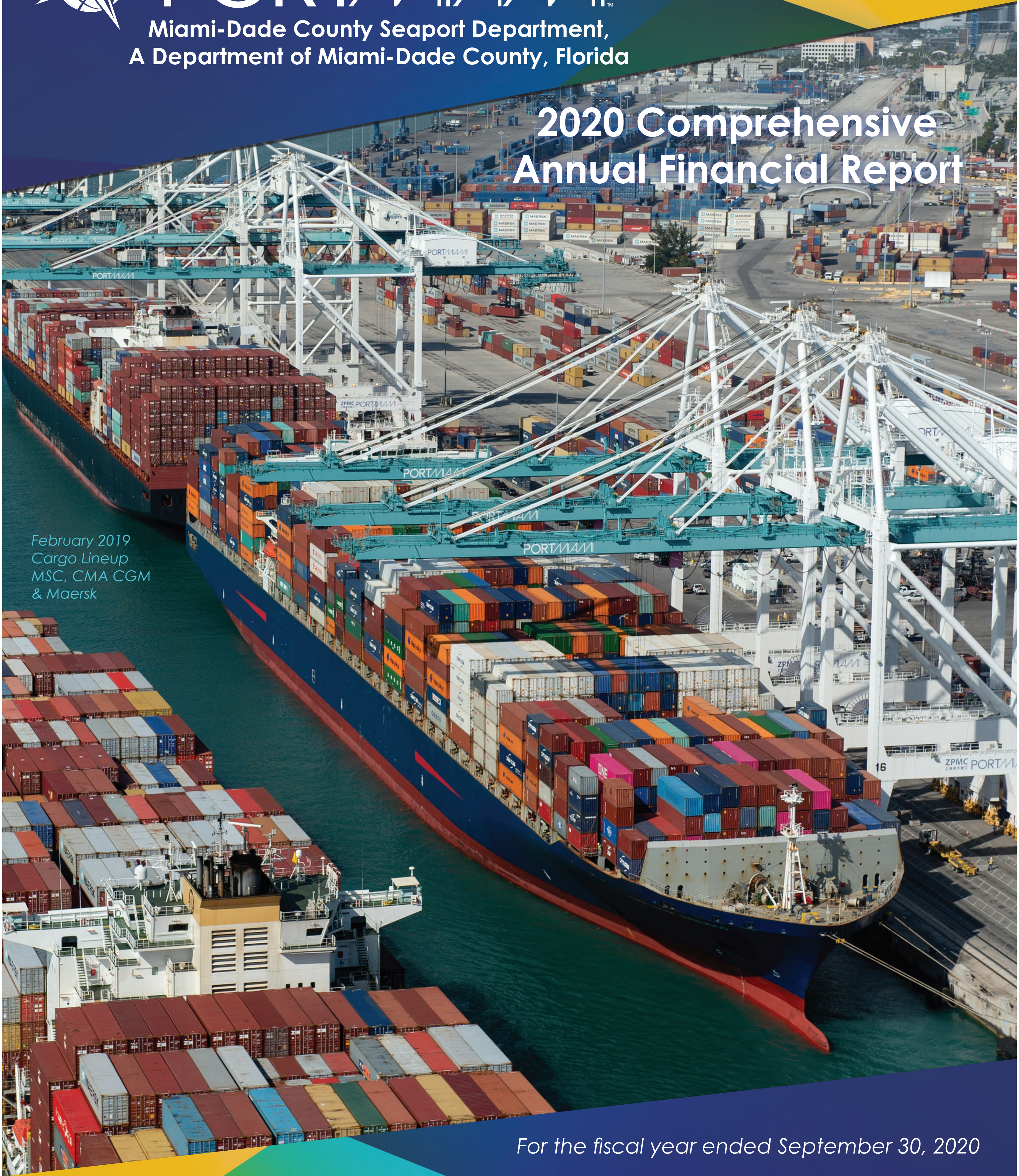
PORTMIAMI

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

2020 Comprehensive Annual Financial Report



February 2019
Cargo Lineup
MSC, CMA CGM
& Maersk

For the fiscal year ended September 30, 2020

Miami-Dade Seaport Department

A Department of Miami-Dade County, Florida

Comprehensive Annual Financial Report

For the fiscal year ended September 30, 2020

Prepared by the Miami-Dade Seaport Department

Juan Kuryla,
Port Director, CEO

Hydi Webb
Deputy Port Director

Andrew Hecker
Managing Port Director, CFO

Andrew Warburton, CPA
Port Controller

MIAMI-DADE COUNTY, FLORIDA SEAPORT DEPARTMENT
A Department of Miami-Dade County, Florida
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2020

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INTRODUCTORY SECTION

ELECTED AND APPOINTED OFFICIALS
MIAMI-DADE COUNTY, FLORIDA

DANIELLA LEVINE CAVA, *MAYOR*

BOARD OF COUNTY COMMISSIONERS
JOSE “PEPE” DIAZ, CHAIRMAN
OLIVER G. GILBERT, III, VICE-CHAIRMAN

OLIVER G. GILBERT, III
DISTRICT 1

JEAN MONESTIME
DISTRICT 2

KEON HARDEMON
DISTRICT 3

SALLY A. HEYMAN
DISTRICT 4

EILEEN HIGGINS
DISTRICT 5

REBECA SOSA
DISTRICT 6

RAQUEL A. REGALADO
DISTRICT 7

DANIELLE COHEN HIGGINS
DISTRICT 8

KIONNE L. MCGHEE
DISTRICT 9

SENATOR JAVIER D. SOUTO
DISTRICT 10

JOE A. MARTINEZ
DISTRICT 11

JOSE “PEPE” DIAZ
DISTRICT 12

RENE GARCIA
DISTRICT 13

HARVEY RUVIN
CLERK OF COURTS

PEDRO J. GARCIA
PROPERTY APPRAISER

GERI BONZON-KEENAN
COUNTY ATTORNEY

PORTMIAMI

Port of Miami
1015 North America Way, 2nd Floor
Miami, Florida 33132-2081
T 305-371-7678 F 305-347-4843
www.miamidade.gov/portofmiami

miamidade.gov

May 14, 2021

Honorable Daniella Levine Cava, Mayor
Honorable Chairman Jose "Pepe" Diaz and
Members of the Board of County Commissioners
Honorable Harvey Ruvin, Clerk of the Courts
Honorable Pedro J. Garcia, Property Appraiser

Ladies and Gentlemen:

We are pleased to present the Miami-Dade County, Florida Seaport Department's (the "Seaport") comprehensive Annual Financial Report ("AFR") as of and for the fiscal year ended September 30, 2020. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB") and audited by a firm of independent certified public accountants retained by Miami-Dade County, Florida (the County) and paid from its public funds. This report may also be accessed via the internet at http://www.miamidade.gov/portofmiami.

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

Independent Audit

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

Profile of the Government and Government Structure

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

The Port is the largest cruise home port in the world and is among the leading international waterborne container ports in the United States. The Port is an island port and occupies approximately 520 acres of land. For fiscal year 2020, the Seaport handled approximately 3.5 million passengers. During this same period, approximately 9.7 million tons of cargo and 1.07 million TEUs (20-foot equivalent units) were processed through the Seaport.

Budgetary Process and Control

Annually, as part of the budget process, the Seaport recommends rates to provide for anticipated operating expenses, capital improvement and debt service requirements. By October 1st, the beginning of the new fiscal year, the Board of County Commissioners adopts an annual budget for the Seaport's recommended rates, operating expenses, capital outlays and debt service payments. An analysis of revenue and operating expenses for the fiscal year ended September 30, 2020, can be found in the Management's Discussion and Analysis section of this report. Capital Projects are budgeted in the year anticipated to be obligated and in the subsequent years the unused budget is re-appropriated until the project is complete, consequently an annual comparison of these expenses is not included in this report.

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

Factors Affecting Financial Conditions

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

Economic Condition and Outlook

This report, Economic Conditions and Outlook, reviews the level of economic activity throughout Fiscal Year (FY) 2020 and forecasts the area's economic outlook for next fiscal year.

One year ago, in the year-end outlook for the local economy, it was anticipated that there would be a diminished likelihood of improvement and a higher likelihood of softening given that FY 2020 would contend with expanded international travel restrictions, the fear of a worldwide pandemic, and uncertainties related to a presidential election year.

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

Economic conditions in Latin America, after experiencing no growth in 2019, were projected to expand modestly in 2020. Forecasts for Brazil and Venezuela pointed to an uptick in 2020, while Argentina, Mexico and Chile were expected to perform worse than in 2019. The deceleration in the US economy coupled with the sluggish recovery of the Latin American region were expected to result in little change in trade for the Miami Customs Ports.

Real estate and construction activity in FY 2020 were expected to continue at FY 2019 levels with price appreciation softening as affordability for residents continued to weigh on the market.

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

It was stated in last year's assessment that: the degree of expansion will depend upon the level of international tourism and trade, the level of actual construction in the county, the rates of economic growth in Central and South America and the Caribbean, and the severity of the impact of the novel coronavirus (COVID19) on tourism, trade, and the world economy at large.

This forecast of FY 2020 was quickly derailed by the magnitude of the impact of the coronavirus pandemic on the economy.

The national economy in FY 2020, instead of slow growth, saw a decline in economic activity, with real gross domestic product (GDP) falling at an annual rate of 2.3%, compared to an increase of 2.2% in the prior year. The reduction in GDP was brought about by a drop in the level of investment that went from an increase of 3.6% in FY 2019 to a contraction of 6.5% in FY 2020, and by a drop in personal consumption in FY 2020 of 2.6% from its FY 2019 level. Alongside the contraction in economic activity, and due in part to a dip in energy prices resulting from falling global economic activity, inflation decreased from 1.9% in FY 2019 to 1.4% last year. This pullback in the level of inflation materialized alongside an increase of the headline unemployment rate of 360 basis points to 7.3%, the highest level since FY 2013.

At the county level, FY 2020 closed with the highest unemployment rate since at least FY 2004 and saw payroll employment fall for the first time in a decade. The residential real estate market weathered the turmoil surprisingly well, although on two fronts did display signs of pandemic induced stress, with permits for new residential construction falling 28% over the previous year and with residential condominium sales decreasing by 10.8%.

Affected by the pandemic, taxable sales, international trade, visitors to Miami, hotel occupancy rates and average hotel room rates all contracted significantly during FY 2020.

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

■ ***International Trade and Commerce***

At the Seaport, cargo activity, measured in TEUs, decreased by approximately 4.8% for fiscal year 2020. The Seaport expects cargo activity to increase in fiscal year 2021. 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 2021, the completion of the Deep Dredge and intermodal and rail reconnection projects completed in fiscal year 2015, coupled with the acquisition of four gantry cranes in the Post Panamax period, augurs well for the future of the Seaport.

The Americas continue to represent a major share of the Seaport's total cargo. For fiscal year 2020, the Americas accounted for approximately 37% (Caribbean—13% South America—7%, Central America and Mexico—17%) of total cargo. The Far East, Asia and the Pacific also with 37%. The balance of approximately 26% was from Europe.

■***Competition***

The Seaport's cargo related revenues had an increase of 7.19% from fiscal year 2019. The Seaport's commitment to expanding its cargo business, coupled with incentivized cargo contracts will contribute to an overall cargo activity increase. The Seaport is encouraged and anticipates continued cargo activity growth in fiscal year 2021.

International trade and commerce is a key component of Miami-Dade's economy. Since surpassing $90 billion (2019 inflation adjusted dollars) in trade measured by value in FY 2018, merchandise trade passing through Miami-Dade County fell 4.3% in FY 2019, and, aided by the recession tied to the pandemic in FY 2020, fell an additional 10.7% to $77 billion.

In contrast to the recurring merchandise trade deficits that the United States maintains year after year, Miami-Dade ports export more than they import, resulting in a trade surplus. The surplus narrowed in FY 2020 after exports decreased by 9.4%, which was less than the decrease of imports, 11.8%. Most of the Miami-Dade export markets are in South America, Central America and the Caribbean, and together with Europe, account for more than 87% of total trade. Most of total U.S. imported perishables from South America and Central America and the Caribbean continue to pass through the Miami Dade ports.

Two of Miami-Dade County's barometers of trade activity are the freight tonnage moving through Miami International Airport (MIA) and PortMiami. At the former, overall air freight tonnage decreased 1.3% in FY 2020 after declining 2.4% the preceding year. At PortMiami, cargo tonnage figures were down by 3.9% after increasing by 5.3% the prior fiscal year. PortMiami accounts for 87% of total County trade measured by weight.

■***Tourism***

In FY 2019 the state of Florida played host to the highest number of overnight visitors ever, at 130 million. Then, COVID-19 slammed the breaks on travel and tourism and brought that number down to just over 97 million overnight visitors in FY 2020.

In tandem with the rest of the state, visitors to the Miami area dropped sharply in FY 2020, to 9.1 million overnight visitors. The number of international visitors fell by more than half while domestic visitors were down 39%.

Consistent with the trend in overnight visitors, MIA passenger levels stood at 26 million in FY 2020, representing an annual decrease of 43%, after increasing 1.9% in the prior year. Even harder hit than the overall tourism sector was the cruise industry, subject to a complete regulatory shutdown that continues even now. PortMiami saw its passenger traffic plunge 49% to 3.5 million passengers in FY 2020 after a 22% increase in FY 2019.

The drop in overnight visitors, coupled with an increase of 3% in hotel room inventory, translated into a decrease in the hotel occupancy rate from 75.6% in FY 2019 to 45.6% in FY 2020. This drop in the occupancy rate was coupled with a decrease in the average room rate from 194 dollars in FY 2019 to 165 dollars in FY 2020.

■***Future Outlook***

A decade plus of economic expansion for both the United States and Miami-Dade County came to a halt in FY 2020 as the COVID-19 pandemic threatened to overwhelm the healthcare system and forced paralysis or complete shutdowns on several key sectors of the economy.

The pandemic induced economic shock was very severe at the end of the second quarter and beginning of the third quarter of FY 2020, to a degree that is not likely to recur. The fact that we have more knowledge of the COVID-19 virus, that there are effective vaccines rolling out, and that there is a unified government in Washington, points to a rebound in economic activity in FY 2021 from the levels in the prior fiscal year.

Because of its location and economic trade and tourism ties, Miami-Dade's economy is influenced by developments in both the broader US and Latin American and Caribbean economies. In addition, the economic impacts of the pandemic-induced recession were far-more unequally distributed than in past recessions. While many segments of the economy and population were lightly impacted or not impacted at all, other segments faced overwhelming impacts. The hardest hit segments of the population tended to be those employed in food-service and accommodation, retail and personal service industries which, in aggregate, are not amenable to remote working. Because of the severe impact on these industries, a slow recovery is not expected before the third quarter of FY 2021. These industries are also those most likely to face long-term, or even permanent, transformation in the way business is conducted, potentially resulting also in permanent job losses.

On the domestic front, the overall United States economy is expected to rebound. After contracting by less than others in FY 2020, it is expected that the U.S. will outperform other countries of the world as capital seeks safety and flows into the country. Furthermore, a change in government in Washington may bring new policies that expand trade. And, expected expansionary fiscal policies and a continuation of accommodative/expansionary monetary policy emanating from the federal reserve should support the recovery.

Prospects for growth of the United States' economy are thought to reach 5.1% in calendar year 2021, reversing the fall of 3.5% in calendar year 2020, according to the International Monetary Fund (IMF), and by a slightly lesser degree according to the Organization for Economic Co-operation and Development (OECD) and the Congressional Budget Office.

Economic activity in Latin America, after experiencing a 7.4% drop in 2020, is expected to expand by 4.1% in 2021. The faster expansion in the US economy relative to Latin America is likely to result in an increase in imports relative to exports that could contribute to a narrowing of the trade surplus flowing through Miami-Dade ports.

Real estate and construction activity in FY 2021 are expected to surpass FY 2020 levels as mortgage rates remain at historically low levels and increased demand and prices stimulate increased construction. Tourism indicators should improve across the board from the lows of FY 2020, although they are unlikely to return to pre-pandemic levels in FY 2021 as restrictions are kept in place on many travel related activities and as potential travelers remain hesitant to take the additional risk.

Employment should expand as people get used to operating within the confines of pandemic-related restrictions, and more so, as the share of residents vaccinated increases. A continuation of the shift in employment from sectors most-affected by the pandemic to sectors benefited by it should be expected. This will, however, leave behind the challenge of dealing with the displaced workers and aiding their transition into new jobs.

In Conclusion, evaluating all the likely developments in major areas of the economy leads to a forecast that the Miami-Dade economy appears poised for a modest and fragile rebound in FY 2021. The degree of expansion will depend primarily on the speed, in the U.S. and Latin American and Caribbean countries, of the rollout in vaccinations, the effectiveness of the vaccines to new strains of the coronavirus, the level of fiscal stimulus out of Washington, and the volatility in energy prices and the resulting potential inflationary pressures.

Long-Term Financial Planning

MAJOR INITIATIVES

■ Construction Management

The Seaport's proposed Capital Improvement Program funding for the period October 1, 2020 through September 30, 2025 is budgeted at approximately $1.4 billion. Of this amount, approximately $1.3 billion, $27.0 million and $82.9 million will be funded by debt proceeds, state grants, and other sources, respectively. Of the approximately $1.4 billion in construction in progress expenditures (CIP), approximately $1.3 billion, $39.4 million and $108.1 million will fund the Seaport facilities improvements, Port-wide equipment purchases and cargo facilities improvements, respectively.

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

Additional information regarding the Seaport's capital improvement program can be found in the Management's Discussion and Analysis ("MD&A") section and the Notes to the Financial Statements section of this report. CHART I summarizes the funding sources for the Seaport's capital improvement program for the next fiscal year and fiscal years 2021 through 2025.

CHART 1
CIP FUNDING SOURCES
($ in thousands)

Revenue	Fiscal Year 2021	Fiscal Year 2022 – 2025	Total
Debt proceeds	$ 364,465	$ 936,732	$ 1,301,197
State grants	24,695	2,300	26,995
Other sources	28,000	54,876	82,876
Total	$ 417,160	$ 993,908	$ 1,411,068

CIP PROJECT SUMMARY
($ in thousands)

Expenditures	Fiscal Year 2021	Fiscal Year 2022 – 2025	Total
Cargo facilities; improvements	$ 47,600	$ 60,500	$ 108,100
Port facilities; improvements	331,360	932,208	1,263,568
Equipment purchases	38,200	1,200	39,400
Total	$ 417,160	$ 993,908	$ 1,411,068

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, 2019. This was the 21st consecutive year that the Seaport received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,

Juan Kuryla,
Port Director and CEO

Hydi Webb,
Deputy Port Director

Andrew Hecker
Assistant Director for Finance and CFO

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Miami-Dade County Seaport Department
Florida

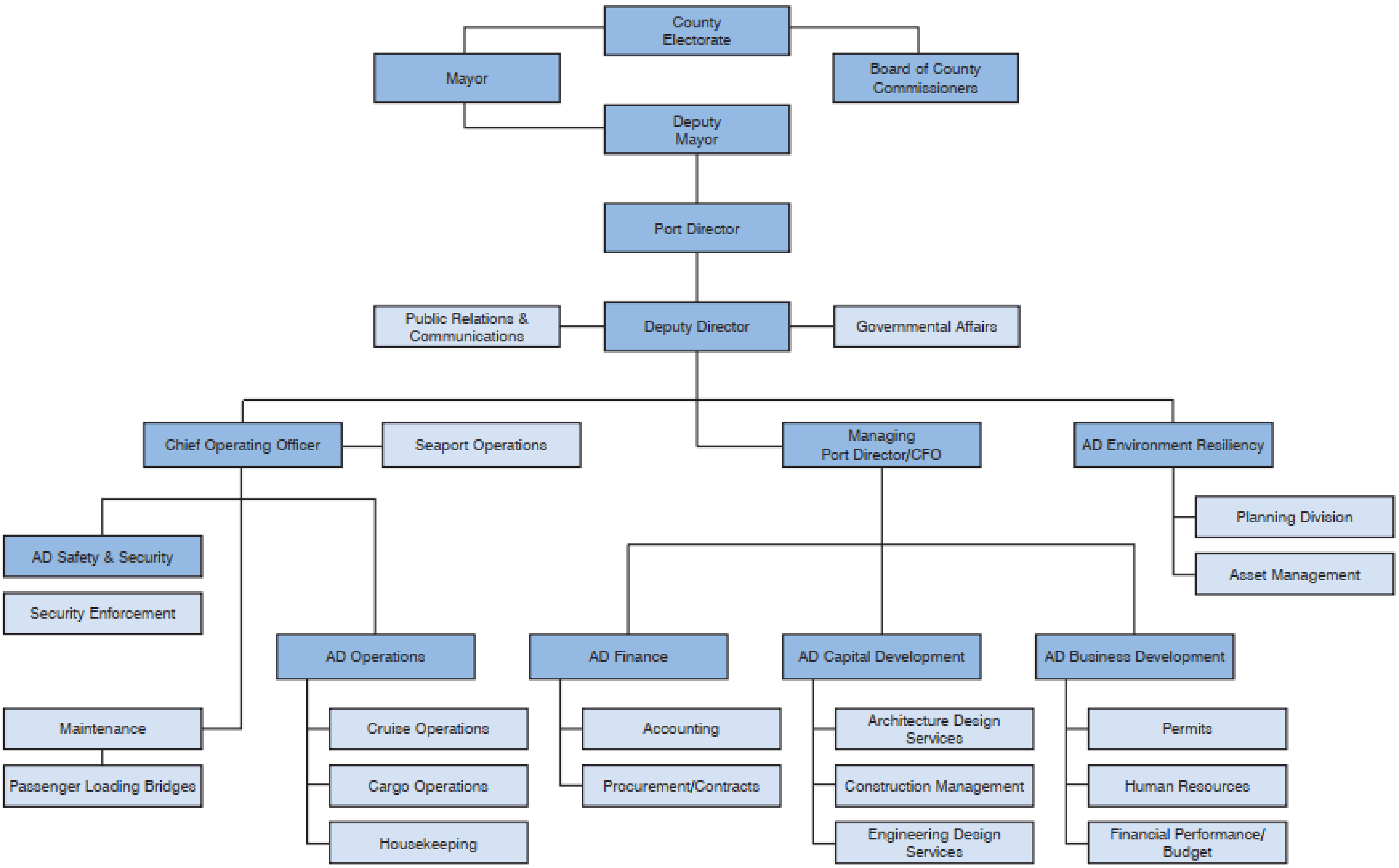
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morrill

Executive Director/CEO

Miami-Dade County Seaport Department
Organizational Chart
2019-2020



FINANCIAL SECTION

RSM US LLP

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Miami-Dade County Seaport Department (the Department), an enterprise fund of Miami-Dade County, Florida (the County), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall 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, 2020, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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, 2020, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Department's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2021, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida
May 14, 2021

PORTMIAMI

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

The following narrative provides an overview of the Miami-Dade County, Florida Seaport Department's (the "Seaport") financial activities and net position as of and for the fiscal year ended September 30, 2020. The MD&A represents management's analysis of the Seaport's financial condition, performance, long-term debt and economic factors. The MD&A should be read in conjunction with the financial information of the transmittal letter, the financial statements, the accompanying notes, and the statistical section. The financial statements consist of the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; the Statement of Cash Flows; and the Notes to the Financial Statements.

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

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

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

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

Financial analysis of the Seaport Department

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

The Seaport's net position is summarized in Table I. Net position may be used to assess the financial position of the Seaport. Total Seaport net position as of September 30, 2020 was $247.7 million, comprising of approximately $328.3 million in net investment in capital assets; approximately $47.0 million in restricted for debt service and an unrestricted deficit of approximately $127.6 million. Total Seaport net position as of September 30, 2019 was $248.8 million, comprising of approximately $331.8 million in net investment in capital assets; approximately $47.3 million in restricted for debt service and an and an unrestricted deficit of approximately $130.3 million.

Table I

Summary Statements of Net Position
As of September 30,
($ in millions)

	Fiscal Year 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Capital assets, net	$ 1,536.9	$ 197.9	$ 1,339.0
Current and other assets	505.3	234.7	270.6
Total assets	2,042.2	432.6	1,609.6
Deferred outflows of resources	17.9	1.7	16.2
Long-term liabilities outstanding	1,711.3	456.6	1,254.7
Other liabilities	100.2	(20.3)	120.5
Total liabilities	1,811.5	436.3	1,375.2
Total deferred inflow of resources	0.9	(0.9)	1.8
Net position:			
Net investment in capital assets	328.3	(3.5)	331.8
Restricted	47.0	(0.3)	47.3
Unrestricted (deficit)	(127.6)	2.7	(130.3)
Total net position	$ 247.7	$ (1.1)	$ 248.8

The decrease in net investment in capital assets from fiscal year 2019 to 2020, can be mostly attributed to depreciation expense recognized in fiscal year 2020. The decrease in the unrestricted deficit from fiscal year 2019 to 2020, can be mostly attributed to the increase in net contributions recognized in 2020.

The Seaport worked closely with consultants to finalize the Port's 2035 Master Plan (the Plan). The Plan was unveiled in December 2011. The Plan is a useful roadmap for the Seaport to plan to meet the future demands and expectations of the cargo and cruise industries, and helps the Port maximize the use of its resources. The 2040 Master Plan is currently being prepared with completion expected in fiscal year 2021.

Table II summarizes the change in the Seaport's net position. Total net position as of September 30, 2020 was approximately $247.7 million, representing a decrease of approximately $1.1 million from prior year. The decrease in fiscal year 2020 can be mostly attributed to a decrease in operating revenues from 2019.

Seaport's negative unrestricted net position balance resulted from Seaport's $142.7 million contribution to the Florida Department of Transportation (FDOT) for the Tunnel Project. In March 2015 FDOT and the County entered into a Joint Participating Agreement (JPA) to pay the County from annually appropriated State Comprehensive Enhance Transportation System Tax (SCETS) the amount of $17 million annually in each of the State's fiscal years 2019 through 2041.

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

Table II

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

	Fiscal Year 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Operating revenues:			
Cruise wharfage/dockage	$ 45.7	$ (29.1)	$ 74.8
Cargo wharfage/dockage	29.1	4.9	24.2
Container crane user fees	15.1	(1.6)	16.7
Rentals	33.9	1.0	32.9
Ground transportation	1.3	(1.4)	2.7
Parking	6.3	(5.8)	12.1
Miscellaneous charges and fees	1.7	(0.5)	2.2
Total operating revenues	133.1	(32.5)	165.6
Investment earnings	2.2	(3.1)	5.3
Other nonoperating	18.0	(1.1)	19.1
Total revenues	153.3	(36.7)	190.0
Operating expenses	94.8	9.0	85.8
Depreciation	30.3	1.2	29.1
Interest expense, net	43.4	(2.1)	45.5
Other nonoperating expenses	-	(0.6)	0.6
Total expenses	168.5	7.5	161.0
Net income (loss) before contributions	(15.2)	(44.2)	29.0
Net contributions	14.1	5.3	8.8
Change in net position	(1.1)	(38.9)	37.8
Net position – beginning	248.8		211.0
Net position at end of year	$ 247.7		$ 248.8

Operating revenues for fiscal year 2020 were approximately $133.1 million or $32.5 million lower than fiscal year 2019. The decrease can be mostly attributed to decreases in cruise related revenues, parking and ground transportation, offset by increases in cargo related revenues and rentals. The decreases in cruise related revenues, parking and ground transportation are mostly related to a significant decrease in cruise activity related to the COVID-19 shutdown, which suspended cruises early March 13, 2020. The increases in cargo related revenues and rentals are mostly related to an increase in tariff rates and activities.

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 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Operating Revenues:			
Cruise wharfage/dockage	$ 45.7	$ (29.1)	$ 74.8
Cargo wharfage/dockage	29.1	4.9	24.2
Container crane user fees	15.1	(1.6)	16.7
Rentals	33.9	1.0	32.9
Ground transportation	1.3	(1.4)	2.7
Parking	6.3	(5.8)	12.1
Miscellaneous fees and charges	1.7	(0.5)	2.2
Total revenues	$ 133.1	$ (32.5)	$ 165.6

Operating expenses for fiscal year 2020 increased approximately $9.0 million from the prior year. The increase in general and administration expenses can mostly be attributed to increases in pension and OPEB related expenses from prior year. The increases in cruise operations, cargo operations and maintenance expenses can mostly be attributed to increases in personnel related costs.

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 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Operating Expenses:			
Cruise operations	$ 9.7	$ 1.5	$ 8.2
Cargo operations	2.1	0.4	1.7
Maintenance	10.7	1.5	9.2
Utilities	3.4	-	3.4
Marketing and advertising	1.6	(0.8)	2.4
Gantry crane operations	9.7	0.2	9.5
Security	21.9	(0.3)	22.2
General and administration	35.7	6.5	29.2
Total operating expenses	$ 94.8	$ 9.0	$ 85.8

Capital assets and debt administration

Capital assets

The Seaport's total capital assets (net of depreciation) at September 30, 2020 and 2019 were $1.5 billion and $1.3 billion, respectively. The increase of $197.9 million can be mostly attributed to costs incurred for various capital construction projects in accordance with the Seaport's Master Plan and multi-year capital budget. Additional information in changes in capital assets can be found in Note 3 of the Financial Statements and in the Construction Management Section in the transmittal letter. Table V below summarizes the components of the Seaport's investment in capital assets.

Table V

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

	Fiscal Year 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Land and related costs	$ 166.0	$ -	$ 166.0
Port dredging and related costs	323.9	0.1	323.8
Buildings, transit sheds and terminals	281.3	(11.5)	292.8
Machinery and equipment	37.4	(2.6)	40.0
Improvements other than buildings	234.6	(9.1)	243.7
Construction in progress	493.7	221.0	272.7
Totals	$ 1,536.9	$ 197.9	$ 1,339.0

During fiscal year 2020, several construction projects were completed. The major projects completed were certain cruise and cargo related infrastructure projects and certain security and utility enhancements. Additional construction in progress information can be found in Note 3 to the financial statements. The significant projects under construction in accordance with the Seaport's Master Development program are as follows:

Projects underway

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

Debt administration

At September 30, 2020 and 2019, the Seaport had approximately $1.27 billion and $967.2 million in bonds and loans outstanding, respectively. The increase in fiscal year 2020 is mostly attributed to issuing the 2020B Capital Acquisition Bonds, offset in making annual scheduled principal payments. Additional long-term debt detail can be found in Note 4 to the financial statements.

Table VI

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

	Fiscal Year 2020	Change from Fiscal Year 2019	Fiscal Year 2019
Seaport general obligation bonds	$ 57.9	$ (7.0)	$ 64.9
Seaport revenue bonds	547.7	(7.4)	555.1
Sunshine state loans	240.7	(12.1)	252.8
Capital acquisition bonds	428.5	334.1	94.4
Totals	$ 1,274.8	$ 307.6	$ 967.2

The Seaports debt was rated by Moody's Investors Service and Fitch Ratings Inc. On August 28, 2020, Moody's Investors Service, ("Moody's") has affirmed the A3 rating assigned to Miami-Dade (County of) FL Port Facility's ("PortMiami") senior seaport revenue bonds. The rating outlook has changed from stable to negative. PortMiami's A3 rating continues to benefit from the Port's competitive position as the largest cruise port in the world, the diversity of revenue across cargo and cruise, the presence of minimum annual revenue guarantees, an adequate liquidity profile (around $110 million of unrestricted reserves expected by September 30, 2020), as well as initiated measures to reduce operating expenditures and capital expenditures to correspond to the lower level of operating revenue.

However, PortMiami will face difficult decisions to initiate additional cost reductions and postpone discretionary capital expenditures beyond fiscal 2020 if cruise revenue falls short of minimum annual revenue guarantees for an extended period of time.

On November 10, 2020, Fitch Ratings has affirmed the "A" rating on Miami-Dade County Florida's outstanding Seaport Revenue Bonds. The rating outlook is negative. The negative outlook for Miami reflects the continued severe deterioration of cruise revenues, and resulting decline in financial performance, stemming from the complete stoppage of national cruise operations as directed by the CDC No Sail Order in an effort to control the coronavirus outbreak. The rating also reflects PortMiami's fundamental operating strengths, including its global leading cruise port market position and its role as one of the largest ports in the state of Florida in terms of cargo volume. Additionally, PortMiami's substantial unrestricted funds are sufficient to cover fiscal 2021 debt service payments and support operations in the near term.

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

Economic factors and next year's budget and rates

For fiscal year 2020, cargo activity, measured in Twenty Foot Equivalent Units (TEUS) approximately decreased by 4.8%. The Seaport anticipates cargo activity will increase after larger ships increase crossing the Panama Canal. Most of the cargo is exported to Latin America (South America, Central America, and the Caribbean), followed by the Far East, Asia, the Pacific, Europe and the Middle East. The majority of the imports are located in Latin America followed by the Far East, Asia the Pacific and Europe.

In the 2015 fiscal year, PortMiami implemented a new cargo incentive program. The Port Incentive Program is based on the volume of a shipping line's qualifying containers in a given year for which the Port receives both full and timely payment of TEU wharfage and dockage charges. For qualifying containers that meet all incentive program eligibility conditions and criteria, there are five (5) incentive categories of which four (4) are to an overall $35 per container incentive cap. The super-container category (over 100,000 containers per year) is not subject to the incentive cap. The incentives have been successful in attracting new services from competitor ports. The Port is optimistic that this will continue. This is based on the expectation that economic growth in Latin America will continue to improve and that trade with Europe, South America, and Asia, particularly China after the expansion of the Panama Canal, will increase. The expansion of the Panama Canal together with the deepening of the Port harbor has created new opportunities to attract the larger cargo vessels able to cross the Panama Canal. Additionally, the Free Trade Agreements with Colombia, Panama, and South Korea will offer opportunities to expand international trade and commerce benefitting the Port Miami and the State of Florida.

During fiscal year 2020, approximately 3.5 million passengers came through the Seaport. This represented a decrease of 49.0% from fiscal year 2019. The Seaport is extremely optimistic and encouraged with its future after the COVID-19 cruise related restrictions are lifted. While making a large contribution to the local economy, both directly and by being a large job creator, the Seaport continues to break records in cruise passenger traffic and cargo growth. Positioning itself for additional growth in the future, the Seaport is undertaking an aggressive expansion program that includes various renovations and the construction of new cruise berths, terminals and parking facilities. Royal Caribbean's newest terminal was opened in 2018 and is welcoming Royal Caribbean's largest ships. Norwegian Cruise Line Holdings' new terminal, the Pearl of Miami, is opening this year. MSC Cruises and Virgin Voyages are both designing and preparing to break ground on new cruise terminals. Carnival Cruise Lines is expected to start construction of a major terminal expansion, while planning is ongoing for new Disney Cruise Line facilities. All of this is being designed and constructed in tandem with a large infrastructure improvement program that consolidates and adds efficiencies to cargo yards (new cranes, RTGs, and state-of-the-art cargo gate facilities), as well as roadway improvements, electrical power system upgrades and bulkhead upgrades and replacements. This growth at the Seaport will ensure its place as the Cruise Capital of the World and the Global Gateway of the Americas.

Annually the Seaport scrutinizes Terminal Tariff No. 010 to ensure the Seaport's ability to meet its budgetary obligations through Tariff revenues. The adopted budget for fiscal year 2021 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
Statement of Net Position
September 30, 2020

Assets	
Current assets:	
Pooled cash and cash equivalents	$ 36,407,877
Pooled investments	64,655,426
Accounts receivable, less allowance for doubtful account of $305,849	14,954,287
Prepaid expenses and other current assets	1,031,314
Inventories	5,754,168
Grant receivable	4,102,460
Total current unrestricted assets	126,905,532
Restricted assets:	
Current restricted assets:	
Pooled cash and cash equivalents	17,189,646
Pooled investments	31,648,846
Due from other government	17,000,000
Total current restricted assets	65,838,492
Total current assets	192,744,024
Noncurrent assets:	
Noncurrent restricted assets	
Pooled cash and cash equivalents	112,992,718
Pooled investments	198,490,713
Advance to other government	1,076,999
Total noncurrent restricted assets	312,560,430
Capital assets:	
Land and related costs	165,955,153
Dredging and related costs	323,916,491
Buildings, transit sheds and terminals	598,179,690
Improvements other than buildings	397,219,265
Machinery and equipment	106,449,401
Construction in progress	493,713,980
Capital assets, gross	2,085,433,980
Less accumulated depreciation	(548,525,661)
Capital assets, net	1,536,908,319
Total noncurrent assets	1,849,468,749
Total assets	2,042,212,773
Deferred outflows of resources:	
Loss on refunding debt	6,814,441
OPEB related	2,233,000
Pension related	8,849,000
Total deferred outflows of resources	$ 17,896,441

(Continued)

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Net Position (Continued)
September 30, 2020

Liabilities and Net Position	
Current liabilities payable from unrestricted assets:	
Accounts payable and accrued expenses	$ 12,607,644
Accrued payroll and related expenses	829,136
Compensated absences	2,039,516
Current portion of loans payable	13,170,000
Current portion of capital acquisition bonds payable	4,435,000
Current portion of capital lease liability	183,167
Unearned revenue	235,643
Due to other Miami-Dade County funds	833,052
Total current liabilities payable from unrestricted assets	34,333,158
Current liabilities payable from restricted assets:	
Current portion of revenue and general obligation bonds payable	14,995,000
Accrued interest payable	15,149,016
Accounts payable and accrued expenses	27,399,267
Contracts and retainage payable	8,295,209
Total current liabilities payable from restricted assets	65,838,492
Total current liabilities payable from unrestricted and restricted assets	100,171,650
Long-term liabilities:	
Bonds payable, net	603,565,820
Loans payable, net	234,503,684
Capital acquisition bonds payable, net	427,351,101
Capital lease liability	3,289,145
Commercial paper liability	391,345,000
Unearned revenue	4,888,159
Compensated absences	7,397,990
Total other post-employment liability	8,199,000
Net pension liability	30,725,000
Total long-term liabilities	1,711,264,899
Total liabilities	1,811,436,549
Deferred inflows of resources:	
Pension related	389,000
Other post-employment benefit	584,000
Total deferred inflows of resources	973,000
Net Position	
Net investment in capital assets	328,303,511
Restricted for debt service and reserve	46,995,000
Unrestricted (deficit)	(127,598,846)
Total net position	$ 247,699,665

(Concluded)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Revenues, Expenses and Changes in Net Position
Fiscal Year Ended September 30, 2020

Operating revenues:	
Cruise wharfage/dockage	**$ 45,734,773**
Cargo wharfage/dockage	**29,146,273**
Container crane user fees	**15,098,309**
Rentals	**33,886,093**
Ground transportation	**1,298,850**
Parking	**6,235,763**
Miscellaneous charges and fees	**1,685,952**
Total operating revenues	**133,086,013**
Operating expenses:	
Cruise operations	**9,701,453**
Cargo operations	**2,091,675**
Maintenance	**10,607,945**
Utilities	**3,433,012**
Marketing and advertising	**1,589,118**
Gantry crane operations	**9,747,115**
Security	**21,866,223**
General and administrative	**35,725,608**
Total operating expenses before depreciation	**94,762,149**
Operating income before depreciation	**38,323,864**
Depreciation expense	**30,341,806**
Operating income	**7,982,058**
Nonoperating revenues (expenses):	
Investment earnings	**2,206,661**
Interest subsidy	**337,867**
Interest expense	**(43,388,480)**
Intergovernmental revenue	**17,000,000**
Other, net	**251,554**
Total nonoperating revenues (expenses)	**(23,592,398)**
Loss before capital contributions and transfers	**(15,610,340)**
Capital contributions	**13,691,460**
Capital contributions – specific to port dredging	**389,376**
Transfer in	**459,238**
Change in net position	**(1,070,266)**
Total net position – Beginning	**248,769,931**
Total net position – Ending	**$ 247,699,665**

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Cash Flows
Fiscal Year Ended September 30, 2020

Cash flows from operating activities:	
Cash received from customers and tenants	**$ 133,758,456**
Cash paid to suppliers	**(68,017,718)**
Cash paid to employees for services	**(35,003,529)**
Net cash provided by operating activities	**30,737,209**
Cash flows from noncapital financing activities:	
State comprehensive enhanced transportation system tax received	**17,000,000**
Grants received	**11,715,465**
Principal paid	**(489,371)**
Interest paid	**(4,317,604)**
Transfer in	**459,238**
Net cash provided by noncapital financing activities	**24,367,728**
Cash flows from capital and related financing activities:	
Principal payments:	
Bonds	**(13,835,629)**
Notes and loans	**(12,160,000)**
Capital acquisition bonds	**(4,320,000)**
Capital lease	**(170,735)**
Interest paid	**(41,144,495)**
Interest subsidy received	**337,867**
Purchase of capital assets	**(234,718,108)**
Proceeds from issuing commercial paper notes	**143,500,000**
Issuance costs for commercial paper	**(194,301)**
Proceeds from issuing 2020B Capital Acquisition Bonds	**337,180,162**
Capital recovery surcharges	**608,285**
Grant upfront payment received	**4,268,000**
Net cash provided by capital and related financing activities	**179,351,046**
Cash flows from investing activities	
Investments purchased	**(294,778,286)**
Proceeds from sale and maturities of investments	**159,069,512**
Interest and dividends from investments	**2,189,962**
Net cash used in investing activities	**(133,518,812)**
Net increase in cash and cash equivalents	**100,937,171**
Cash and cash equivalents (including restricted assets) at beginning of year	**65,653,070**
Cash and cash equivalents (including restricted assets) at end of year	**$ 166,590,241**

(Continued)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Cash Flows (Continued)
Fiscal Year Ended September 30, 2020

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 7,982,058
Adjustments to reconcile operating income to net cash:	
Depreciation	30,341,806
Litigation settlement	2,792,528
Changes in assets/deferred outflow of resources and liabilities/deferred inflow of resources:	
(Increase) decrease in accounts receivable, net	1,021,643
(Increase) decrease in prepaid expenses, advance to other government and other current assets	770,090
(Increase) decrease in inventories	(604,601)
Increase (decrease) in accounts payable, accrued expenses and due to other County Funds	(15,545,889)
Increase (decrease) in unearned revenue	(2,792,528)
Increase (decrease) in accrued payroll and related expenses	195,782
Increase (decrease) in compensated absences	1,940,320
Increase (decrease) in other post–employment benefits	1,429,000
Increase (decrease) in net pension liability	6,599,000
Increase (decrease) in pension and OPEB deferred inflows/outflows, net	(3,392,000)
Net cash provided by operating activities	**$ 30,737,209**

Supplemental disclosure for noncash investing, capital and financing activities:

(a) Construction and related liabilities were $35,694,476 for fiscal year ended.

(b) As of September 30, 2020, the Seaport had a balance of $4,888,159 in unearned revenues related to the Dredging project. In fiscal year 2020, the Seaport recorded $389,376 in noncash contributions related to the Dredging project.

(c) Capital grants receivable was $4,102,460 for the fiscal year ended. In fiscal year 2020, the Seaport recorded $816,534 in noncash contribution related to grants.

(Concluded)

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

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Note 1. General Description and Significant Accounting Policies

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 and do not present the financial position of the County and results of its operations and its cash flows, in conformity with generally accepted accounting principles in the United States.

A summary of Seaport's significant accounting policies follows:

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

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

Non-participating investments, such as nonnegotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized cost. Participating investments are carried at fair value, and unrealized gains and losses due to variations in fair value are recognized for the year. In fiscal year 2020, the Seaport reported net realized earnings of $2.21 million in the Statement of Revenues, Expenses and Changes in Net Position as part of investment earnings.

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

Accounts receivable and allowance for doubtful accounts: Receivables include amounts due from customers for services provided by Seaport and are recorded when the related revenue is earned. Allowances for uncollectible receivables are based upon specifically identifying uncollectible accounts, historical trends and periodic aging of receivables. The allowance balance was $305,849 for fiscal year ended 2020.

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

Inventories: Inventories, consisting principally of crane and maintenance supplies and materials held for use, are recorded at lower of cost (first-in, first-out method) or market.

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

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

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

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

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

Interest on indebtedness: Interest is charged to expense as incurred. In fiscal year 2020, the Seaport incurred interest expense of approximately $43.4 million.

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

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

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

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

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

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

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

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

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

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

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

The components of the major revenue captions are as follows:

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

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

For fiscal year 2020, approximately 50.2% of the Port's operating revenues and 51.0% of corresponding receivables are generated from eight major operators, net of incentive discounts/rebates as required by the individual operating agreements. The following table summarize the balances for cruise and cargo operators. (Amounts are in thousands).

Cruise Operator	Revenue	Receivable	Cargo Operator	Revenue	Receivable
Company A	$ 15,733	$ 79	Company F	$ 12,495	$ 1,411
Company B	5,067	-	Company G	11,354	1,070
Company C	4,468	2,257	Company H	12,568	205
Company D	4,246	2,603			
Company E	851	-			
Total *	$ 30,365	$ 4,939	Total **	$ 36,417	$ 2,686

* Includes cruise wharfage/dockage net of certain negotiated incentive payments.
** Includes cargo wharfage/dockage, rental revenues and container crane user fees.

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

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

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

Advance to other governments
Advance to other governments are upfront payments made to other governments to fund a feasibility study related to deepening and widening certain channels of the Port. For the fiscal year ended 2020, upfront payment balance of $1.1 million to the United States Department of the Army Corps of Engineers (USCOE) to fund this feasibility study of the Port.

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

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

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

Use of estimates: The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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

Accounting Standard Adopted:
In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The requirements of this Statement are effective immediately. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. As a result, the effective dates of Statement No. 84, *Fiduciary Activities* and Statement No. 90, *Majority Equity Interests* will be implemented in fiscal year 2021 instead of fiscal year 2020. Statement No. 87, *Leases* will be implemented in fiscal year 2022.

Note 2. Cash, Cash Equivalents and Investments

The County is responsible for all treasury functions, and pools all cash and investments, except separate cash and investment accounts required by debt indentures and other agreements which are maintained under legal restrictions in separate bank accounts. Seaport's equity share of the total pooled cash and investments is included in the accompanying Statement of Net Position under the current and restricted captions "Pooled cash and cash equivalents" or "Pooled investments". For fiscal year 2020, the carrying amounts of Seaport's pooled cash is $166.6 million, pooled current and noncurrent investments for the Seaport are $96.3 million and $198.5 million, respectively, which represents less than 10% of the County's pooled cash, cash equivalent and investments as of September 30, 2020. (see the County's Comprehensive Annual Financial Report for disclosures relating to its interest rate risk, credit risk, custodial credit risk, concentration of credit risk and related fair value measurement disclosures required by GASB).

During fiscal year 2020, Seaport maintained cash and investment reserves required by its Master Bond Ordinance and made all transfers and deposits required by its Master Bond Ordinance and other subordinated debt agreements from available operating and nonoperating revenue.

Note 3. Capital Assets

Capital asset activity for the year ended September 30, 2020, is as follows (in thousands):

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Capital assets not being depreciated:				
Land	$ 165,955	$ -	$ -	$ 165,955
Port dredging and related costs	323,874	42	-	323,916
Construction in progress	272,707	227,566	(6,559)	493,714
Total capital assets not being depreciated	762,536	227,608	(6,559)	983,585
Capital assets being depreciated:				
Buildings, transit sheds and terminals	594,448	4,276	(544)	598,180
Improvements other than buildings	397,219	-	-	397,219
Machinery and equipment	103,543	2,907	-	106,450
Total capital assets being depreciated	1,095,210	7,183	(544)	1,101,849
Less accumulated depreciation for:				
Buildings, transit sheds and terminals	(301,657)	(15,686)	544	(316,799)
Improvements other than buildings	(153,555)	(9,095)	-	(162,650)
Machinery and equipment	(63,516)	(5,561)	-	(69,077)
Total accumulated depreciation	(518,728)	(30,342)	544	(548,526)
Total capital assets being depreciated, net	576,482	(23,159)	-	553,323
Total capital assets, net	$ 1,339,018	$ 204,449	$ (6,559)	$ 1,536,908

The following table summarizes the major construction in progress projects for the Port as of September 30, 2020 (dollars in thousands):

Project Description	Amount
Cruise terminal improvements	$ 379,616
Security enhancements	14,183
Cargo yard related improvements	45,719
Port-wide infrastructure improvements	43,679
Total	$ 483,197

Note 4. Long-Term Debt

Bond Covenant

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

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

In May 2014, via Ordinance 14-34, the Board approved an amendment to the Master Bond Ordinance 88-66, which provided additional security to the bondholders, by adding certain revenues that may be received by the Seaport Department to the definition of revenue including without limitations, funds remitted to the County from the State Comprehensive Enhanced Transportation System Tax (SCETS). Payment of the SCETS tax to the Seaport is not guaranteed on an annual basis since such payments are contingent on the annual appropriation by the State of Florida. The Seaport expects to receive the SCETS tax from the Florida Department of Transportation for fiscal years 2021 thru 2041, as a reimbursement to the Seaport for its portion of the cash contributions made towards construction of the Florida Department of Transportation (FDOT) owned Port Tunnel.

On July 1 2020, the State of Florida appropriated $17 million dollars which have been recorded as a revenue and related Due from other governments in Seaport's Statement of Revenues, Expenses and Changes in Net Position and Statement of Net Position, respectively, for the current fiscal year ended September 30, 2020.

Note 4. Long-Term Debt (Continued)

A summary of the Seaport's long-term debt outstanding as of September 30, 2020, is presented in the following table (amounts in thousands):

Description	Year Issued	Interest Rate	Amount Issued	Year of Maturity	Outstanding Balance
Revenue Bonds:					
Series 2013 A (fixed rate)	2013	4.00%-6.00%	244,140	2043	**$ 232,450**
Series 2013 B (fixed rate)	2013	5.00%-6.25%	109,220	2043	**103,060**
Series 2013 D (Refunding Bonds)	2013	2.00%-6.00%	17,465	2027	**10,700**
Series 2014 A (variable rate)	2014	0.79%	181,320	2051	**181,320**
Series 2014 B (variable rate)	2014	0.82%	20,150	2051	**20,150**
Unamortized premium					**9,542**
Less: current portion					**(7,815)**
Total Long-term Revenue Bonds					**549,407**
General Obligation Bonds:					
Series 2011C (Refunding Bonds)	2011	2.00%-5.00%	111,375	2026	**57,915**
Unamortized premium					**3,424**
Less: Current portion					**(7,180)**
Total Long-term General Obligation Bonds					**54,159**
Sunshine State Loans:					
Series 2010A (variable rate)	2014	0.69%	47,620	2035	**46,205**
Series 2010A-1 (fixed rate)	2014	4.00%-5.00%	65,330	2028	**46,185**
Series 2010B (variable rate)	2014	0.69%	47,620	2035	**46,205**
Series 2010B-1 (fixed rate)	2014	4.00%-5.00%	60,670	2028	**41,525**
Series 2011A (fixed rate)	2011	5.00%	50,105	2021	**3,550**
Series 2011B-1 (fixed rate)	2014	3.75%-5.50%	28,500	2032	**28,500**
Series 2011C-1 (fixed rate)	2014	4.00%-5.50%	28,500	2032	**28,500**
Unamortized premium					**7,004**
Less: current portion					**(13,170)**
Total Long-term Sunshine State Loans					**234,504**
Capital Asset Acquisition Bonds:					
Series 2020B	2020	0.38%	338,395	2023	**338,395**
Series 2017A (Refunding Bonds)	2017	3.00%-5.00%	47,510	2039	**45,070**
Series 2010D	2010	7.50%	21,277	2040	**21,277**
Series 2010E	2010	3.50%-5.00%	38,050	2030	**23,745**
Unamortized premium					**3,299**
Less: Current portion					**(4,435)**
Total Long-term Capital Asset Acquisition Bonds					**427,351**
Total Long-term debt, net					**$ 1,265,421**

Note 4. Long-Term Debt (Continued)

Seaport Revenue Bonds

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

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

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

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

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

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

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

Seaport General Obligation Bonds

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

Note 4. Long-Term Debt (Continued)

Loans Payable and Sunshine State Governmental Finance Commission

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

Sunshine State Loans

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

Series 2010A and 2010B Bonds (variable rate)

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

In the event that the LOCs are not renewed and replacement LOCs are not provided, the Seaport shall prepay the loan in full by paying the then applicable prepayment price in the amount of approximately $92.4 million (balance as of December 2021). As of September 30, 2020, no draw had been made against the LOCs.

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

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

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

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

Note 4. Long-Term Debt (Continued)

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

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

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

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

Capital Asset Acquisition Bonds, Series 2020B—On September 30, 2020, the County issued $338.4 million of Capital Asset Acquisition Special Obligation Bonds, Series 2020B (Series 2020B Bonds). The total proceeds of approximately $337.2 million were used to: (1) fund all or a portion of the costs of the acquisition, construction, improvement and/or renovation of the Series 2020B Projects, (2) capitalize interest on the Series 2020B Bonds through October 1, 2021 and (3) pay the costs of issuance related to the Series 2020B Bonds. The Series 2020B Bonds are scheduled for payment through the year 2023.

Note 4. Long-Term Debt (Continued)

Debt Service Requirements

The Seaport's stated debt service requirements to maturity by type, assuming the various variable rate demand debt are remarketed and letters of credit are renewed and are extended over the terms of the respective bond and loan agreements (including the current portion) at September 30, 2020 would be as follows (in thousands):

Years Ending September 30,	Revenue *** Bonds	G.O. Bonds	Sunshine ** State Loans	Cap. Acq. Bonds	Total
Principal					
2021	$ 7,815	$ 7,180	$ 13,170	$ 4,435	$ 32,600
2022	8,210	7,510	13,180	4,540	33,440
2023	8,620	7,865	13,180	343,050	372,715
2024	9,055	8,245	12,180	4,775	34,255
2025	9,505	8,655	7,520	4,895	30,575
2026-2030	56,335	18,460	109,920	25,945	210,660
2031-2035	74,005	-	71,520	21,092	166,617
2036-2040	98,575	-	-	19,755	118,330
2041-2045	124,335	-	-	-	124,335
2046-2050	125,970	-	-	-	125,970
2051-2052	25,255	-	-	-	25,255
Total	547,680	57,915	240,670	428,487	1,274,752
Interest					
2021	21,119	2,510	7,751	5,297	36,677
2022	20,718	2,170	7,112	5,706	35,706
2023	20,297	1,805	6,453	5,479	34,034
2024	19,855	1,412	5,794	3,977	31,038
2025	19,357	990	5,185	3,738	29,270
2026-2030	87,746	787	15,727	14,824	119,084
2031-2035	69,544	-	1,892	8,808	80,244
2036-2040	44,150	-	-	3,291	47,441
2041-2045	13,995	-	-	-	13,995
2046-2050	3,487	-	-	-	3,487
2051-2052	100	-	-	-	100
Total	320,368	9,674	49,914	51,120	431,076
Principal and Interest					
2021	28,934	9,690	20,921	9,732	69,277
2022	28,928	9,680	20,292	10,246	69,146
2023	28,917	9,670	19,633	348,529	406,749
2024	28,910	9,657	17,974	8,752	65,293
2025	28,862	9,645	12,705	8,633	59,845
2026-2030	144,081	19,247	125,647	40,769	329,744
2031-2035	143,549	-	73,412	29,900	246,861
2036-2040	142,725	-	-	23,046	165,771
2041-2045	138,330	-	-	-	138,330
2046-2050	129,457	-	-	-	129,457
2051-2052	25,355	-	-	-	25,355
Total	$ 868,048	$ 67,589	$ 290,584	$ 479,607	$ 1,705,828

Note 4. Long-Term Debt (Continued)

****** Series 2010A & B State loans and 2014A & B Revenue Bonds in the amount of $92.4 million and $201.5 million are variable rate debt with interest calculated on the basis of the interest paid at the end of the fiscal year. The table of debt service requirements to maturity above is prepared using expected maturities reflecting the Seaport's intended amortization to maturity. At each stated maturity the Seaport can retire the maturing amount in whole or in part or refund the maturing bonds and loans as a part of its annual capital borrowing into another stated maturity, variable rate debt, or fixed rate debt amortized to maturity as determined by then market conditions. The table does not reflect any accelerated amortizations that may result under the term out provisions as discussed previously for the Sunshine State Loans and 2014A & B Bonds. The average interest rate at year end on the variable rate State loans was 0.69% and 0.80% for the 2014 Bonds.

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

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

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

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

Note 4. Long-Term Debt (Continued)

Capital Lease – Direct borrowing

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

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

Years Ending September 30,	Total Payments
2021	$ 274,070
2022	285,129
2023	296,516
2024	305,234
2025	314,211
2026-2030	1,715,309
2031-2034	954,166
Total minimum lease payments	4,144,635
Less amount representing interest	(672,323)
Present value of minimum lease payments	$ 3,472,312

The net book value of capital assets acquired through the capital lease as of September 30, 2020, are as follows:

Asset	Balance
Equipment	$ 4,385,403
Less accumulated depreciation	(1,016,378)
Capital asset, net	$ 3,369,025

Commercial Paper Notes

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

Note 4. Long-Term Debt (Continued)

At September 30, 2020, the Seaport had approximately $391.3 million outstanding of Seaport Notes with maturities as follows:

Principal Balance Series A-1	Maturity Date	Principal Balance Series A-2	Maturity Date
$ 388,726,000	8/18/2021	$ 2,619,000	8/18/2021

Note 5. Operating Lease Agreements

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

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

Future minimum lease income under the operating leases (with initial or remaining lease terms in excess of one year) as of September 30, 2020, is summarized in the table below (in thousands):

Years Ending September 30,	Annual Operating Lease Income
2021	$ 33,312
2022	33,328
2023	33,324
2024	26,960
2025	26,498
2026-2030	118,468
2031-2035	81,027
2036-2040	59,622
2041-2045	23,882
Total	$ 436,421

Note 5. Operating Lease Agreements (Continued)

Rental income for operating leases was $33.9 million for the fiscal year ended 2020. At September 30, 2020, the net book values of assets being leased by Seaport as lessor are as follows:

Asset	Asset Cost	Accumulated Depreciation	Net Book Value
Land	$ 85,305,431	$ -	$ 85,305,431
Buildings	38,663,129	37,942,282	720,847
Total	$ 123,968,560	$ 37,942,282	$ 86,026,278

Note 6. Long-Term Obligations

Changes in long-term obligations for the year ended September 30, 2020, are as follows (in thousands):

	Beginning Balance	Increase	Decrease	Ending Balance	Due within One year
Bonds and loans payable:					
Revenue bonds	$ 555,130	$ -	$ 7,450	$ 547,680	$ 7,815
General obligation bonds	64,790	-	6,875	57,915	7,180
Sunshine State loans	252,830	-	12,160	240,670	13,170
Capital acquisition bonds	94,412	338,395	4,320	428,487	4,435
Unamortized (discount) and premiums, net	26,544	-	3,275	23,269	-
Total	993,706	338,395	34,080	1,298,021	32,600
Other liabilities:					
Compensated absences	7,497	3,854	1,913	9,438	2,039
Total other post-employment benefits	6,770	1,429	-	8,199	-
Net pension liability	24,126	6,599	-	30,725	-
Capital lease – direct borrowing	3,643	-	171	3,472	183
Commercial paper notes	247,655	143,690	-	391,345	-
Total	289,691	155,572	2,084	443,179	2,222
Total long-term liabilities	$ 1,283,397	$ 493,967	$ 36,164	$ 1,741,200	$ 34,822

Note 7. Restricted Assets

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

Purpose	Balance
Debt service and reserve	$ 86,826
Capital improvement and other projects	291,573
Total	$ 378,399

Note 8. Pension Plans

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

Florida Retirement System Overview

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

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

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

Note 8. Pension Plans (Continued)

FRS Pension Plan

Plan Description

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

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

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

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

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

Benefits Provided

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

Note 8. Pension Plans (Continued)

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

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

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

Note 8. Pension Plans (Continued)

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

	Effective July 1, 2019 through June 30, 2020 Percent of Gross Salary		Effective July 1, 2020 through June 30, 2021 Percent of Gross Salary	
Class	**Employee**	**Employer (*)**	**Employee**	**Employer (*)**
FRS, Regular	3.00	8.47	3.00	10.00
FRS, Elected County Officers	3.00	48.82	3.00	49.18
FRS, Senior Management Service	3.00	25.41	3.00	27.29
FRS, Special Risk Regular	3.00	25.48	3.00	24.45
DROP – Applicable to members from all of the above classes	0.00	14.60	0.00	16.98

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

Seaport's employer contributions to the FRS totaled $2.5 million and employee contributions totaled $0.58 million for the fiscal year ended September 30, 2020.

Seaport's Allocation
Seaport's proportionate share of the County's share of the FRS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources as of September 30, 2020 (in thousands):

Net pension liability	Deferred outflows of resources	Deferred inflows of resources	Pension expense
$25,090	$7,828	$23	$3,898

The amounts reflected in the table above represent an allocation of 0.73% of the total County's balances for the FRS Plan for the fiscal year ended September 30, 2020. Seaport's proportionate share of the total County balances was based on Seaport's annual contributions relative to fiscal year contributions for all participating County employees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At September 30, 2020, Seaport reported a liability of $25.1 million for its proportionate share of the County's share of the FRS Plan's net pension liability. For fiscal year ended 2020, the net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The overall County's proportionate share of the net pension liability was based on the 2020 fiscal year contributions relative to the 2020 fiscal year contributions of all participating entities.

Note 8. Pension Plans (Continued)

For the fiscal year ended, Seaport recognized pension expense of $3.9 million and reported its share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 960	$ -
Change of assumptions	4,542	-
Net difference between projected and actual earnings on FRS pension plan investments	1,494	-
Changes in proportion and differences between Seaport FRS contributions and proportionate share of contributions	264	(23)
Seaport FRS contributions subsequent to the measurement date	568	-
Total	$ 7,828	$ (23)

The deferred outflows of resources related to pensions totaling approximately $568,000 resulting from Seaport's contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in fiscal year 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Fiscal Years Ending September 30,	Deferred Outflows/ (Inflows), Net
2021	$ 1,533
2022	2,318
2023	1,952
2024	1,168
2025	266
Thereafter	-
Total	$ 7,237

Note 8. Pension Plans (Continued)

Actuarial Assumptions
The FRS pension actuarial assumptions that determined the total pension liability as of June 30, 2020, were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation
Discount Rate	6.80%

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

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

Asset Class	Target Allocation [1]	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	2.2%	2.2%	1.2%
Fixed income	19%	3.0%	2.9%	3.5%
Global equity	54%	8.0%	6.7%	17.1%
Real estate (property)	10%	6.4%	5.8%	11.7%
Private equity	11%	10.8%	8.1%	25.7%
Strategic investments	5%	5.5%	5.3%	6.9%
	100%			
Assumed inflation-Mean		2.4%		1.7%

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

Note 8. Pension Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions will be made at the statutorily required rates. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.80% rate of return assumption used in the June 30, 2020 calculations was determined by the FRS Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the FRS Plan.

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

The following represents Seaport's proportionate share of the County's share of the FRS Plan's net pension liability as of June 30, 2020 calculated using the discount rate of 6.80%, as well as what Seaport's proportionate share of the net pension liability would be if it was calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate (in thousands):

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Seaport's proportionate share of the net pension liability	$40,065	$25,090	$12,583

Pension Plan Fiduciary Net Position

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

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description

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

Benefits Provided

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

Note 8. Pension Plans (Continued)

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

The Seaport's contributions to the HIS Plan totaled $268,998 for the fiscal year ended.

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

Net Pension Liability	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense
$5,635	$1,021	$366	$404

The amounts reflected in the table above represent an allocation of 0.73% of the total County balances for the HIS Plan for fiscal year ended. Seaport's proportionate share of the total County balances for fiscal year 2020 was based on Seaport's fiscal year contributions relative to contributions for all participating County employees for the fiscal year.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At September 30, 2020, the Seaport reported a net pension liability of $5.64 million for its proportionate share of the County's share of the HIS Plan's net pension liability. For fiscal year ended, the net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The overall County's proportionate share of the net pension liability was based on 2020 fiscal year contributions relative to the 2020 fiscal year contributions of all participating entities.

Note 8. Pension Plans (Continued)

For the fiscal year ended, Seaport recognized pension expense of $404,000 and reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 230	$ (4)
Change of assumptions	608	(328)
Net difference between projected and actual earnings on HIS pension plan investments	4	-
Changes in proportion and differences between Seaport HIS contributions and proportionate share of HIS contributions	106	(34)
Seaport contributions subsequent to measurement date	73	-
Total	$ 1,021	$ (366)

The deferred outflows of resources related to pensions totaling approximately $73,000 resulting from Seaport's contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in fiscal year 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Fiscal Years Ending September 30,	Deferred Outflows/ (Inflows), Net
2021	$ 159
2022	122
2023	49
2024	81
2025	95
Thereafter	76
Total	$ 582

Actuarial Assumptions

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

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	N/A
Discount Rate	2.21%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

Note 8. Pension Plans (Continued)

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate
The discount rate used to measure the total pension liability for the HIS Plan was 2.21%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of Seaport's Net Pension Liability to Changes in the Discount Rate
The following table presents the Seaport's proportionate share of the County's share of the HIS Plan's net pension liability calculated using a discount rate of 2.21%, as well as what the Seaport's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.21%) or one percentage point higher (3.21%) than the current rate (in thousands):

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Seaport's proportionate share of the net pension liability	$ 6,513	$ 5,635	$ 4,915

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

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

Plan	Net Pension Expense	Net Pension Liability	Deferred Inflow of Resources	Deferred Outflow of Resources
FRS	$ 3,898	$ 25,090	$ 23	$ 7,828
HIS	404	5,635	366	1,021
Total	$ 4,302	$ 30,725	$ 389	$ 8,849

FRS – Defined Contribution Pension Plan

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

Note 8. Pension Plans (Continued)

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

Membership Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to County and its departments.

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

The Seaport's Investment Plan pension contributions totaled approximately $467,188 for the fiscal year ended.

Note 9. Post-Employment Benefits Other than Pensions

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

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

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

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

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

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

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

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

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

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

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

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

Total OPEB Liability

The Seaport's allocated share of the County's total OPEB liability is $8.2 million measured as of September 30, 2020, and determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	September 30, 2020
Discount rate	2.21% per annum
Salary increases rate	3.0% per annum
Medical consumer price index trend	2.0% per annum
Actuarial cost method	Entry Age Normal based on percentage of projected salary
Amortization method	11.7 years
Healthcare cost trend rates	Medical/Rx 6.0% initial to 4.5% ultimate
Retirees share of benefit-related costs	29.9%
Mortality rates	The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2019 to reflect the Society of Actuaries' recent mortality study.

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

The actuarial assumptions used in the September 30, 2020 valuation were based on the results of an actuarial experience study for the period of October 1, 2019 to September 30, 2020.

Changes in Total OPEB Liability

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

Balance at September 30, 2019	$	6,770
Changes for the year:		
Service cost		144
Interest		216
Change of benefit terms		1,862
Difference between expected and actual experience		(421)
Benefits payments		(372)
Total		1,429
Balance at September 30, 2020	$	8,199

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

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

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

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB Liability	$ 8,998	$ 8,199	$ 7,493

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

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	$ 7,510	$ 8,199	$ 9,019

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

For the year ended, the Seaport recognized OPEB expense of $471,000 and reported deferred outflows of resources and deferred inflows of resources for changes of assumptions of $2.2 million and $584,000 respectively, related to OPEB.

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

Fiscal Years Ending September 30,	Deferred Outflows/ (Inflows), Net
2021	$ 157
2022	157
2023	157
2024	157
2025	157
Thereafter	864
Total	$ 1,649

Note 10. Risk Management

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

The County maintains no excess coverage with independent insurance carriers for the workers' compensation and general liability self-insurance programs. Premiums are charged to the various County departments based on amounts necessary to provide funding for current and anticipated losses. For the year ended September 30, 2020, the Seaport incurred approximately $2.11 million in insurance premium costs. The estimated liability for reported and unreported claims of the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims, past experience adjusted for current trends, and other factors that would modify past experience. Outstanding claims are evaluated through a combination of case-by-case reviews and the application of historical experience. The estimates of incurred, but not reported losses are based on historical experience, and are reported only in the County's internal service fund as a liability. The unfunded losses of the RMD are the responsibility of general fund, and not a liability of the various departments that pay into self-insurance fund, therefore no liability for unfunded losses is reported by the Seaport.

Note 11. Related-Party Transactions – County Services Received

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. Charges for services provided to the Seaport by other County departments included as operating expenses in the accompanying Statements of Revenues, Expenses and Changes in Net Position amounted to approximately $33.9 million for the fiscal year ended. The following table presents a list of service charges provided for the fiscal year ended (in thousands):

Charges for Service	Amount
Audit and management services	$ 190
Fire services	5,766
Fleet management	646
Administrative service charges	3,560
Information technology	4,781
Police services	11,801
Public works services	110
Water and sewer	1,626
Other	5,441
Total	$ 33,921

Note 11. Related-Party Transactions – County Services Received (Continued)

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

Note 12. Commitments, Contingencies and Guarantees

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

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

Years Ending September 30,	Cruise Operators	Cargo Operators
*2021	$ -	$ 56,205
*2022	-	58,468
2023	149,120	60,829
2024	157,691	63,528
2025	153,808	66,247
2026-2030	683,067	376,558
2031-2035	663,909	27,983
2036-2040	721,335	-
2041-2045	644,419	-
2046-2050	598,953	-
2051-2053	98,546	-
Totals	$ 3,870,848	$ 709,818

* On October 20, 2020, the Board of County Commissioners adopter Resolution No. R-1116-20, authorizing the negotiation of amendments to preferential berthing rights agreements and providing for a two-phase COVID-19 recovery period. The intent of the COVID-19 Recovery Period is to provide a transition into normalized cruise passenger sailing. Upon entering into an amended agreement for the COVID-19 Recovery Period, cruise lines will be relieved of their minimum annual passenger guarantees

(MAGs) in exchange for certain commitments upon the resumption of sailing. These commitments can include: maintaining or increasing market share at PortMiami relative to other US Ports; guaranteeing a minimum number of vessel calls; returning available berthing rights, and modifications to scope of construction projects. During the COVID-19 Recovery Period, all parking incentives and certain other incentives payable to cruise lines will be waived.

The first phase of the COVID-19 Recovery Period commenced on March 13, 2020 and concluded on December 30, 2020, sixty (60) days after the lifting of the Centers for Disease Control (CDC) "No Sail Order (with the exception of the Carnival Cruise Line Cruise Terminal F Agreement and Virgin Voyages, whose first phase will last through the substantial completion of their construction projects).

Note 12. Commitments, Contingencies and Guarantees (Continued)

The second phase commenced upon the conclusion of the first phase and will last for up to 24 months. At certain points, cruise lines will possess the ability to opt out of the COVID-19 recovery period and revert to MAGs and have incentives reinstated.

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

- On September 19, 2019, the Board approved a resolution to amend one of its existing terminal agreements: (a) allowing the operator to build a new terminal for an increased amount of $239 million; (b) provide the operator with preferential berthing rights at certain existing terminals and at the new terminal; (c) increase the minimum annual passengers for the cruise operator, and (d) requiring Seaport to make certain infrastructure improvements. The Seaport's contribution to the new terminal is approximately $100 million, not subject to be reimbursed by the cruise operator. The cruise operator will reimburse the Seaport for all advanced project costs over $100 million and up to $239 million. As of fiscal year end 2020, Seaport's total commitment towards the new terminal was $227.8 million and $11.2 million was its remaining commitment. The new terminal being constructed will be an asset of the Seaport.

- On September 19, 2019, the Board approved an amendment to a preferential berthing agreement with a certain cruise operator to relinquish those rights for a new cruise terminal to be completed by October 15, 2022. The Seaport's cost of the new cruise terminal is expected to be approximately $179 million, for a period of thirty years of preferential berthing rights to the cruise operator, with two options to renew of five years each. As of fiscal year end 2020, the Seaport's total commitment towards the new terminal was approximately $36.6 million. The new terminal being constructed will be an asset of the Seaport.

- On September 19, 2019, the Board approved a preferential berthing agreement with a cruise operator upon substantial completion of certain cruise terminal improvements, granting berthing rights to a certain cruise terminal for an initial term of twenty years. The Seaport and cruise operator's share for these improvements would be approximately $130 million and $65 million, respectively. As of fiscal year end 2020, the Seaport's total commitment towards the cruise terminal improvements was $4.8 million. The terminal being constructed will be an asset of the Seaport.

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

Construction

As of the fiscal year end, Seaport had construction commitments of $224.5 million to include the construction of a new cruise terminal, cruise and cargo improvements, and other port-wide infrastructure improvements as discussed above.

Note 12. Commitments, Contingencies and Guarantees (Continued)

Litigation

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

Federal and State Grants

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

Phase III Dredging

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

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

Note 13. Unrestricted Net Position

As previously mentioned in the MD&A section, the $147.2 million contribution to FDOT for the Port Tunnel Project (Tunnel) contributed to the negative unrestricted net position balance of $127.6 million as of September 30, 2020 for the Seaport. As of fiscal year end to date, the Port has recognized $59 million of SCETS revenues to offset the $201.7 million contribution initially made towards the Tunnel that contributed to the Port's negative unrestricted net position balance. The Tunnel, located beneath the Governmental Cut, connects the Port directly with the interstate highway system. The Tunnel improves access to and from the Port, making trucking and passenger vehicle connections from the Port to the rest of the region and country substantially easier and eliminates the Port's dependence on the current Port Boulevard Bridge. It has also reduced traffic congestion in the downtown area of Miami. The Tunnel is owned by the State of Florida and is not reported as an asset of the Seaport.

Note 13. Unrestricted Net Position (Continued)

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

Note 14. Subsequent Events

On October 20, 2020, the Board passed a resolution authorizing the County Mayor to negotiate and execute agreements to: (a) preferential berthing rights and cruise terminal usage agreements providing for a two-phase coronavirus disease 2019 (COVID-19) recovery period; (b) amending a Ground Lease agreement with a certain cruise operator during the two-phase COVID-19 recovery period.

On February 17, 2021, the Board approved a resolution authorizing the execution of an Amended and Restated Development, Management and Lease agreement with a term of sixty-two years that is expected to be completed by November 15, 2023. The estimated cost for the multi-berth Shared Terminal is approximately $400 million, which the Seaport's obligation would be $136 million. The new terminal will be part of the Seaport's assets when completed.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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

Total OPEB Liability	**2018**	**2019**	**2020**
Changes for the Year:			
Service Cost	$ 338	$ 117	$ 144
Interest	-	248	216
Change of Benefit Terms	(335)	918	1,862
Difference Between Expected and Actual Experience	-	-	(421)
Benefit Payments	(344)	(390)	(372)
Net Change in Total OPEB Liability	(341)	893	1,429
Total OPEB Liability – Beginning	6,218	5,877	6,770
Total OPEB Liability – Ending	$ 5,877	$ 6,770	$ 8,199
Covered-employee Payroll	$ 23,140	$ 27,705	$ 26,559
Total OPEB Liability as a Percentage of Covered-employee Payroll	25.40%	24.44%	30.87%

Notes to Schedule:

(1) For information regarding plan contributions, rates, assumptions and amortization method, see Note 9.

(2 No assets are accumulated in a trust that meets the criteria in paargraph 4 of GASB 75 to pay related benefits. There were no changes to benefit terms during the measurement period. The discount rate is the only applicable change in the actuarial valuation. All other assumptions for this update report are the same as the prior valuation.

(3) Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period

(4) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020
Seaport's proportion of Miami-Dade County's FRS Plan net pension liability	0.76%	0.79%	0.69%	0.70%	0.73%
Seaport's proportionate share of Miami-Dade County's FRS net pension liability	$ 14,958	$ 18,160	$ 16,275	$ 19,146	$ 25,090
Seaport's covered payroll	$ 22,343	$ 24,010	$ 24,909	$ 26,172	$ 27,889
Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered payroll	87.89%	92.81%	70.33%	73.15%	89.96%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.9%	83.9%	84.3%	82.6%	78.9%

Notes to Schedule:

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

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

(3) The discount rate used in the 2020 valuation was updated from 6.90% to 6.80%.

(4) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements.

(5) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020
Seaport's proportionate share of Miami-Dade County's required FRS contribution	$ 1,864	$ 1,308	$ 1,968	$ 1,600	$ 2,505
Seaport's contribution in relation to the contractually required contribution	1,864	1,308	1,968	1,600	2,505
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Seaport's covered payroll	$ 23,330	$ 24,674	$ 24,969	$ 26,445	$ 28,283
FRS contribution as a percentage of covered payroll	7.99%	5.30%	7.88%	6.05%	8.86%

Notes to Schedule:

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

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

(3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements.

(4) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020
Seaport's proportion of Miami-Dade County's HIS net pension liability	0.76%	0.79%	0.69%	0.70%	0.73%
Seaport's proportionate share of Miami-Dade County's HIS. net pension liability	$ 5,603	$ 5,237	$ 4,598	$ 4,980	$ 5,635
Seaport's covered payroll	$ 17,019	$ 18,111	$ 18,781	$ 19,850	$ 20,958
Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered payroll	32.92%	28.92%	24.48%	25.09%	26.89%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%

Notes to Schedule:

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

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

(3) The discount rate used in the 2020 valuation was updated from 2.60% to 2.40% and the mortality table was updated to the Generational PUB-2010 with Projection Scale MP-2018.

(4) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements.

(5) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020
Seaport's proportionate share of Miami-Dade County's required HIS contribution	$ 177	$ 264	$ 237	$ 249	$ 269
HIS contribution in relation to the contractually required contribution	177	264	237	249	269
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Seaport's covered payroll	$ 17,681	$ 18,567	$ 18,895	$ 20,045	$ 21,127
HIS contribution as a percentage of covered payroll	1.00%	1.42%	1.25%	1.24%	1.27%

Notes to Schedule:

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

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

(3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements.

(4) Currently, only data for fiscal years presented are available.

STATISTICAL SECTION
(Unaudited)

Statistical Section
(unaudited)

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

<u>Contents</u>

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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating revenues	$ 109,146	$ 103,578	$ 109,177	$ 126,144	$ 136,086	$ 143,864	$ 166,756	$ 155,928	$ 165,592	$ 133,086
Investment earnings	512	359	153	510	861	720	953	2,344	5,317	2,207
Other nonoperating	810	718	687	666	666	669	8,633	17,671	19,155	18,048
Total revenues	110,468	104,655	110,017	127,320	137,613	145,253	176,342	175,943	190,064	153,341
Operating expenses	65,836	59,550	66,011	64,341	66,700	71,267	79,575	80,383	85,840	94,762
Depreciation	23,548	24,947	25,958	27,423	30,020	30,474	30,598	31,872	29,145	30,342
Interest expense	18,901	18,668	18,167	35,496	37,283	40,213	39,171	40,988	45,503	43,388
Other nonoperating expenses/transfers	1,072	6,118	1,861	5,349	1,267	-	1,628	3,332	603	-
Total expenses	109,357	109,283	111,997	132,609	135,270	141,954	150,972	156,575	161,091	168,492
Net income (loss) before contributions	1,111	(4,628)	(1,980)	(5,289)	2,343	3,299	25,370	19,368	28,973	(15,151)
Net contributions	6,331	12,789	(16,781)	(85,944)	47,644	3,154	1,642	3,378	8,762	14,081
Change in net position	7,442	8,161	(18,761)	(91,233)	49,987	6,453	27,012	22,746	37,735	(1,070)
Net position at beginning of year (1)	218,133	225,575	233,736	214,975	109,677	159,664	166,117	188,288	211,035	248,770
Net position at end of year	225,575	233,736	214,975	123,742	159,664	166,117	193,129	211,034	248,770	247,700
Net position, end of year classified as:										
Net investment in capital assets	201,468	217,486	204,722	272,815	317,408	300,337	293,530	304,318	331,807	328,304
Restricted for debt service	13,228	12,647	11,860	12,485	12,880	7,165	13,160	44,715	47,325	46,995
Restricted for construction and other	-	5,310	2,349	10,067	-	-	-	-		
Unrestricted (deficit) and other	10,879	(1,707)	(3,956)	(171,625)	(170,624)	(141,385)	(113,561)	(137,998)	(130,362)	(127,599)
Net position at end of year	$ 225,575	$ 233,736	$ 214,975	$ 123,742	$ 159,664	$ 166,117	$ 193,129	$ 211,035	$ 248,770	$ 247,700

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

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
OPERATING REVENUES:										
Cruise Wharfage/Dockage	$ 46,424	$ 45,192	$ 50,528	$ 60,295	$ 63,659	$ 69,199	$ 93,302	$ 76,997	$ 74,817	$ 45,735
Cargo Wharfage/Dockage	23,752	23,089	23,932	24,809	24,120	23,337	19,310	22,721	24,239	29,146
Container Crane Fees	9,910	7,607	6,619	6,243	8,624	9,995	13,658	15,018	16,713	15,098
Rentals	13,906	13,428	13,365	14,829	19,254	21,999	22,124	23,120	32,829	33,886
Ground Transportation	1,880	1,763	1,861	2,100	2,329	2,230	2,311	1,625	2,689	1,299
Parking	9,184	8,305	9,374	14,963	14,691	14,679	13,747	14,068	12,081	6,236
Miscellaneous	4,090	4,194	3,498	2,905	3,409	2,425	2,304	2,379	2,224	1,686
	109,146	103,578	109,177	126,144	136,086	143,864	166,756	155,928	165,592	133,086
OPERATING EXPENSES:										
Cruise Operations	6,590	6,002	6,293	7,523	7,165	6,828	8,210	8,865	8,227	9,701
Cargo Operations	1,338	1,180	1,314	1,235	1,242	1,308	1,572	1,877	1,673	2,092
Maintenance	6,731	6,083	6,590	6,329	6,993	8,553	9,386	9,097	9,212	10,608
Utilities	3,256	2,225	1,814	2,881	3,730	3,675	3,002	2,758	3,427	3,433
Marketing & Advertising	1,015	1,105	1,848	1,747	1,803	2,204	2,212	2,167	2,467	1,589
Gantry Cranes Operations	6,926	6,357	7,533	7,543	7,006	8,385	8,858	9,487	9,457	9,747
Security	18,510	15,488	15,210	16,782	18,093	18,292	20,552	20,931	22,217	21,866
General & Administration	21,470	21,110	25,409	20,301	20,668	22,022	25,783	25,201	29,160	35,726
Total Operating Expenses	65,836	59,550	66,011	64,341	66,700	71,267	79,575	80,383	85,840	94,762
Operating income before depreciation	43,310	44,028	43,166	61,803	69,386	72,597	87,181	75,545	79,752	38,324
DEPRECIATION	23,548	24,947	25,958	27,423	30,020	30,474	30,598	31,872	29,144	30,342
Operating Income	19,762	19,081	17,208	34,380	39,366	42,123	56,583	43,673	50,608	7,982
NON-OPERATING REVENUES (EXPENSES):										
Interest Income, net	512	359	153	510	861	720	953	2,344	5,317	2,207
Interest expense, net	(18,901)	(18,668)	(18,167)	(35,496)	(37,283)	(40,213)	(39,171)	(40,988)	(45,503)	(43,388)
Other income (expense)	810	(5,400)	(1,174)	(4,683)	(601)	669	7,005	16,939	19,155	17,589
Income (loss) before Contributions and transfers	2,183	(4,628)	(1,980)	(5,289)	2,343	3,299	25,370	21,968	29,577	(15,610)
Contributions	6,331	12,789	(16,781)	(85,944)	47,644	3,154	1,642	3,378	8,761	14,081
Transfer out	(1,072)	-	-	-	-	-	-	(2,600)	(603)	459
Net contributions and transfers	5,259	12,789	(16,781)	(85,944)	47,644	3,154	1,642	778	8,158	14,540
Net income (loss)	$ 7,442	$ 8,161	$ (18,761)	$ (91,233)	$ 49,987	$ 6,453	$ 27,012	$ 22,746	$ 37,735	$ (1,070)

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cargo revenue	$ 33,662	$ 30,696	$ 30,551	$ 31,052	$ 32,744	$ 33,332	$ 32,968	$ 37,739	$ 40,952	$ 44,244
Tonnage	8,222	8,108	7,981	7,700	8,614	8,778	9,162	9,612	10,122	9,725
Revenue per ton	$ 4.09	$ 3.79	$ 3.83	$ 4.03	$ 3.80	$ 3.80	$ 3.60	$ 3.93	$ 4.05	$ 4.55
TEU	907	909	901	877	1,008	1,028	1,024	1,083	1,121	1,067
Revenue per TEU	$ 37.11	$ 33.77	$ 33.91	$ 35.41	$ 32.48	$ 32.42	$ 32.20	$ 34.85	$ 36.53	$ 41.47

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

Description	2011	2012	2013	2014	2015	2016	2017*	2018	2019	2020
Cruise Revenue	$ 46,424	$ 45,192	$ 50,528	$ 60,295	$ 63,659	$ 69,199	$ 73,302	$ 76,997	$ 74,817	$ 45,735
Passengers	4,018	3,774	4,079	4,939	4,916	4,980	5,340	5,592	6,824	3,478
Revenue per passenger	$ 11.55	$ 11.97	$ 12.39	$ 12.21	$ 12.95	$ 13.90	$ 13.73	$ 13.77	$ 10.96	$ 13.15

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

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Primary Debt Coverage										
Net Operating Revenues	$ 43,310	$ 44,028	$ 43,166	$ 61,803	$ 69,386	$ 72,597	$ 87,181	$ 75,545	$ 79,752	$ 38,324
Coverage Adjustments:										
Pledged Rent Revenue	(1,130)	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue*	-	-	-	-	-	-	8,000	17,000	17,000	17,000
Capital Recovery Surcharges	-	-	-	-	-	-	-	-	-	608
Noncash Items	(293)	165	475	46	(868)	856	1,574	527	3,440	6,577
Unrestricted Interest	4	8	-	-	-	-	219	1,065	2,439	1,005
Revenues Available	$ 41,891	$ 44,201	$ 43,641	$ 61,849	$ 68,518	$ 73,453	$ 96,974	$ 94,137	$ 102,631	$ 63,514
Revenue Bonds Maximum Debt Service Required	8,399	8,399	27,547	27,671	27,640	28,050	29,177	31,033	31,148	29,476
Coverage Required 125%	10,499	10,499	34,434	34,589	34,550	35,063	36,471	38,791	38,935	36,845
Net Revenue Coverage	399%	421%	127%	179%	198%	209%	266%	243%	264%	172%

Note: Coverage requirement under master bond ordinance is 125% of maximum principal and interest for revenue bonds.
* Commencing in fiscal year 2017, the Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.
See Note 4 of the Notes to Financial Statements for further information.

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

Description	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Primary Debt Coverage										
Net Operating Revenues	$ 43,310	$ 44,028	$ 43,166	$ 61,803	$ 69,386	$ 72,597	$ 87,181	$ 75,545	$ 79,752	$ 38,324
Coverage Adjustments:										
Pledged Rent Revenue	(1,130)	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue*	-	-	-	-	-	-	8,000	17,000	17,000	17,000
Capital Recovery Surcharges	-	-	-	-	-	-	-	-	-	608
Non-Cash Items	(293)	165	475	46	(868)	856	1,574	527	3,440	6,577
Unrestricted Interest	4	8	-	-	-	-	219	1,065	2,439	1,005
Revenues Available	$ 41,891	$ 44,201	$ 43,641	$ 61,849	$ 68,518	$ 73,453	$ 96,974	$ 94,137	$ 102,631	$ 63,514
G O Bonds Maximum Debt Service Required	9,884	9,884	9,863	9,863	9,863	9,863	9,863	9,863	9,863	9,863
Coverage Required 110%	10,872	10,872	10,849	10,849	10,849	10,849	10,849	10,849	10,849	10,849
Net Revenue Coverage	385%	407%	402%	570%	632%	677%	894%	868%	946%	585%

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

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

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

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

Description	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Primary Debt Coverage										
Net Operating Revenues	$ 43,310	$ 44,028	$ 43,166	$ 61,803	$ 69,386	$ 72,597	$ 87,181	$ 75,545	$ 79,752	$ 38,324
Coverage Adjustments:										
Pledged Rent Revenue	(1,130)	-	-	-	-	-	-	-	-	-
Intergovernmental Revenue*	-	-	-	-	-	-	8,000	17,000	17,000	17,000
Capital Recovery Surcharges	-	-	-	-	-	-	-	-	-	608
Non-Cash Items	(293)	165	475	46	(868)	856	1,574	527	3,440	6,577
Unrestricted Interest	4	8	-	-	-	-	219	1,065	2,439	1,005
Revenues Available	$ 41,891	$ 44,201	$ 43,641	$ 61,849	$ 68,518	$ 73,453	$ 96,974	$ 94,137	$ 102,631	$ 63,514
Revenue Bonds Maximum Debt Service Required	8,399	8,399	27,547	27,671	27,640	28,050	29,177	31,033	31,148	29,476
Coverage Required 125%	10,499	10,499	34,434	34,589	34,550	35,063	36,471	38,791	38,935	36,845
G O Bonds Maximum Debt Service Required	9,884	9,884	9,863	9,863	9,863	9,863	9,863	9,863	9,863	9,863
Coverage Required 110%	10,872	10,872	10,849	10,849	10,849	10,849	10,849	10,849	10,849	10,849
Excess coverage required greater (less) than maximum coverage	3,088	3,088	7,873	7,904	7,896	7,999	8,281	8,745	8,773	8,355
Needed to Meet Coverage	21,371	21,371	45,283	45,438	45,399	45,912	47,321	49,641	49,784	47,694
Net Revenues Coverage	196%	207%	96%	136%	151%	160%	205%	190%	206%	133%

Note: Coverage requirement under master bond ordinance is 125% and 110% of maximum principal and interest for revenue bonds and GO bonds, respectively. The combined debt service coverage has increased 64%, from 96% in fiscal year 2013 when the Seaport did not meet its combined debt service coverage of 100%, as required by the debt covenants, to 160% in the current fiscal year.
Refer to Note 4 of the Notes to Financial Statements for further information.

* Commencing in fiscal year 2017, the Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.
See Note 4 of the Notes to Financial Statements for further information.

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

Fiscal Year	G.O. Bonds	Revenue Bonds	Loans	Capital Acquisition Bond	Commercial Paper	Capital Lease	Total Debt	Ratio of Debt to TEUs	Ratio of Debt to Cruise Passengers
2011	$ 111,559	$ 48,435	$ 328,981	$ 127,941	$ -	$ -	$ 616,916	$ 680	$ 154
2012	105,862	42,681	325,300	126,240	-	-	600,083	660	159
2013	107,984	402,340	322,702	122,310	-	-	955,336	1,060	234
2014	102,045	596,797	320,553	118,314	-	-	1,137,709	1,297	230
2015	95,865	589,400	314,524	114,259	-	-	1,114,048	1,105	227
2016	89,466	581,827	298,626	110,143	-	4,007	1,084,069	1,055	218
2017	82,827	580,210	286,688	108,024	37,262	3,949	1,098,960	1,073	206
2018	75,937	572,848	273,720	103,560	170,262	3,802	1,200,129	1,108	215
2019	68,783	565,194	260,717	99,012	247,655	3,643	1,245,004	1,111	182
2020	61,339	557,222	247,674	431,786	391,345	3,472	1,692,838	1,587	487

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

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

Year	Total	Difference	% Change
2011	8,222	-	0.0%
2012	8,108	(114)	-1.4%
2013	7,981	(127)	-1.6%
2014	7,700	(281)	-3.5%
2015	8,614	914	11.9%
2016	8,778	164	1.9%
2017	9,162	384	4.4%
2018	9,612	450	4.9%
2019	10,122	510	5.3%
2020	9,725	(397)	-3.9%

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

Year	TEU's	Difference	% Change
2011	907	-	0.0%
2012	909	2	0.2%
2013	901	(8)	-0.9%
2014	877	(24)	-2.7%
2015	1,008	131	14.9%
2016	1,028	20	2.0%
2017	1,024	(4)	-0.4%
2018	1,083	59	5.8%
2019	1,121	38	3.5%
2020	1,067	(54)	-4.8%

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
2011	4,376	53%	3,846	47%	8,222
2012	4,222	52%	3,886	48%	8,108
2013	4,020	50%	3,961	50%	7,981
2014	3,828	50%	3,872	50%	7,700
2015	4,046	47%	4,568	53%	8,614
2016	4,029	46%	4,749	54%	8,778
2017	4,176	46%	4,986	54%	9,162
2018	4,409	46%	5,203	54%	9,612
2019	4,376	43%	5,746	57%	10,122
2020	3,933	40%	5,792	60%	9,725

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

Year	Total	Difference	% Change
2011	4,018	-	0.0%
2012	3,774	(244)	-6.1%
2013	4,079	305	8.1%
2014	4,939	860	21.1%
2015	4,916	(23)	-0.5%
2016	4,980	64	1.3%
2017	5,340	360	7.2%
2018	5,592	252	4.7%
2019	6,824	1,232	22.0%
2020	3,478	(3,346)	-49.0%

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

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

Years	Resident Population	Change
1900	4,955	-
1910	11,933	6,978
1920	42,752	30,819
1930	142,955	100,203
1940	267,739	124,784
1950	495,084	227,345
1960	935,047	439,963
1970	1,267,792	332,745
1980	1,625,781	357,989
1990	1,937,000	311,219
2000	2,253,362	316,362
2010	2,563,885	310,523
2011	2,516,515	(47,370)
2012	2,551,255	34,740
2013	2,565,685	14,430
2014	2,586,290	20,605
2015	2,653,934	67,644
2016	2,696,353	42,419
2017	2,743,095	46,742
2018	2,779,322	36,227
2019	2,812,130	32,808
2020	2,832,794	20,664

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

Miami-Dade County, Florida Seaport Department

DEMOGRAPHIC AND ECONOMIC INFORMATION

PRINCIPAL EMPLOYERS (Unaudited)

FISCAL YEAR 2019 AND NINE YEARS AGO

	2019*			2010		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	37,696	1	2.58%	48,571	1	3.72%
Miami-Dade County	25,502	2	1.74	29,000	2	2.22
U.S. Federal Government	19,200	3	1.31	19,500	3	1.49
Florida State Government / State of Florida	17,100	4	1.17	17,100	4	1.31
University of Miami, Inc.	12,818	5	0.88	16,000	6	1.23
Baptist Health South Florida	11,353	6	0.78	13,376	7	1.02
American Airlines	11,031	7	0.75	9,000	9	0.69
Jackson Memorial Hospital	9,797	8	0.67	12,571	5	0.96
Publix Super Market	4,604	9	0.31	10,800	8	0.83
City of Miami	3,997	10	0.27	-	-	-
Florida International University	-	-		-	10	0.61
	153,098			175,918		

Source: The Beacon Council, Miami, Florida, Miami Business Profile

* Information for fiscal year 2020 was not available for this 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
2011	2,516,515	$ 97,815,794	$ 38,870	12.7%	1,300,030	39
2012	2,551,255	100,688,604	39,466	9.7%	1,290,751	39
2013	2,565,685	104,373,301	40,680	8.9%	1,289,617	39
2014	2,586,290	111,528,866	43,123	7.2%	1,282,854	39
2015	2,653,934	116,553,169	43,917	6.2%	1,321,033	40
2016	2,696,353	123,276,064	45,440	5.8%	1,334,404	40
2017	2,743,095	126,715,595	47,813	5.0%	1,375,376	40
2018	2,779,322	138,138,976	50,022	3.6%	1,363,766	40
2019	2,812,130	149,166,155	54,902	2.9%	1,463,774	40
2020	2,832,794	(1)	(1)	12.6%	1,396,663	40

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

Legend: (1) Information unavailable.

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

Coverage/Insurance Company	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage
Crime Policy				
	Fidelity & Deposit Co. of Maryland	08/19/20 - 08/19/21	Employee Theft Theft of Money and Securities	$1,000,000 $500,000
Accidental Death:				
	Hartford Life Insurance Co.	08/29/20 - 08/29/21	Accidental death and dismemberment	$25,000
Property Insurance:				
	Various companies	04/15/20 - 04/15/21	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

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

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

Function/program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cruise and Housekeeping	62	58	57	57	54	56	56	53	53	114
Cargo Operations	15	13	12	12	12	13	14	16	15	13
Port Security	142	130	96	96	93	88	83	83	85	91
Maintenance	78	69	69	69	69	64	62	61	70	92
Marketing and Advertising	7	8	8	8	8	11	11	13	13	12
Administration and Engineering	113	99	120	120	113	99	99	99	109	139
Total	417	377	362	362	349	331	325	325	345	461

Source: Seaport's Budget Section.

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

Description	2011	2012	2013	2014*	2015	2016	2017**	2018	2019***	2020
Number of gantry cranes	9	9	9	13	13	13	13	13	13	13
Number of passenger terminals	12	12	12	12	12	12	9	8	9	9

* In fiscal year 2014, the Seaport acquired 4 Post Panamax cranes.
** In fiscal year 2017, the Seaport merged certain cruise terminals for naming purposes only.
*** In fiscal year 2019, a certain cruise operator's cruise terminal was completed.

Source: Seaport's Accounting Section.

PORTMIAMI MIAMI-DADE COUNTY

Miami-Dade County Seaport Department

A Department of Miami-Dade County, Florida

1015 North America Way, 2nd Floor

Miami, FL 33132

Phone: 305-347-4800 • Fax: 305-329-4055

PortMiami@miamidade.gov

PortMiami.biz