unrestricted and other	11,798	4,095	3,456	(6,352)	(15,233)	7,326	8,827	10,879	(1,707)	(3,956)
Net position at end of year	$ 188,105	$ 197,491	$ 210,542	$ 206,353	$ 208,106	$ 212,322	$ 218,133	$ 225,575	$ 238,230	$ 221,114

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
OPERATING REVENUES:										
Cruise Wharfage/Dockage	$ 28,199	$ 30,251	$ 32,067	$ 33,094	$ 39,492	$ 40,195	$ 41,963	$ 46,424	$ 45,192	$ 50,528
Cargo Wharfage/Dockage	21,111	22,859	22,355	20,499	19,082	19,176	21,958	23,752	23,089	23,932
Container Crane Fees	10,120	11,068	10,299	8,525	7,922	8,180	8,471	9,910	7,607	6,619
Rentals	6,455	6,628	6,884	7,213	9,106	14,856	14,826	13,906	13,428	13,365
Ground Transportation	419	611	783	1,012	1,267	1,425	1,464	1,880	1,763	1,861
Parking	5,239	5,252	6,123	7,778	9,792	10,686	10,042	9,184	8,305	9,374
Miscellaneous	3,033	3,691	3,602	6,447	8,037	5,539	5,361	4,090	4,194	3,498
	74,576	80,360	82,113	84,568	94,698	100,057	104,085	109,146	103,578	109,177
OPERATING EXPENSES:										
Cruise Operations	3,491	3,600	4,138	4,766	5,799	6,502	7,047	6,590	6,002	6,293
Cargo Operations	1,744	1,840	1,806	1,618	1,409	1,389	1,087	1,338	1,180	1,314
Maintenance	6,154	7,711	5,949	6,954	6,304	6,269	6,453	6,731	6,083	6,590
Utilities	1,510	1,482	3,274	2,791	2,110	5,102	2,950	3,256	2,225	1,814
Marketing & Advertising	1,120	1,762	1,824	1,307	1,293	1,680	1,321	1,015	1,105	1,848
Gantry Cranes	9,723	9,535	10,533	10,018	7,641	8,042	6,811	6,926	6,357	7,533
Security	10,921	15,152	18,408	20,345	20,975	21,096	19,636	18,510	15,488	15,210
General & Administration	14,348	12,098	15,278	16,222	16,048	18,919	21,030	21,470	21,110	25,409
Total Operating Expenses	49,011	53,180	61,210	64,021	61,579	68,999	66,335	65,836	59,550	66,011
Operating income before depreciation	25,565	27,180	20,903	20,547	33,119	31,058	37,750	43,310	44,028	43,166
DEPRECIATION	15,188	14,872	16,132	17,927	19,863	20,790	22,995	23,548	24,947	25,958
Operating Income	10,377	12,308	4,771	2,620	13,256	10,268	14,755	19,762	19,081	17,208
NON-OPERATING REVENUES (EXPENSES):										
Interest Income, net	2,407	2,350	3,815	3,100	960	247	414	512	359	153
Interest expense, net	(18,516)	(19,113)	(23,938)	(25,280)	(22,409)	(19,448)	(16,961)	(18,901)	(18,668)	(18,167)
Operating grants	1,640	-	-	-	-	-	-	-	-	-
Operating transfers	(219)	(222)	(289)	-	-	-	-	(1,072)	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
Other income (expense)	(1,424)	(1,252)	21,350	(12,359)	2,734	(166)	(4,193)	810	(906)	471
Income (loss) before Contributions	(5,735)	(5,929)	5,709	(31,919)	(5,459)	(9,099)	(5,985)	1,111	(134)	(335)
Net Contributions	30,438	15,315	7,343	27,730	7,212	13,315	11,796	6,331	12,789	(16,781)
Net income (loss)	$ 24,703	$ 9,386	$ 13,052	$ (4,189)	$ 1,753	$ 4,216	$ 5,811	$ 7,442	$ 12,655	$ (17,116)

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cargo revenue	$ 31,231	$ 33,927	$ 32,654	$ 29,024	$ 27,004	$ 27,356	$ 30,429	$ 33,662	$ 30,696	$ 30,551
Tonnage	9,230	9,474	8,654	7,835	7,430	6,831	7,389	8,222	8,108	7,981
Revenue per ton	$ 3.38	$ 3.58	$ 3.77	$ 3.70	$ 3.63	$ 4.00	$ 4.12	$ 4.09	$ 3.79	$ 3.83
TEU	1,010	1,054	977	885	828	807	847	907	909	901
Revenue per TEU	$ 30.92	$ 32.19	$ 33.42	$ 32.80	$ 32.61	$ 33.90	$ 35.93	$ 37.11	$ 33.77	$ 33.91

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cruise Revenue	$ 28,199	$ 30,251	$ 32,067	$ 33,094	$ 39,492	$ 40,195	$ 41,963	$ 46,424	$ 45,192	$ 50,528
Passengers	3,500	3,605	$ 3,731	3,787	4,138	4,110	4,145	4,018	3,774	4,079
Revenue per passenger	$ 8.06	$ 8.39	$ 8.59	$ 8.74	$ 9.54	$ 9.78	$ 10.12	$ 11.55	$ 11.97	$ 12.39

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Primary Debt Coverage										
Net Operating Revenues	$ 25,565	$ 27,180	$ 20,903	$ 20,547	$ 33,119	$ 31,058	$ 37,750	$ 43,310	$ 44,028	$ 43,166
Coverage Adjustments										
Pledged Rent Revenue	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,130)	-	-
Other Income (loss)			22,500	2,696	-	-	-	-	-	-
Non-Cash Items	464	19	787	4,269	2,786	1,661	1,238	(293)	165	475
Unrestricted Interest	175	120	101	968	175	40	11	4	8	-
Revenues Available	$ 24,267	$ 25,382	$ 42,354	$ 26,543	$ 34,143	$ 30,822	$ 37,062	$ 41,891	$ 44,201	$ 43,641
Revenue Bonds Maximum Debt Service Required	8,399	8,399	8,399	8,399	8,399	8,399	8,399	8,399	8,399	27,547
Coverage Required 125%	10,499	10,499	10,499	10,499	10,499	10,499	10,499	10,499	10,499	34,434
Net Revenue Coverage	231%	242%	403%	253%	325%	294%	353%	399%	421%	127%

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

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Primary Debt Coverage										
Net Operating Revenues	$ 25,565	$ 27,180	$ 20,903	$ 20,547	$ 33,119	$ 31,058	$ 37,750	$ 43,310	$ 44,028	$ 43,166
Coverage Adjustments										
Pledged Rent Revenue	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,130)	-	-
Other Income (loss)			22,500	2,696	-	-	-	-	-	-
Non-Cash Items	464	19	787	4,269	2,786	1,661	1,238	(293)	165	475
Unrestricted Interest	175	120	101	968	175	40	11	4	8	-
Revenues Available	$ 24,267	$ 25,382	$ 42,354	$ 26,543	$ 34,143	$ 30,822	$ 37,062	$ 41,891	$ 44,201	$ 43,641
G O Bonds Maximum Debt Service Required	11,282	11,149	11,149	11,149	11,149	11,149	11,149	9,884	9,884	9,863
Coverage Required 110%	12,410	12,264	12,264	12,264	12,264	12,264	12,264	10,872	10,872	10,849
Net Revenue Coverage	196%	207%	345%	216%	278%	251%	302%	385%	407%	402%

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

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

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Primary Debt Coverage										
Net Operating Revenues	$ 25,565	$ 27,180	$ 20,903	$ 20,547	$ 33,119	$ 31,058	$ 37,750	$ 43,310	$ 44,028	$ 43,166
Coverage Adjustments										
Pledged Rent Revenue	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,937)	(1,130)	-	-
Other Income (loss)			22,500	2,696	-	-	-	-	-	-
Non-Cash Items	464	19	787	4,269	2,786	1,661	1,238	(293)	165	475
Unrestricted Interest	175	120	101	968	175	40	11	4	8	-
Revenues Available	$ 24,267	$ 25,382	$ 42,354	$ 26,543	$ 34,143	$ 30,822	$ 37,062	$ 41,891	$ 44,201	$ 43,641
Revenue Bonds Maximum Debt Service Required	8,399	8,399	8,399	8,399	8,399	8,399	8,399	8,399	8,399	27,547
Coverage Required 125%	10,499	10,499	10,499	10,499	10,499	10,499	10,499	10,499	10,499	34,434
G O Bonds Maximum Debt Service Required	11,282	11,149	11,149	11,149	11,149	11,149	11,149	9,884	9,884	9,863
Coverage Required 110%	12,410	12,264	12,264	12,264	12,264	12,264	12,264	10,872	10,872	10,849
Excess coverage required greater (less) than maximum coverage	3,228	3,215	3,215	3,215	3,215	3,215	3,215	3,088	3,088	7,873
Needed to Meet Coverage	22,909	22,763	22,763	22,763	22,763	22,763	22,763	21,371	21,371	45,283
Net Revenues Coverage	106%	112%	186%	117%	150%	135%	163%	196%	207%	96%

Note: Coverage requirement under master bond ordinance is 125% and 110% of maximum principal and interest for revenue bonds and GO bonds, respectively. In fiscal year 2013, the Seaport did not meet its combined debt service coverage of 100%, as required by the debt covernants. Refer to Note 5 (a) 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)

Fiscal year	G.O. Bonds	Revenue Bonds	Loans	Capital Acquisition Bond	Total Debt	Ratio of Debt to TEUs	Ratio of Debt to Cruise Passengers
2004	149,010	73,015	283,310	-	505,335	500	144
2005	145,710	70,375	352,295	-	568,380	539	158
2006	142,215	67,555	348,710	-	558,480	572	150
2007	138,510	64,575	345,305	-	548,390	620	145
2008	134,570	61,395	341,805	-	537,770	649	130
2009	130,370	58,000	338,305	68,630	595,305	738	145
2010	125,900	54,380	334,805	68,330	583,415	689	141
2011	111,375	48,905	329,270	127,347	616,897	680	154
2012	105,690	43,090	325,560	125,677	600,017	660	159
2013	100,575	389,140	321,325	121,777	932,817	1,035	229

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

Year	Total	Difference	% Change
2004	9,230	-	0.0%
2005	9,474	244	2.6%
2006	8,654	(820)	-8.7%
2007	7,835	(819)	-9.5%
2008	7,430	(405)	-5.2%
2009	6,831	(599)	-8.1%
2010	7,389	558	8.2%
2011	8,222	833	11.3%
2012	8,108	(114)	-1.4%
2013	7,981	(127)	-1.6%

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

Year	TEU's	Difference	% Change
2004	1,010	-	0.0%
2005	1,054	44	4.4%
2006	977	(77)	-7.3%
2007	885	(92)	-9.4%
2008	828	(57)	-6.4%
2009	807	(21)	-2.5%
2010	847	40	5.0%
2011	907	60	7.1%
2012	909	2	0.2%
2013	901	(8)	-0.9%

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

Year	Export Tons	% of Total	Import Tons	% of Total	Total
2004	3,611	39%	5,619	61%	9,230
2005	3,701	39%	5,773	61%	9,474
2006	3,352	39%	5,302	61%	8,654
2007	3,462	44%	4,373	56%	7,835
2008	3,655	49%	3,775	51%	7,430
2009	3,500	51%	3,331	49%	6,831
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

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

Year	Total	Difference	% Change
2004	3,500	-	0.0%
2005	3,605	105	3.0%
2006	3,731	126	3.5%
2007	3,787	56	1.5%
2008	4,138	351	9.3%
2009	4,110	(28)	-0.7%
2010	4,145	35	0.8%
2011	4,018	(127)	-3.1%
2012	3,774	(244)	-5.9%
2013	4,079	305	8.1%

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
1991	1,968,000	31,000
1992	1,986,000	18,000
1993	1,943,000	-43,000
1994	2,010,000	67,000
1995	2,056,588	46,588
1996	2,087,000	30,412
1997	2,117,000	30,000
1998	2,140,000	23,000
1999	2,179,000	39,000
2000	2,253,362	74,362
2001	2,284,000	30,638
2002	2,313,000	29,000
2003	2,343,000	30,000
2004	2,372,000	29,000
2005	2,422,000	50,000
2006	2,437,000	15,000
2007	2,402,208	-34,792
2008	2,387,170	-15,038
2009	2,398,245	11,075
2010	2,563,885	165,640
2011	2,516,515	-47,370
2012	2,551,255	34,740
2013	2,565,685	14,430

Miami-Dade County, Florida Seaport Department

DEMOGRAPHIC AND ECONOMIC INFORMATION

PRINCIPAL EMPLOYERS (Unaudited)

CURRENT YEAR AND NINE YEARS AGO

Employer	2013 Employees	2013 Rank	2013 Percentage of Total County Employment	2004 Employees	2004 Rank	2004 Percentage of Total County Employment
Miami-Dade County Public Schools	33,477	1	2.58%	54,387	1	5.02%
Miami-Dade County	25,502	2	1.97%	32,265	2	2.98%
U.S. Federal Government	19,600	3	1.51%	20,100	3	1.86%
Florida State Government	18,300	4	1.41%	18,900	4	1.74%
University of Miami	12,720	5	0.98%	9,367	7	0.86%
Baptist Health South Florida	10,793	6	0.83%	10,300	6	0.95%
American Airlines	9,850	7	0.76%	9,000	8	0.83%
Jackson Health System	8,208	8	0.63%	11,700	5	1.08%
Publix Super Markets	4,604	9	0.36%	4,000	15	0.37%
City of Miami	3,656	10	0.28%	-		-
Florida International University	3,534	11	0.27%	5,000	10	-
Mount Sinai Medical Center	3,500	12	0.27%	-		-
Homestead AFB	3,000	13	0.23%	-		-
Miami Children's Hospital	2,630	14	0.20%	-		-
Sedanos Supermarkets	2,600	15	0.20%	-		-
Miami-Dade College	-		-	7,500	9	0.69%
United Parcel Service	-		-	5,000	11	0.46%
Bell South Telecommunications	-		-	4,800	12	0.44%
Winn Dixie Stores	-		-	4,616	13	0.43%
Precision Response Corporation	-		-	4,196	14	0.39%
	161,974		12.49%	201,131		18.10%

Source: The Beacon Council, Miami, Florida, Miami Business Profile
Miami-Dade County, Florida 2004 Comprehensive Annual Financial Report

DEMOGRAPHIC AND ECONOMIC STATISTICS

(Unaudited)

LAST TEN FISCAL YEARS

Year	Population	Total Personal (in thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Civilian Labor Force	Median Age
2004	2,338,382	69,724,010	29,817	5.4%	1,097,454	37
2005	2,356,378	75,090,488	31,867	4.3%	1,113,560	37
2006	2,376,343	82,481,222	34,709	3.8%	1,158,801	37
2007	2,402,208	85,978,571	35,791	3.6%	1,192,231	38
2008	2,387,170	88,954,732	37,264	5.3%	1,205,913	39
2009	2,398,245	90,915,774	37,909	8.9%	1,218,871	39
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	(1)	(1)	8.9%	1,296,680	(1)

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)

Coverage/Insurance Company	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage
Crime Policy				
	Fidelity & Deposit Co. of Maryland	08/19/13 - 08/19/14	Employee Theft Theft of Money and Securities	$1,000,000 $500,000
Accidental Death:				
	Hartford Life Insurance Co.	08/29/13 - 08/29/14	Accidental death and dismemberment	$25,000
Property Insurance:				
	Various companies	04/15/13 - 04/15/14	Real & Personal Property	Various
Automobile Liability		Continuous	Self-insured	$100,000 per/person $200,000 per occurrence pursuant to F.S. 768.28
General Liability		Continuous	Self-insured	$100,000 per/person $200,000 per occurrence pursuant to F.S. 768.28
Workers' Compensation		Continuous	Self-insured	Statutory coverage

Miami-Dade County, Florida Seaport Department

Schedule of Full-time Seaport employees by function (Unaudited)

Last ten fiscal years

Function/program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Cruise & Housekeeping	59	62	67	67	69	64	63	62	58	54
Cargo Operations	22	20	26	26	18	15	15	15	13	12
Port Security	95	94	108	112	126	135	135	142	130	104
Maintenance	75	75	96	97	116	84	77	78	69	63
Marketing & Advertising	8	14	15	14	11	10	10	7	8	7
Administration & Engineering	79	73	72	71	71	102	110	113	99	109
Total	338	338	384	387	411	410	410	417	377	349

Miami-Dade County, Florida Seaport Department
Schedule of Capital Asset Indicators (Unaudited)
Last ten fiscal years

Description	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Number of gantry cranes	10	12	12	9	9	9	9	9	9	9
Number of passenger terminals	10	10	10	12	12	12	12	12	12	12

PORTMIAMI | MIAMI-DADE COUNTY

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