# PORTMIAMI

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


# 2015 Comprehensive Annual Financial Report

(For the fiscal year ended September 30, 2015)

# Miami-Dade Seaport Department

*A Department of Miami-Dade County, Florida*

Comprehensive Annual Financial Report

For the fiscal year ended September 30, 2015

Prepared by the Miami-Dade Seaport Department


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

**Kevin T. Lynskey,**
*Deputy Port Director and COO*

**Miriam N. Abreu, CPA**
*Assistant Director for Finance and CFO*

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*Port Controller*

MIAMI-DADE COUNTY

Delivering Excellence Every Day

**MIAMI-DADE COUNTY, FLORIDA SEAPORT DEPARTMENT**
**A Department of Miami-Dade County, Florida**
**Comprehensive Annual Financial Report**
**For the Fiscal Year Ended September 30, 2015**

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COUNTY

Delivering Excellence Every Day

# *INTRODUCTORY SECTION*

MIAMI-DADE
COUNTY

*Delivering Excellence Every Day*

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

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

**BOARD OF COUNTY COMMISSIONERS**
**JEAN MONESTIME,** CHAIRMAN
**ESTEBAN BOVO, JR.,** VICE-CHAIR

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

**JEAN MONESTIME**
*DISTRICT 2*

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

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

**BRUNO A. BARREIRO**
*DISTRICT 5*

**REBECA SOSA**
*DISTRICT 6*

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

**DANIELLA LEVINE CAVA**
*DISTRICT 8*

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

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

**JUAN C. ZAPATA**
*DISTRICT 11*

**JOSÉ "PEPE" DIAZ**
*DISTRICT 12*

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

**HARVEY RUVIN**
*CLERK OF COURTS*

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

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

PORTMIAMI

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**miamidade.gov**

May 31, 2016

Honorable Carlos A. Gimenez, Mayor
Honorable Chairman Jean Monestime, and
Members of the Board of County Commissioners

Honorable Harvey Ruvin, Clerk of the Courts

Honorable Pedro J. Garcia, Property Appraiser

Ladies and Gentlemen:

We are pleased to present the Miami-Dade County, Florida Seaport Department's (the "Seaport") Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended September 30, 2015. 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 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 generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. The goal of the independent audit was to obtain reasonable assurance as to whether the financial statements were free from material misstatement. The audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The scope of the audit was sufficient to satisfy State, Federal, County Charter, and bond covenant requirements. RSM US LLP's opinion resulting from the audit is included in this CAFR.

**Profile of the Government and Government Structure**

The Seaport, a department of the County, operates as an enterprise fund of the County. An enterprise fund is used to account for activity in which the cost of providing goods and services are primarily recovered through the fees charged to the users of such goods and services. The County owns the Dante B. Fascell Port of Miami-Dade ("the Port"). The Port is operated by the Miami-Dade Seaport Department ("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 2015, the Seaport handled approximately 4.9 million passengers. During this same period, approximately 8.6 million tons of cargo and 1 million TEUs (twenty-foot equivalent units) were processed through the Seaport.

**Budgetary Process and Control**

Annually, as part of the budget process, the Seaport recommends rates to provide for anticipated operating expenses, capital improvement, and debt service requirements. By October 1st, the beginning of the new fiscal year, the Board of County Commissioners adopts an annual budget for the Seaport's recommended rates, operating expenses, capital outlays, and debt service payments. An analysis of revenue and operating expenses for the fiscal year ended September 30, 2015 can be found in the MD&A section of this report. Capital Projects are budgeted in the year anticipated to be obligated and in the subsequent years the unused budget is re-appropriated until the project is complete, consequently an annual comparison of these expenses is not included in this report.

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

**Factors Affecting Financial Conditions**

The information presented in the financial statements primarily focuses on the Seaport's financial position, results of operations, and cash flows for the current 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 (please refer to the Management's Discussion and Analysis). Additionally, the economic condition and outlook of the County, the Seaport's primary trading partners, the cruise lines, cargo terminal operators and shipping lines; long-term debt management; capital construction management; cash management and investments; and risk financing, should be considered when evaluating the Seaport's financial condition. Following is a brief discussion of each of these factors.

## Economic Condition and Outlook

This economic condition and outlook report outlines the level of economic activity throughout FY 2015 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 Miami-Dade's economy would continue to grow in FY 2015 at a similar pace as in FY 2014. The reasoning behind this outlook was an expected strong performance of the national economy and the positive impact of sharply lower oil prices on the economy of the state and the county.

Economic growth in the emerging markets and more importantly Latin America was expected to continue to be tepid in FY 2015. The combination of a more robust US economy and a slower Latin American expansion was expected to prolong the strengthening of imports and weakening of exports in the Miami Customs District. The same phenomenon was seen as likely to extend the rebalancing of the tourist mix away from international and towards domestic visitors in FY 2015.

Miami-Dade's employment would strengthen as a result of more activity in the real estate arena and stable to positive growth in all other sectors. Local government employment was anticipated to turn the corner and stop shedding jobs. The unemployment rate was expected to experience a smaller decline than it had in FY 2014.

This forecast of FY 2015 turned out to be a fair, yet conservative, assessment of what actually took place. With the exception of local government employment, which accelerated the pace of job losses in FY 2015, the economic performance of the county was much more vigorous than anticipated.

At the national level FY 2015 saw an acceleration of economic activity, with real gross domestic product (GDP) increasing at an annual rate of 2.6 percent, the strongest showing in a decade. Fueled by an also ten-year high of 3.2 percent growth in personal consumption, the first positive contribution to GDP growth occurred from the Government component in five years. Stronger growth was accompanied by very low inflationary pressure. Inflation stood at 0.3 percent, with the exception of FY 2009, the lowest level in six decades. This historically low inflation level came on the heels of a decrease of 18.4 percent in energy prices and despite the fastest decrease of the headline unemployment rate in at least a decade, to 5.4 percent from 6.5 percent.

At the County level the positive outcomes were numerous. FY 2015 closed with the strongest employment gains in a decade. The strongest showing for taxable sales, residential building permits, MIA passenger traffic, Port Miami freight tonnage and hotel room inventories in five years, and significant growth in home sales, home prices and hotel room rates.

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

### ■ *International Trade and Commerce*

At the Port, cargo activity, measured in TEUs, increased by approximately 14.9% for fiscal year 2015. The Seaport expects cargo activity to increase in Fiscal Year 2016. 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 2016, the completion of the Deep Dredge and intermodal and rail reconnection projects 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 2015, the Americas accounted for approximately 48% (Caribbean—12% South America—12%, Central America and Mexico—24%) of total cargo. This was followed by The Far East, Asia and the Pacific with 33%. The balance of approximately 19% consisted of Europe, North America, Middle East, Southwest Asia, and Africa.

### ■*Competition*

The Seaport's cargo related revenues had a slight increase of 5.45% from fiscal year 2014. 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 2016.

International trade and commerce is a key component of Miami-Dade's economy. Since achieving its highest level ever measured by value (127.9 billion 2015 inflation adjusted dollars) in FY 2013, merchandise trade passing through the Miami Customs District (that includes an area broader than Miami-Dade) has fallen 11.5 percent to $113.2 billion in FY 2015. In contrast to the recurring merchandise trade deficits that the United States maintains year after year, the Miami Customs District contributes with a large trade surplus. Although the surplus is still present it has been narrowing in the last four years. Exports registered a decrease of 6.4 percent compared to a decrease of 5.9 percent during the prior year. Imports decreased by 4 percent following a decrease of 3.5 percent in the prior year. Most of the Miami Customs District export markets are in South America, Central America, and the Caribbean accounting for 77 percent of the total. In addition, the majority of all U.S. imported perishables from these same regions are passing through the Miami District. The decrease in trade flows reflects the slowdown in the economies of most of the countries in these regions.

### ■*Tourism*

The state of Florida played host to more than 100 million overnight visitors for the first time in 2015. Miami-Dade contributed to this feat by posting its highest gain in the number of visitors in five years in FY 2015. The increase in the number of visitors was reflected in the region's high occupancy and room rates.

Visitors to the Miami area increased about 6.4 percent in FY 2015, around three times the 1.9 percent increase in the previous year and the highest annual rate achieved since FY 2011. In total, there were 15.2 million overnight visitors over this past year up from 14.3 million recorded in FY 2014. The growth in visitors came from both the domestic and international markets, with 8.4 percent growth in domestic visitors and 4.3 percent growth in international visitors.

In conjunction with the increase in visitors, the Miami International Airport passenger levels reached 43.3 million in FY 2015, representing a gain of 6.1 percent compared to a gain of 2.4 percent in the prior year. Passenger traffic at Port Miami leveled off at 4.9 million passengers in FY2015 after increasing by an impressive 21 percent in FY 2014.

The high number of visitors was accommodated by an increased hotel room inventory, leaving hotel occupancy rates unchanged with respect to a year ago. In FY 2015, hotel occupancy rate stood at 78.6 percent. The historically high occupancy rate supported an increase of 6.5 percent in the average hotel room rate, surpassing 190 dollars for the first time.

### ■ *Future Outlook*

After a year of overall strong growth and continued realignment of the different sectors of the local economy, conditions would appear to support a level of economic activity in FY 2016 comparable to that of FY 2015. Because of its location and economic trade and tourism ties, Miami-Dade's economy is influenced by developments in both the broader US and Latin American economies.

Prospects for growth of the United States' economy, although recently revised downward, are still thought to hold at a healthy 3 percent by the Organization for Economic Co-operation and Development (OECD). Within the United States, Florida is particularly well suited to continue to benefit from an expansion of the nation's economy and lower oil prices due to its positive effect on transportation and tourism and to the fact that there is virtually no oil production in the state.

By contrast, economic growth in Latin America is expected to be negative in FY 2016 due primarily to a continued recession in Brazil and economic instability in most of the region. The combination of a strong US dollar and a contraction in Latin American economies is expected to prolong the strengthening of imports and weakening of exports in the Miami Customs District. Looking beyond FY 2016, the changing relationship with Cuba remains a very big unknown on both the upside and downside. Real estate and construction activity for Miami-Dade in FY 2016 is expected to moderate as foreign buyers retreat and the effects of years of real estate appreciation affect affordability for residents. Also, employment should continue to grow as a result of continued strength in the tourism sector and stable to positive growth in all other sectors, albeit at a slower rate.

Evaluating all the likely developments in major areas of the economy leads to a forecast that the Miami-Dade economy appears poised to continue growing through FY 2016, similar to the previous fiscal year. There is expected to be continued improvements on the local economic front with somewhat slower growth rates. The degree of expansion will depend upon the stability in government employment, moderate growth in the tourism, real estate and construction sectors and growth rates in Central and South America and the Caribbean. A smaller drop in the unemployment rate than that experienced this year is likely to occur in FY 2016.

## Long Term Financial Planning

MAJOR INITIATIVES

■ ***Construction Management***

The Seaport's proposed Capital Improvement Program funding for the period October 1, 2015 through September 30, 2020 is budgeted at approximately $291 million. Of this amount, approximately $283.9 million, $4.5 million and $2.5 million will be funded by debt proceeds, state grants, and tenant financing, respectively. Of the approximately $291 million in construction in progress expenditures (CIP), approximately $195.6 million, $42 million and $53.4 million will fund the Seaport facility improvements, equipment purchases and cargo facilities improvements, respectively.

The Seaport secured Congressional approval in the fall of 2007 for the Miami Harbor Project. The next phase of the project calls for deepening the Seaport's south channel to a depth of 50 feet from the existing—42 feet. The 50—foot depth harbor will make the Seaport one of a few port's along the U.S. east coast capable of accommodating mega container vessels. The estimated completion date for the Miami Harbor Project is projected to be August 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 on the next page summarizes the funding sources for the Seaport's capital improvement program for the next fiscal year and fiscal years 2017-2020.

**CHART 1**
**CIP FUNDING SOURCES**
**($ IN THOUSANDS)**

| Revenue | Fiscal Year 2016 | Fiscal Year 2017 - Future | Total |
|---|---|---|---|
| Debt Proceeds | $ 81,823 | $ 202,123 | $ 283,946 |
| State Grants | 4,532 | - | 4,532 |
| Tenant Financing | 2,500 | - | 2,500 |
| Total | $ 88,855 | $ 202,123 | $ 290,978 |

**CIP PROJECT SUMMARY**
**($ IN THOUSANDS)**

| Expenditures | Fiscal Year 2016 | Fiscal Year 2017 - Future | Total |
|---|---|---|---|
| Cargo facilities; Improvements | $ 9,307 | $ 44,114 | $ 53,421 |
| Port facilities; Improvements | 72,548 | 123,009 | 195,557 |
| Equipment purchases | 7,000 | 35,000 | 42,000 |
| Total | $ 88,855 | $ 202,123 | $ 290,978 |

## 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, 2014. This was the sixteenth 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.

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## 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

Kevin T. Lynskey,
Deputy Port Director and COO

Miriam N. Abreu, CPA
Assistant Director for Finance and CFO

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Miami-Dade County**

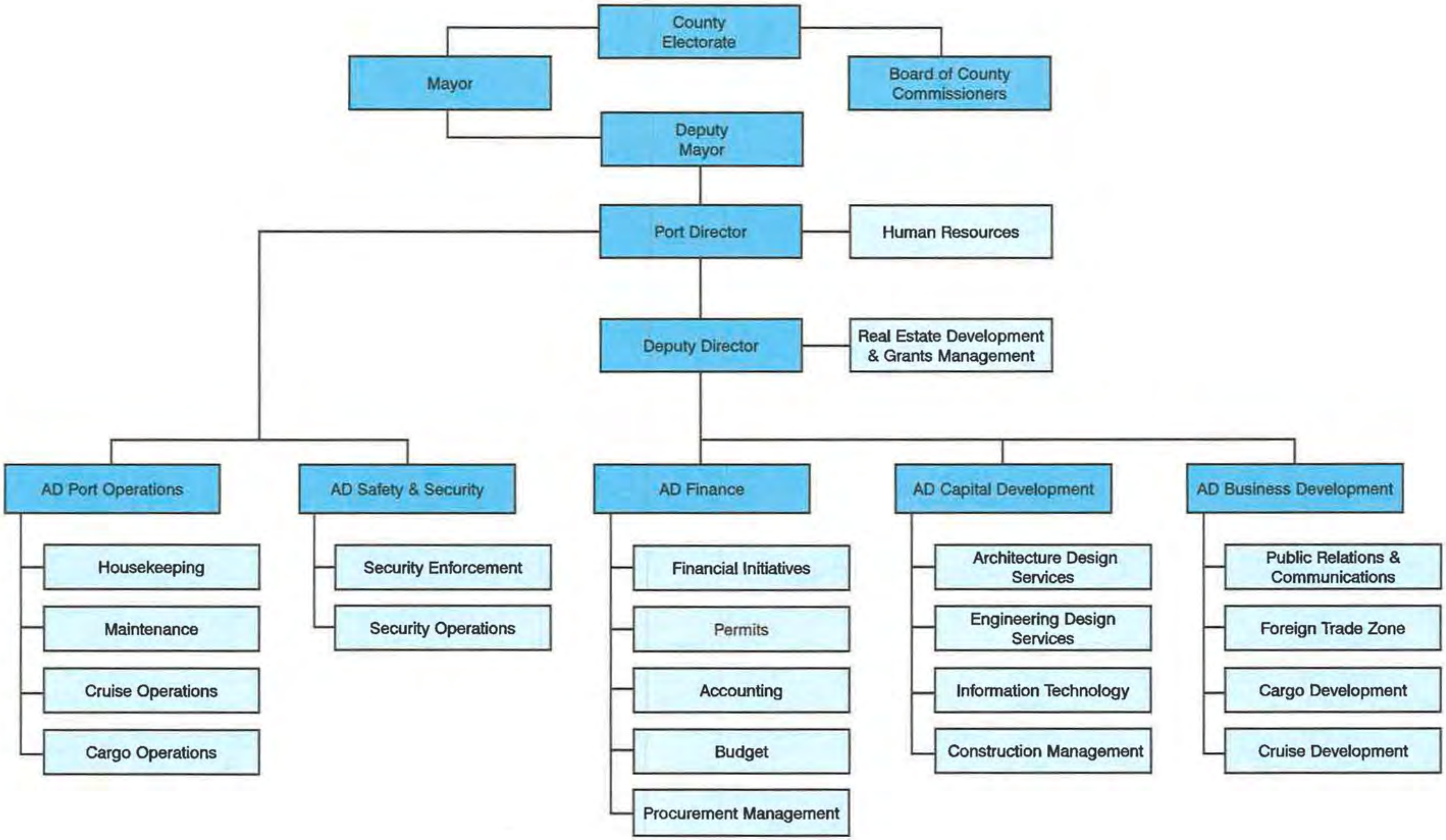
**Seaport Department, Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO

## Miami-Dade County Seaport Department
## Organizational Chart
## 2014-2015



# *FINANCIAL SECTION*

**Independent Auditor's Report**

The Honorable Mayor and 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, 2015, 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, 2015, 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, 2015, 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.

As discussed in Note 2 to the financial statements, the Department adopted the recognition and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, effective October 1, 2014. The net position and certain deferred outflow/inflow balances of the Department as of October 1, 2014 have been restated. 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 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 27, 2016 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 27, 2016

# 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, 2015. The MD&A represents management's analysis of the Seaport's financial condition, performance, long-term debt, and economic factors. The MD&A should be read in conjunction with the financial information of the transmittal letter in the introductory section, the financial statements, the accompanying notes, and the statistical section. The financial statements consist of the 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 present information showing how the Seaport's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs which might coincide with the timing of the related cash flows.

The Statement of Cash Flows present the cash activities of the Seaport segregated in the following major categories: operating, non-capital financing activities, capital and related financing activities, and investing. 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

*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, 2015 was $159.7 million, comprising of approximately $317.4 million in net investment in capital assets; approximately $12.9 million in restricted for debt service and unrestricted deficit of approximately $170.6 million. Total Seaport net position as of September 30, 2014 was $123.8 million, comprising of approximately $272.8 million in net investment in capital assets; approximately $22.6 million in restricted for debt service and construction and unrestricted deficit of approximately $171.6 million.

**Table I**

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

| | Fiscal Year 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Capital assets, net | $ 1,106.2 | $ 114.2 | $ 992.0 |
| Current and other assets | 216.8 | (134.3) | 351.1 |
| Total assets | 1,323.0 | (20.1) | 1,343.1 |
| Total deferred outflow of resources | 9.4 | 1.4 | 8.0 |
| Long-term liabilities | 1,100.1 | (58.9) | 1,159.0 |
| Other liabilities | 69.8 | 1.5 | 68.3 |
| Total liabilities | 1,169.9 | (57.4) | 1,227.3 |
| Total deferred inflow of resources | 2.8 | 2.8 | - |
| Net position: | | | |
| Net investment in capital assets | 317.4 | 44.6 | 272.8 |
| Restricted | 12.9 | (9.7) | 22.6 |
| Unrestricted: | (170.6) | 1.0 | (171.6) |
| Total net position | $ 159.7 | $ 35.9 | $ 123.8 |

The increase in net investment in capital assets from fiscal year 2014 to 2015 can mostly be attributed to new construction projects. The Seaport recorded a net pension liability for the year ended September 30, 2015 in the amount of $12.5 million as a result of implementing GASB Statements No. 68 and 71. See Note 9 to the financial statements for more information regarding the net pension liability and the implementation of GASB Statements No. 68 and 71. The balances in the fiscal year 2014 columns of the MD&A section have not been restated for the implementation of GASB Statements No. 68 and 71.

The Seaport worked closely with its consultants to finalize the Port's 2035 Master Plan, ("the Plan"). The Plan was unveiled in December 2011. The Plan is a useful roadmap for the Seaport to ensure that it maintains its unique dual distinction as Cargo Gateway of the Americas and Cruise Capital of the World; meets the future demands and expectations of the cargo and cruise industries, and that it maximizes the use of its resources. Plans to update the 2035 Master Plan are currently being developed with a proposed completion date during fiscal year 2017.

**Table II** summarizes the change in the Seaport's net position. Total net position, as of September 30, 2015, was approximately $159.7 million, representing an increase of approximately $35.9 million from prior year. The increase in fiscal year 2015 can be mostly attributed to new grant funded capital projects.

The negative unrestricted net position balance resulted from Seaport's $203.1 million contribution to the Florida Department of Transportation (FDOT) Port Tunnel Project. The majority of the contribution occurred during the 2014 fiscal year. The "Tunnel" or "Port of Miami 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 the County substantially easier and eliminates the Port's dependence on the current Port Boulevard Bridge. It will also reduce traffic congestion in the downtown area of Miami. The Tunnel is owned by the State of Florida and as such is not recorded as a capital asset of the Port.

In March 2015 FDOT and the County entered into an agreement that would allow the Seaport to receive State Comprehensive Transportation System Tax (SCETS) revenues from FDOT in the amount of $8 million in fiscal year 2018 and $17 million annually for fiscal years 2019 through 2042. Payment of the SCETS tax to the Seaport is not guaranteed on an annual basis since such payments are contingent on an annual appropriation by the State of Florida.

Because the SCETS funds are subject to annual appropriation by FDOT, Government Accounting Standards do not allow a receivable to be reported until the funds are appropriated by the State, to be paid to the County. Therefore, revenue will only be reported for the annual amount appropriated each year. If a receivable for the full amount expected to be appropriated by FDOT was reported it would have offset a portion of the negative unrestricted net position balance reported.

**Table II**

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

| | Fiscal Year 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Operating revenues | | | |
| Cruise wharfage/dockage | $ 63.7 | $ 3.4 | $ 60.3 |
| Cargo wharfage/dockage | 24.1 | (0.7) | 24.8 |
| Container crane user fees | 8.6 | 2.4 | 6.2 |
| Rentals | 19.3 | 4.5 | 14.8 |
| Ground transportation | 2.3 | 0.2 | 2.1 |
| Parking | 14.7 | (0.3) | 15.0 |
| Misc. charges and fees | 3.4 | 0.5 | 2.9 |
| Total operating revenues | 136.1 | 10.0 | 126.1 |
| Investment earnings | 0.9 | 0.4 | 0.5 |
| Other nonoperating | 0.7 | - | 0.7 |
| Total revenues | 137.7 | 10.4 | 127.3 |
| Operating expenses | 66.7 | 2.4 | 64.3 |
| Depreciation | 30.0 | 2.6 | 27.4 |
| Interest expense, net | 37.3 | 1.8 | 35.5 |
| Other nonoperating expenses | 1.3 | (4.0) | 5.3 |
| Total Expenses | 135.3 | 2.8 | 132.5 |
| Net Income (loss) before contributions | 2.4 | 7.6 | (5.2) |
| Net contributions | 47.6 | 133.6 | (86.0) |
| Change in net position | 50.0 | 141.2 | (91.2) |
| Net position at beginning of year, as restated (Note 2) | 109.7 | | 215.0 |
| Net position at end of year | $ 159.7 | | $ 123.8 |

Net position as of October 1, 2014 was restated for the implementation of GASB Statements No. 68 and 71, as further discussed in the Notes to the Financial Statements Note 2. The balances in the fiscal year 2014 columns of the MD&A section have not been restated for the implementation of GASB Statements No. 68 and 71.

Operating revenues for fiscal year 2015 were approximately $136.1 million or $10.0 million higher than fiscal year 2014. The increase can be mostly attributed to increases in cruise and related revenues, container crane user fees and rentals. The increase in cruise related revenue is related to tariff and contract rate increases. The increase in cargo related revenue (container crane user fees and cargo wharfage/dockage) is related to an increase in cargo activity. The increase in rentals is attributable to a new open ground rental agreement.

**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 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Operating Revenues: | | | |
| Cruise wharfage/dockage | $ 63.7 | $ 3.4 | $ 60.3 |
| Cargo wharfage/dockage | 24.1 | (0.7) | 24.8 |
| Container crane user fees | 8.6 | 2.4 | 6.2 |
| Rentals | 19.3 | 4.5 | 14.8 |
| Ground transportation | 2.3 | 0.2 | 2.1 |
| Parking | 14.7 | (0.3) | 15.0 |
| Miscellaneous fees and charges | 3.4 | 0.5 | 2.9 |
| Total revenues | $ 136.1 | $ 10.0 | $ 126.1 |

Operating expenses for fiscal year 2015 increased approximately $2.4 million from the prior year. The increase in security category can be mostly attributed to increased personnel related costs mainly due to increase in vessel calls. However, The Port continued to streamline processes and increase efficiencies to reduce costs. Additionally, employee contributions and concessions, which became effective during fiscal year 2010, carried over partially through fiscal year 2015, and have yielded savings for the Seaport.

Table IV below summarizes the Seaport's operating expenses.

**Table IV**

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

| | Fiscal Year 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Operating Expenses: | | | |
| Cruise Operations | $ 7.2 | $ (0.3) | $ 7.5 |
| Cargo Operations | 1.2 | - | 1.2 |
| Maintenance | 7.0 | 0.7 | 6.3 |
| Utilities | 3.7 | 0.8 | 2.9 |
| Marketing and Advertising | 1.8 | - | 1.8 |
| Gantry Crane Operations | 7.0 | (0.5) | 7.5 |
| Security | 18.1 | 1.3 | 16.8 |
| General and Administration | 20.7 | 0.4 | 20.3 |
| Total Operating Expenses | $ 66.7 | $ 2.4 | $ 64.3 |

## Capital assets and debt administration

### Capital assets

The Seaport's total net investment in capital assets at September 30, 2015 and September 30, 2014 was $1.1 billion and $992.0 million, respectively. This represents an increase of $113.4 million, from fiscal year 2014 to 2015. The increase for fiscal year 2014 to 2015 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 4 of the Financial Statements and in the Construction Management Section in the transmittal letter. **Table V** below summarizes the components of the Seaport's investment in capital assets.

**Table V**

**Capital Assets (net of Depreciation)**
**As of September 30,**
**(in millions)**

| | Fiscal Year 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Land and related costs | $ 164.2 | $ - | $ 164.2 |
| Port dredging and related costs | 318.5 | 272.1 | 46.4 |
| Buildings, transit sheds and terminals | 298.9 | 17.2 | 281.7 |
| Machinery and equipment | 47.6 | (5.0) | 52.6 |
| Improvements other than buildings | 240.0 | 21.1 | 218.9 |
| Construction in progress | 37.0 | (191.2) | 228.2 |
| Totals | $ 1,106.2 | $ 114.2 | $ 992.0 |

During fiscal year 2015, several construction projects were completed. The major projects completed were dredging and related projects to accommodate larger cargo vessels; the intermodal and rail reconnection project; the construction of certain cruise terminal improvements and certain security enhancements. The Seaport completed the Deep Dredge and intermodal and rail reconnection projects during fiscal year 2015, coupled with the acquisition of four gantry cranes in fiscal year 2014, to accommodate Post Panamax cargo ships coming to the Port after opening of the Panama Canal. Additional construction in progress information can be found in Note 4 to the financial statements. The significant projects under construction in accordance with the Seaport's Master Development program are as follows:

### Projects underway

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

### Debt administration

At September 30, 2015 and 2014, the Seaport had $1.1 billion in bonds and loans outstanding. The decrease from fiscal year 2014 to 2015 is attributed to the payment of scheduled annual principal payments. Additional long-term debt detail can be found in Notes 5 and 7 to the financial statements.

**Table VI**

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

| | Fiscal Year 2015 | Change from Fiscal Year 2014 | Fiscal Year 2014 |
|---|---|---|---|
| Seaport general obligation bonds | $ 89.6 | $ (5.6) | $ 95.2 |
| Seaport revenue bonds | 577.2 | (6.9) | 584.1 |
| Sunshine state loans | 303.1 | (5.4) | 308.5 |
| Capital acquisition bonds | 113.8 | (4.0) | 117.8 |
| Totals | $ 1,083.7 | $ (21.9) | $ 1,105.6 |

In May 2014 (most recent rating available) Moody's Investor Service and Fitch Ratings Inc. rated Seaport's debt. Fitch Ratings assigned an 'A' rating with a stable outlook to Miami-Dade County Seaport Variable rate Demand Revenue Bonds Series 2014 A & B and outstanding revenue bonds and Moody's assigned an underlying Baa1 rating to the Miami-Dade County Seaport Variable rate Demand Revenue Bonds Series 2014 A & B and downgraded the port's outstanding seaport revenue bonds to Baa1 from A3 with a stable outlook. Fitch ratings reflect the Port's stable revenue streams and importance as the largest port for cruise in the world and among the largest in Florida in terms of TEUs throughput. Its location near the Caribbean Sea and the Panama Canal, access to several modes of transportation, and extensive growing infrastructure are also key stabilizing features.

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

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

For fiscal year 2015, cargo activity, measured in Twenty Foot Equivalent Units (TEUS) approximately increased by 14.9%. The Seaport anticipates cargo activity will increase after opening of 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 and the Pacific, and Europe.

In the 2015 Fiscal Year, the Seaport 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 will create new opportunities to attract the larger cargo vessels able to cross the Panama Canal after the expansion is complete. 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.

For 2016, it is expected that the number of visitors to Miami-Dade County will increase. Passenger levels at Miami International Airport (MIA) increased approximately 6.1% from prior year. During Fiscal Year 2015, approximately 4.9 million passengers came through the Port of Miami. This represents the same level as with Fiscal Year 2014. The Seaport is extremely optimistic and encouraged with its future. The Seaport completed the Tunnel; Deep Dredge and related projects and the reengineering of the port railroad. Collectively, these projects allow the Seaport to increase throughput, become more efficient and position itself as a key player in the global marketplace. These major enhancements to the region's transportation infrastructure provide new efficiencies with the goal of doubling cargo traffic over the next decade. Additionally, the Port's re-engineered rail line provides access to reach key distribution centers throughout the U.S. quickly and efficiently. The Deep Dredge provides access to Post Panamax cargo ships and positions Port Miami as a key Port in the global market place. Deepening Port Miami's waters to -50 feet allow the largest cargo ships to cross the Panama Canal to call Port Miami home. In all, the trio of port enhancements will create thousands of new jobs, making South Florida a true powerhouse in international trade and commerce.

Annually the Seaport scrutinizes Terminal Tariff No. 010 to ensure the Seaport's ability to meet its budgetary obligations through Tariff revenues. The adopted budget for fiscal year 2016 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**
**As of September 30, 2015**

| **Assets** | | **2015** |
|---|---|---|
| Current assets: | | |
| Pooled cash and cash equivalents | $ | 4,163,370 |
| Pooled investments | | 44,508,587 |
| Accounts receivable, less allowance for doubtful accounts of $633,837 at September 30, 2015 | | 10,103,225 |
| Prepaid expenses and other current assets | | 8,570,899 |
| Total current unrestricted assets | | 67,346,081 |
| Restricted assets: | | |
| Current restricted assets: | | |
| Pooled cash and cash equivalents | | 12,314,465 |
| Pooled investments | | 14,481,418 |
| Due from other governments | | 7,289,636 |
| Total current restricted assets | | 34,085,519 |
| Total current assets | | 101,431,600 |
| Noncurrent assets: | | |
| Noncurrent restricted assets | | |
| Pooled investments | | 111,437,266 |
| Advance to other governments | | 3,809,186 |
| Total noncurrent restricted assets | | 115,246,452 |
| Capital Assets: | | |
| Land and related costs | | 164,206,588 |
| Dredging and related costs | | 318,467,704 |
| Buildings, transit sheds, and terminals | | 535,471,456 |
| Improvements other than buildings | | 359,830,964 |
| Machinery and equipment | | 89,316,814 |
| Construction in progress | | 37,035,145 |
| Capital assets, gross | | 1,504,328,671 |
| Less accumulated depreciation | | (398,087,044) |
| Capital assets, net | | 1,106,241,627 |
| Total noncurrent assets | | 1,221,488,079 |
| Total assets | | 1,322,919,679 |
| **Deferred outflows of resources:** | | |
| Deferred charge on refunding debt | | 7,309,373 |
| Deferred outflow of resources related to pension | | 2,099,000 |
| Total deferred outflows of resources | $ | 9,408,373 |

***(Continued)***

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

**MIAMI-DADE COUNTY, FLORIDA**
**SEAPORT DEPARTMENT**
**Statement of Net Position (continued)**
**As of September 30, 2015**

| Liabilities and Net Position | | 2015 |
|---|---|---|
| Current liabilities payable from unrestricted assets: | | |
| Accounts payable and accrued expenses | $ | 13,527,734 |
| Accrued payroll and related expenses | | 1,004,837 |
| Compensated absences | | 1,543,418 |
| Current portion of loans payable | | 15,015,000 |
| Current portion of capital acquisition bonds payable | | 4,085,000 |
| Due to other Miami-Dade County funds | | 548,713 |
| Total current liabilities payable from unrestricted assets | | 35,724,702 |
| Current liabilities payable from restricted assets: | | |
| Current portion of revenue and general obligation bonds payable | | 12,880,000 |
| Accrued interest payable | | 16,722,968 |
| Accounts payable and accrued expenses | | 3,082,109 |
| Contracts and retainage payable | | 790,298 |
| Other liabilities | | 610,144 |
| Total current liabilities payable from restricted assets | | 34,085,519 |
| Total current liabilities | | 69,810,221 |
| Long-term liabilities: | | |
| Bonds payable, plus unamortized premium of $18,425,366 at September 30, 2015 | | 672,385,366 |
| Loans payable, plus unamortized premium of $11,418,784 at September 30, 2015 | | 299,508,784 |
| Capital acquisition bonds payable, plus unamortized premium of $471,588 at September 30, 2015 | | 110,173,671 |
| Compensated absences | | 4,663,637 |
| Other post - employment benefit | | 858,000 |
| Net pension liability | | 12,503,000 |
| Total long-term liabilities | | 1,100,092,458 |
| Total liabilities | | 1,169,902,679 |
| **Deferred inflows of resources:** | | |
| Deferred inflow of resources related to pension | | 2,761,000 |
| Net Position | | |
| Net investment in capital assets | | 317,408,557 |
| Restricted for debt service and reserve | | 12,880,000 |
| Unrestricted | | (170,624,184) |
| Total Net Position | $ | 159,664,373 |

***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**
**Year ended September 30, 2015**

| | | 2015 |
|---|---|---|
| Operating revenues: | | |
| Cruise wharfage/dockage | $ | 63,658,599 |
| Cargo wharfage/dockage | | 24,120,260 |
| Container crane user fees | | 8,624,411 |
| Rentals | | 19,253,830 |
| Ground transportation | | 2,329,366 |
| Parking | | 14,690,557 |
| Miscellaneous charges and fees | | 3,409,018 |
| Total operating revenues | | 136,086,041 |
| Operating expenses: | | |
| Cruise operations | | 7,165,025 |
| Cargo operations | | 1,242,371 |
| Maintenance | | 6,992,910 |
| Utilities | | 3,729,759 |
| Marketing and advertising | | 1,802,976 |
| Gantry crane operations | | 7,005,976 |
| Security | | 18,092,697 |
| General and administrative | | 20,667,913 |
| Total operating expenses before depreciation | | 66,699,627 |
| Operating income before depreciation | | 69,386,414 |
| Depreciation expense | | 30,019,762 |
| Operating income | | 39,366,652 |
| Nonoperating revenues (expenses): | | |
| Investment earnings | | 861,405 |
| Interest subsidy | | 665,680 |
| Interest expense, net of capitalized interest | | (37,282,763) |
| Other, net | | (1,267,143) |
| Total nonoperating revenues (expenses) | | (37,022,821) |
| Income before capital contributions | | 2,343,831 |
| Capital contributions | | 9,832,838 |
| Capital contributions - specific to port dredging | | 37,810,824 |
| Change in net position | | 49,987,493 |
| Total net position - Beginning, as restated (Note 2) | | 109,676,880 |
| Total net position - Ending | $ | 159,664,373 |

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

**MIAMI-DADE COUNTY, FLORIDA**
**SEAPORT DEPARTMENT**
**Statement of Cash Flows**
**Year ended September 30, 2015**

| | | 2015 |
|---|---|---|
| Cash flows from operating activities: | | |
| Cash received from customers and tenants | $ | 136,556,001 |
| Cash paid to suppliers | | (40,328,912) |
| Cash paid to employees for services | | (26,861,118) |
| Net cash provided by operating activities | | 69,365,971 |
| Cash flows from noncapital financing activities: | | |
| Contribution to fund Port Tunnel | | (1,246,050) |
| Contribution to fund Railway project | | (1,267,143) |
| Litigation settlement | | (1,964,874) |
| Net cash used in noncapital financing activities | | (4,478,067) |
| Cash flows from capital and related financing activities: | | |
| Advance payment to other government for dredging project | | (2,650,000) |
| Capital grants received | | 13,038,267 |
| Capital grant for Dredging project | | 962,694 |
| Principal payments: | | |
| Bonds | | (12,485,000) |
| Notes and loans | | (5,360,000) |
| Capital Acquisition Bonds | | (4,025,000) |
| Interest paid | | (43,849,440) |
| Interest subsidy received | | 665,680 |
| Purchase of capital assets | | (30,296,600) |
| Net cash used in capital and related financing activities | | (83,999,399) |
| Cash flows from investing activities: | | |
| Investments purchased | | (170,227,446) |
| Proceeds from sale and maturities of investments | | 197,320,543 |
| Interest and dividends from investments | | 661,580 |
| Net cash provided by investing activities | | 27,754,677 |
| Net increase in cash and cash equivalents | | 8,643,182 |
| Pooled cash and cash equivalents (including restricted assets) at beginning of year | | 7,834,653 |
| Pooled cash and cash equivalents (including restricted assets) at end of year | $ | 16,477,835 |

***(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)**
**Year ended September 30, 2015**

| | | 2015 |
|---|---|---|
| Reconciliation of operating income to net cash provided by operating activities | | |
| Operating income | $ | **39,366,652** |
| Adjustments to reconcile operating income to net cash provided by operating activities | | |
| Depreciation | | **30,019,762** |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable, net | | **564,383** |
| (Increase) decrease in prepaid expenses and other current assets | | **(1,709,740)** |
| Increase (decrease) in accounts payable, accrued expenses and due to other Miami-Dade County Funds | | **2,645,356** |
| Increase (decrease) in accrued payroll and related expenses and compensated absences | | **(34,308)** |
| Increase (decrease) in unearned revenue and other liabilities | | **(511,921)** |
| Increase (decrease) in compensated absences and post - employment benefit | | **(74,213)** |
| Increase (decrease) in net pension liability | | **4,368,000** |
| Increase (decrease) in deferred inflows/outflows, net | | **(5,268,000)** |
| Net cash provided by operating activities | $ | **69,365,971** |

Supplemental disclosure for noncash investing, capital and financing activities:

Construction and related liabilities was $3,872,407 for fiscal year ended 2015. Additionally, the Seaport capitalized $5,024,824 of interest expense during the year.

For fiscal year 2015, the Seaport recorded $37,810,824 in capitalized assets related to the Dredging project. Such amounts were funded by the liquidation of the "Advance to Other Governments". Capital grants receivable related to the Dredging project was $5,313,588 as of fiscal year 2015

For fiscal year 2015, the Seaport recorded $117,202,501 in noncash construction in progress amounts for work completed against the Advance to other governments related to the Seaport's phase III dredging project.

Capital grants receivable was $1,976,048 for fiscal year 2015.

For fiscal year 2015, the Seaport did not record any changes in fair value of investments due to amounts being immaterial.

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

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### *(1) General Description*

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

The accompanying financial statements present only the financial position, operations, and cash flows of Seaport and are not intended to present 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.

### *(2) Summary of significant accounting policies*

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

**(b) Cash and Cash Equivalents and Investments**
Seaport maintains substantially all of its cash and investments with the County's pool of cash and investments, except for those situations in which 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.

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

**(c) Accounts Receivable and Allowance for Doubtful Accounts**
Receivables include amounts due from customers for services provided by Seaport and are recorded when the related revenue is earned. Allowances for uncollectible receivables are based upon specifically identifying uncollectible accounts, historical trends, and periodic aging of receivables. The allowance balance was $0.63 million for fiscal year 2015. The Seaport records

adjustments to the allowance with an offset to revenue in the Statement of Revenues, Expenses and Changes in Net Position.

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

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

**(f) Capital Assets and Depreciation**
Property and equipment are recorded at cost, except for property contributed by third parties, which is recorded at fair value at the date of contribution. Expenditures for maintenance, repairs, minor renewals and betterments are expensed as incurred. Major renewals and betterments are treated as property additions. When property is disposed of, the cost and related accumulated depreciation is eliminated from the accounts and any gain or loss on the transaction is reflected in the statements of revenues, expenses, and changes in net position.

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

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

**(g) Interest on Indebtedness**
Interest is charged to expense as incurred, except for the amount of interest that is capitalized which is determined by applying the Seaport’s weighted average interest rate to the average amount of qualifying accumulated expenditures for capital construction during the period and for interest related to tax-exempt borrowings approved for specific construction projects, net of interest earned on those construction funds borrowed, which are capitalized. In fiscal year 2015, the Seaport incurred interest expense of approximately $37.3 million, net of capitalized interest of approximately $5.0 million.

**(h) Deferred outflows/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 Charge on Refunding debt and Deferred Outflow of Resources Related to Pensions. 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.

The difference between expected and actual experience of the total pension liability gains or losses is deferred and amortized over the remaining service lives of all employees (in years). The deferred outflow of resources due to employer pension contributions made subsequent to the measurement date is deferred and will be recognized in pension expense in the next fiscal year.

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 is comprised of the net difference between projected and actual earnings on pension plan investments (gains) losses, difference between expected and actual experience, changes in proportion and differences between Seaport's FRS contributions and proportionate share of contributions.

**(i) 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.

**(j) Compensated Absences**

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

**(k) Deferred Compensation Plan**

The County offers its employees a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all County employees (including Seaport) allows employees to defer a portion of their salary to future years. The County's direct involvement in the Plan is limited to remitting the 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.

**(l) Pension Plan**

The County contributes to the Florida Retirement System, a cost-sharing multi-employer plan. GASB Statement No. 68, *Accounting for Public Pension Plan Obligations for participating employers: An Amendment of GASB Statement No. 27*. 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 position in the Florida Retirement System (FRS), Health Insurance Subsidy (HIS) deferred benefit plans, and additions to/deductions from both Plans' net position have been determined on the same basis as they are reported by the Plans and are recorded in the financial statements.

**(m) 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:

Cruise Wharfage — revenue from charges assessed per passenger when embarking from or debarking to Seaport property.

Cruise Dockage — revenue from charges assessed to cruise vessels for use of berthing space.

Cargo Wharfage — revenue from charges assessed against cargo for the use of the Seaport to load and unload cargo from vessels.

Cargo Dockage — revenue from charges assessed to cargo vessels for use of berthing space.

Rentals — rentals of land, buildings, machinery and equipment.

Container crane user fees — revenue from charges assessed to cargo operators for crane usage.

For financial statement presentation purposes cruise wharfage/dockage revenues are reported net of certain marketing 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 2015, approximately 90% of the Port's operating revenues and corresponding receivables are generated from seven operators, net of incentive discounts/rebates as required by the individual operating agreements. The following tables summarize the balances for cruise and cargo operators. Amounts are in thousands.

| Cruise Operator | | Revenue | Receivable |
|---|---|---|---|
| Company A | | $ 35,610 | $ 1,985 |
| Company B | | 12,404 | 534 |
| Company C | | 21,030 | 1,372 |
| Company D | | 5,231 | 647 |
| Total | * | $ 74,275 | $ 4,538 |

| Cargo Operator | | Revenue | Receivable |
|---|---|---|---|
| Company E | | $ 16,345 | $ 842 |
| Company F | | 16,808 | 264 |
| Company G | | 14,803 | 1,098 |
| Total | ** | $ 47,956 | $ 2,204 |

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

**(n) Rates, Fees, Rentals and Other Charges**

If not specified by contract, the Seaport's rates, fees, rentals and other charges are published in Terminal Tariff No.010 and are subject to the rate covenant provisions of County Ordinance 88-66 ("Master Bond Ordinance") governing senior lien bonds (see Note 6). 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.

**(o) 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. These benefits are currently funded on a pay-as-you go basis. No assets have been segregated and restricted to fund these benefits. The Department makes contributions and records an obligation at the end of the fiscal year for the remaining balance (if any) based on the County's allocation (see Note 9).

**(p) Grants**

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

**(q) 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/deferred outflows of resources and liabilities/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.

**(r) 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.

**(s) Advance to other governments**
Advance to other governments are upfront payments made to other governments to fund certain capital improvements projects of the Port. For the fiscal year ending 2015, upfront payments were made to the United States Department of the Army Core of Engineers (USCOE) to fund the dredging at the Port.

**(t) Restatement of Prior Year Net Position Balance**
In fiscal year 2015, the Seaport adopted two new statements of financial accounting standards issued by the GASB:

Statement No. 68 (GASB 68), *Accounting for Public Pension Plan Obligations for participating employers: An Amendment of GASB Statement No. 27*. GASB 68 requires a liability for pension obligations, known as the net pension liability and deferred inflows/outflows related to pensions to be recognized on the Statement of Net Position of participating employers. Similarly, a pension expense will be recognized on the Statement of Revenues, Expenses and Changes in Net Position. The Seaport adopted GASB 68 in the fiscal year 2015 and the results are reflected in Note 9 to the Financial Statements, as well as in the Required Supplementary Information Section.

Statement No. 71 (GASB 71), *Pension Transition for Contributions Made Subsequent to the Measurement Date: An amendment of GASB Statement No. 68*. The effect of implementation of GASB 71 is reflected in Seaport's financial statements, in the Notes to the Financial Statements (Note 9), as well as in the Required Supplementary Information Section.

The implementation of GASB Statements Nos. 68 and 71 required the Seaport to restate beginning Net Position, and to report a net pension liability and related pension amounts for its cost-sharing multi-employer defined benefit pension plan. Beginning Net Position as of October 1, 2014 has been restated as follows:

| | | |
|---|---|---|
| Net Position: October 1, 2014 | $ | 123,741,880 |
| Cumulative effect of the implementation of GASB Statements Nos. 68 and 71. | | (14,065,000) |
| Net Position: October 1, 2014, as restated | $ | 109,676,880 |

The implementation of GASB Statements Nos. 68 and 71 resulted in the Seaport recording deferred outflows of $1.2 million, deferred inflows of $7.1 million and a net pension liability of $8.1 million as of October 1, 2014, related to the pension plans.

### *(3) 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. Seaport's equity share of the total pooled cash and investments is included in the accompanying Statement of Net Position under the current and restricted captions "Pooled cash and cash equivalents" or "Pooled investments". The carrying amounts of Seaport's pooled cash is $16.5 million, pooled current and noncurrent investments held by the County are $59.0 million and $111.4 million, respectively, which represents less than 10% of the County's pooled cash, cash equivalent, and investments as of September 30, 2015. (See the County's Comprehensive Annual Financial Report for disclosures relating to its interest rate risk, credit risk, custodial credit risk, and concentration of credit risk).

During fiscal year 2015, Seaport maintained cash and investment reserves required by its Master Bond Ordinance (see note 5) and made all transfers and deposits required by its Master Bond Ordinance and other subordinated debt agreements from available operating and nonoperating revenue.

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### *(4) Capital assets*

Capital asset activity for the year ended September 30, 2015 is as follows (in thousands):

| | Balance at 9/30/14 | Additions/ Transfers | Deletions/ Transfers | Balance at 9/30/15 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 164,207 | $ - | $ - | $ 164,207 |
| Port dredging and related costs | 46,366 | 272,101 | - | 318,467 |
| Construction in progress | 228,215 | 136,918 | (328,098) | 37,035 |
| Total capital assets not being depreciated | 438,788 | 409,019 | (328,098) | 519,709 |
| Capital assets being depreciated: | | | | |
| Buildings, transit sheds and terminals | 501,660 | 33,812 | - | 535,472 |
| Improvements other than buildings | 330,714 | 29,117 | - | 359,831 |
| Machinery and equipment | 88,921 | 395 | - | 89,316 |
| Total capital assets being depreciated | 921,295 | 63,324 | - | 984,619 |
| Less accumulated depreciation for: | | | | |
| Buildings, transit sheds and terminals | (219,943) | (16,621) | - | (236,564) |
| Improvements other than buildings | (111,846) | (7,991) | - | (119,837) |
| Machinery and equipment | (36,279) | (5,407) | - | (41,686) |
| Total accumulated depreciation | (368,068) | (30,019) | - | (398,087) |
| Total capital assets being depreciated, net | 553,227 | 33,305 | - | 586,532 |
| Total capital assets, net | $ 992,015 | $ 442,324 | $ (328,098) | $ 1,106,241 |

The following table summarizes the major construction in progress projects for the Port as of September 30, 2015 (dollars in thousands).

| Project Description | Amount |
|---|---|
| Port-Wide infrastructure improvements | $ 7,703 |
| Cargo yard related improvements | 10,654 |
| Security enhancements | 5,647 |
| Cruise terminal improvements to various terminals | 6,949 |
| Total | $ 30,953 |

### *(5) Long-term Debt*

#### (a) Bond Covenant

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

The Ordinance requires the County to maintain and revise the schedule of rates and fees at the Seaport such that operating revenue shall be sufficient to provide an amount at least equal to the total of 100 percent of operating expenses (seaport operations, as defined), as computed from the annual budget. Operating income, defined as revenue less operating expenses before depreciation must be at least 125 percent of the maximum principal and interest requirements on all revenue bonds for any future fiscal year plus 110 percent of the maximum principal and interest requirements on general obligation bonds for any future fiscal year. The Seaport must have debt service reserves at least equal to 100 percent of the amount required to pay maturing principal and interest semiannually. 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 SCETS tax is expected to be received from the Florida Department of Transportation for fiscal years 2018 thru 2042 as a reimbursement to the Seaport for its portion of the cash contributions made towards construction of the FDOT owned Port Tunnel.

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A summary of the Seaport's long-term debt outstanding as of September 30, 2015 is presented in the following table (amounts in thousands):

| Description | Year Issued | Interest Rate | Amount Issued | Year of Maturity | Outstanding Balance 2015 |
|---|---|---|---|---|---|
| **Revenue Bonds**: | | | | | |
| Series 2013 A (fixed rate) | 2013 | 4.00%-6.00% | 244,140 | 2043 | **$ 244,140** |
| Series 2013 B (fixed rate) | 2013 | 5.00%-6.25% | 109,220 | 2043 | **109,220** |
| Series 2013 C (Refunding Bonds) | 2013 | 2.00%-3.00% | 11,825 | 2016 | **5,975** |
| Series 2013 D (Refunding Bonds) | 2013 | 2.00%-6.00% | 17,465 | 2027 | **16,440** |
| Series 2014 A (variable rate) | 2014 | 0.70% | 181,320 | 2051 | **181,320** |
| Series 2014 B (variable rate) | 2014 | 0.74% | 20,150 | 2051 | **20,150** |
| Unamortized net deferred amounts | | | | | **12,155** |
| Less: Current portion | | | | | **(7,050)** |
| Total Long-term Revenue Bonds | | | | | **582,350** |
| **General Obligation Bonds:** | | | | | |
| Series 2011C (Refunding Bonds) | 2011 | 2.00%-5.00% | 111,375 | 2026 | **89,595** |
| Unamortized premium amount | | | | | **6,270** |
| Less: Current portion | | | | | **(5,830)** |
| Total Long-term General Obligation Bonds | | | | | **90,035** |
| **Sunshine State Loans:** | | | | | |
| Series 2010A (variable rate) | 2014 | 0.56% | 47,620 | 2035 | **46,205** |
| Series 2010A-1 (fixed rate) | 2014 | 4.00%-5.00% | 65,330 | 2028 | **65,330** |
| Series 2010B (variable rate) | 2014 | 0.56% | 47,620 | 2035 | **46,205** |
| Series 2010B-1 (fixed rate) | 2014 | 4.00%-5.00% | 60,670 | 2028 | **60,670** |
| Series 2011A (fixed rate) | 2011 | 5.00% | 50,105 | 2021 | **27,695** |
| 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 amounts | | | | | **11,419** |
| Less: Current portion | | | | | **(15,015)** |
| Total Long-term Sunshine State Loans | | | | | **299,509** |
| **Capital Asset Acquisition Bonds:** | | | | | |
| Series 2009A | 2009 | 3.00%-5.13% | 68,630 | 2039 | **60,175** |
| Series 2010D | 2010 | 7.50% | 21,277 | 2040 | **21,277** |
| Series 2010E | 2010 | 3.50%-5.00% | 38,050 | 2030 | **32,335** |
| Unamortized premium amounts | | | | | **472** |
| Less: Current portion | | | | | **(4,085)** |
| Total Capital Asset Acquisition Bonds | | | | | **110,174** |
| Total long-term debt, net | | | | | **$ 1,082,068** |

### (b) 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 2013C* —On September 20, 2013, the County issued $11.8 million of Seaport Revenue Refunding Bonds, Series 2013C (Series 2013C Bonds). The proceeds of $12.48 million were used to: (1) Refund substantially all of Series 1995 Bonds; (2) and pay issuance costs. The Series 2013C Bonds are scheduled for payment through 2016.

*Seaport Revenue Refunding Bonds, Series 2013D* —On September 20, 2013, the County issued $17.5 million of Seaport Revenue Refunding Bonds, Series 2013D (Series 2013D Bonds). The proceeds of $19.0 million were used to: (1) Refund substantially all of Series 1996 Bonds; (2) and pay issuance costs. 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 additional contribution to FDOT for 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's, 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's will serve as a Liquidity Facility for the 2014 Bonds in the Weekly Mode and will expire on May 7, 2019. Upon expiration or earlier termination of the Series 2014 Bonds LOC's, the 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.

**(c) Seaport General Obligation Bonds**
*Seaport General Obligation, Refunding Bonds, Series 2011C* — On May 26, 2011, the County issued $111.4 million of Seaport General Obligation Refunding Bonds, Series 2011C (Series 2011C Bonds) for the primary purpose of refunding, defeasing and redeeming together with other available funds, all 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.

**(d) 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.

**(e) 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 19, 2013, the Commission entered into a Letter of Credit (LOC) Reimbursement Agreement with the Bank of New York Mellon to secure the Series 2010A Bonds & Series 2010B Bonds in the original amount of $95.2 million for a term of 3 years expiring in December 2016. In fiscal year 2014, part of the proceeds for the Series 2010A-1 and 2010B-1 Bonds were used to redeem amounts originally scheduled to mature in 2035 for $2.8 million, leaving a balance of $92.4 million. As of September 30, 2015, no draw had been made against the LOC.

In the event that the LOC is not renewed and a replacement LOC is not provided, the Seaport shall prepay the loan in full by paying the then applicable prepayment price in the amount of approximately $92.4 million.

*Series 2010A-1, 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 (LOC) 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.

*2011B-1 and 2011C-1 Bonds (fixed rate)*
On February 27, 2014, the Seaport exercised the conversion option included in its Sunshine State Governmental Financing 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.

*Series 2011A Bonds (fixed rate)*
On March 30, 2011, the Commission issued $248 million (the "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 (the "Series 2011A Loan Agreement") on April 14, 2011 and was used to replace $227 million of the then outstanding County's Series L Loans and $28 million of the outstanding County's 1986 Loans. Seaport's share of the original issued amount was $50.1 million which is included herein in Seaport's financial statements as the "Series 2011 A Bonds".

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

*Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D* - On December 15, 2010, the County, on behalf of the Seaport issued $40.3 million of Capital Asset Acquisition Taxable Special Obligation Bonds, Series 2010D ("Series 2010D Bonds"). 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 may be 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 percent 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 purposes for issuing the Series 2010D Bonds were to (1) pay the costs of construction, improvement and renovation of certain capital assets of the Seaport; (2) fund the Reserve Account for the Series 2010D Bonds; and (3) pay the costs of issuance relating to the Series 2010D Bonds, including paying the premium for a municipal bond insurance policy securing the Series 2010D Bonds. The Series 2010D Bonds are scheduled for payment through the year 2040.

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

**(h) Debt Service Requirements**

The Seaport's stated debt service requirements to maturity by type, assuming the bonds are remarketed and the 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, 2015, are as follows (in thousands):

| Year Ending September 30, | Revenue Bonds ** | G.O. Bonds | Sunshine State Loans ** | Cap. Acq. Bonds | Total |
|---|---|---|---|---|---|
| **Principal** | | | | | |
| 2016 | $ 7,050 | $ 5,830 | $ 15,015 | $ 4,085 | $ 31,980 |
| 2017 | 1,095 | 6,070 | 11,055 | 4,150 | 22,370 |
| 2018 | 6,840 | 6,320 | 12,085 | 4,215 | 29,460 |
| 2019 | 7,130 | 6,585 | 12,120 | 4,300 | 30,135 |
| 2020 | 7,450 | 6,875 | 12,160 | 4,390 | 30,875 |
| 2021-2025 | 43,205 | 39,455 | 59,230 | 23,455 | 165,345 |
| 2026-2030 | 56,335 | 18,460 | 109,920 | 25,975 | 210,690 |
| 2031-2035 | 74,005 | - | 71,520 | 21,822 | 167,347 |
| 2036-2040 | 98,575 | - | - | 21,395 | 119,970 |
| 2041-2045 | 124,335 | - | - | - | 124,335 |
| 2046-2050 | 125,970 | - | - | - | 125,970 |
| 2051 | 25,255 | - | - | - | 25,255 |
| Total | 577,245 | 89,595 | 303,105 | 113,787 | 1,083,732 |
| **Interest** | | | | | |
| 2016 | 22,276 | 3,904 | 10,418 | 6,117 | 42,715 |
| 2017 | 22,153 | 3,658 | 9,756 | 5,947 | 41,514 |
| 2018 | 21,985 | 3,395 | 9,316 | 5,767 | 40,463 |
| 2019 | 21,679 | 3,121 | 8,759 | 5,570 | 39,129 |
| 2020 | 21,334 | 2,826 | 8,200 | 5,373 | 37,733 |
| 2021-2025 | 100,517 | 8,887 | 31,680 | 23,696 | 164,780 |
| 2026-2030 | 86,918 | 787 | 15,134 | 17,624 | 120,463 |
| 2031-2035 | 68,716 | - | 1,709 | 10,907 | 81,332 |
| 2036-2040 | 43,321 | - | - | 3,912 | 47,233 |
| 2041-2045 | 13,207 | - | - | - | 13,207 |
| 2046-2050 | 3,123 | - | - | - | 3,123 |
| 2051 | 89 | - | - | - | 89 |
| Total | 425,318 | 26,578 | 94,972 | 84,913 | 631,781 |
| **Principal and Interest** | | | | | |
| 2016 | 29,326 | 9,734 | 25,433 | 10,202 | 74,695 |
| 2017 | 23,248 | 9,728 | 20,811 | 10,097 | 63,884 |
| 2018 | 28,825 | 9,715 | 21,401 | 9,982 | 69,923 |
| 2019 | 28,809 | 9,706 | 20,879 | 9,870 | 69,264 |
| 2020 | 28,784 | 9,701 | 20,360 | 9,763 | 68,608 |
| 2021-2025 | 143,722 | 48,342 | 90,910 | 47,151 | 330,125 |
| 2026-2030 | 143,253 | 19,247 | 125,054 | 43,599 | 331,153 |
| 2031-2035 | 142,721 | - | 73,229 | 32,729 | 248,679 |
| 2036-2040 | 141,896 | - | - | 25,307 | 167,203 |
| 2041-2045 | 137,542 | - | - | - | 137,542 |
| 2046-2050 | 129,093 | - | - | - | 129,093 |
| 2051 | 25,344 | - | - | - | 25,344 |
| **Total** | $ 1,002,563 | $ 116,173 | $ 398,077 | $ 198,700 | $ 1,715,513 |

****** Series 2010A & B loans and 2014A & B 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 in Note 6(e) for the Sunshine State Loans and 2014A & B Bonds. The average interest rate at year end on the variable rate State Loans was 0.56% and for 2014 Bonds was 0.72%.

On December 19, 2013, the Commission and the Bank of New York Mellon entered into new Letter of Credit (LOC) Reimbursement Agreements to provide LOC's to secure the principal amounts (variable rate bonds) for Series 2010 A&B bonds of approximately $92.4 million for a term of 3 years and expiring in December 2016. In the event that the LOCs for the variable rate Series 2010A&B Bonds are not renewed and replacement LOCs are not provided by the expiration date of December 2016, Seaport shall prepay the loans in full by paying the then applicable prepayment price in the amounts of approximately $92.4 million.

The Series 2014A and B 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 7, 2019. In the event that the LOC is not renewed and a replacement LOC is not provided by the expiration date of May 7, 2019, Seaport shall prepay the loans in full by paying the then applicable prepayment price in the amount of approximately $201.5 million

***(6) Operating Lease Agreements***

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

The Seaport also has several other operating leases (as lessor) consisting principally of the leasing of land, office space, and warehouses to several tenants. The lease agreements consist of both cancelable and noncancelable agreements. The agreements expire over the next 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, 2015 are summarized in the table below (in thousands):

| Year ending September 30, | Annual Operating Lease Income |
|---|---|
| 2016 | $ 22,533 |
| 2017 | 21,922 |
| 2018 | 21,465 |
| 2019 | 20,782 |
| 2020 | 20,427 |
| 2021-2025 | 75,280 |
| 2026-2030 | 40,772 |
| 2031-2033 | 864 |
| **Total lease income** | $ 224,045 |

Rental income was $19.2 million for fiscal year ended 2015. At September 30, 2015, the net book values of assets being leased by Seaport as lessor are as follows:

| Asset | Asset Cost | Accumulated Depreciation | Net Book value |
|---|---|---|---|
| Land | $ 85,305,431 | $ - | $ 85,305,431 |
| Buildings | 38,476,416 | 37,100,963 | 1,375,453 |
| Total | $ 123,781,847 | $ 37,100,963 | $ 86,680,884 |

(intentionally left blank)

### *(7) Long-term Obligation Activity*

Changes in long-term obligations for the year ending September 30, 2015 are as follows (in thousands):

| | Balance at 9/30/14 | Increase | Decrease | Balance at 9/30/15 | Due within One year |
|---|---|---|---|---|---|
| Bonds and loans payable: | | | | | |
| Revenue bonds | $ 584,120 | $ - | $ 6,875 | $ 577,245 | $ 7,050 |
| General obligation bonds | 95,205 | - | 5,610 | 89,595 | 5,830 |
| Sunshine State loans | 308,465 | - | 5,360 | 303,105 | 15,015 |
| Capital acquisition bonds | 117,812 | - | 4,025 | 113,787 | 4,085 |
| Unamortized (discount) and premiums, net | 32,107 | - | 1,791 | 30,316 | - |
| Total | 1,137,709 | - | 23,661 | 1,114,048 | 31,980 |
| Other liabilities: | | | | | |
| Compensated absences | 6,332 | 2,079 | 2,204 | 6,207 | 1,543 |
| Other Post-employment benefits | 826 | 32 | - | 858 | - |
| Net pension liability | 8,135 | 4,368 | - | 12,503 | - |
| Other liabilities | 1,013 | - | 403 | 610 | 313 |
| Total | 16,306 | 6,479 | 2,607 | 20,178 | 1,856 |

### *(8) Restricted Assets*

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

| | |
|---|---|
| Debt service and reserve | **$ 106,057** |
| Improvement and construction | **43,275** |
| Total | **$ 149,332** |

### *(9) 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).

**FRS Pension Plan**

*Plan Description*
The FRS Pension Plan (the 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 Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight 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 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 Plan may include up to 4 years of credit for military service toward creditable service.

The 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 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 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. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

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

| 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 with 31 years of service | 1.63 |
| Retirement up to age 64 or with 32 years of service | 1.65 |
| Retirement up to age 65 or with 33 or more 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 with 34 years of service | 1.63 |
| Retirement up to age 67 or with 35 years of service | 1.65 |
| Retirement up to age 68 or with 36 or more years of service | 1.68 |
| **Elected County Officers** | 3.00 |
| **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 percent 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 percent determined by dividing the sum of the pre-October 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

*Contributions*
The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates in effect from July 1, 2014 through June 30, 2015 were as follows:

| | Percent of Gross Salary | |
|---|---|---|
| **Class** | **Employee** | **Employer (*)** |
| FRS, Regular | 3.00 | 7.37 |
| FRS, Elected County Officers | 3.00 | 43.24 |
| FRS, Senior Management Service | 3.00 | 21.14 |
| FRS, Special Risk Regular | 3.00 | 19.82 |
| DROP- Applicable to members from all of the above classes | 0.00 | 12.28 |

*Employer rates include 1.26% for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04% for administrative costs of the Investment Plan.

Seaport's employer contributions to the FRS totaled $1.76 million and employee contributions totaled $0.64 million for the fiscal year ended September 30, 2015.

*Seaport's Allocation*
Seaport's proportionate share of the Plan's net pension liability, deferred outflow of resources and deferred inflow of resources as of September 30, 2015 (in thousands):

| | NET PENSION LIABILITY | DEFERRED OUTFLOW OF RESOURCES | DEFERRED INFLOW OF RESOURCES |
|---|---|---|---|
| Seaport | $ 7,547 | $ 1,633 | $ 2,723 |

The amounts reflected in the table above represent an allocation of 0.79% of the total Miami-Dade County balances for the FRS Plan. Seaport's proportionate share of the total Miami-Dade County's balances was based on Seaport's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions for participating County employees.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*
At September 30, 2015, Seaport reported a liability of $7.55 million for its proportionate share of the County's share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The overall County's proportionate share of the net pension liability was based on the 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015 and 2014, the Seaport's allocated proportionate share was 0.79% percent.

For the fiscal year ended September 30, 2015, Seaport recognized pension expense reduction adjustment of $1.1 million related to the Plan. In addition, the Seaport reported its share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources on the next page (in thousands):

| **Description** | **Deferred Outflows of Resources** | **Deferred Inflows of Resources** |
|---|---|---|
| Differences between expected and actual experience | $ 800 | $ 191 |
| Change of assumptions | 499 | - |
| Net difference between projected and actual earnings on FRS pension plan investments | - | 1,802 |
| Changes in proportion and differences between Seaport FRS contributions and proportionate share of contributions | - | 742 |
| Seaport FRS contributions subsequent to the measurement date | 335 | - |
| **Total** | $ 1,634 | $ 2,735 |

The deferred outflows of resources related to pensions, totaling approximately $334,000, resulting from Seaport's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. 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 Year Ending September 30** | **Deferred outflows/ (inflows), net** |
|---|---|
| 2016 | $ (765) |
| 2017 | (765) |
| 2018 | (765) |
| 2019 | 721 |
| 2020 | 109 |
| Thereafter | 41 |

*Actuarial Assumptions*

The FRS pension actuarial valuation was determined using the following actuarial assumptions, as of July 1, 2015, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.60% |
| Salary Increases | 3.25% average, including inflation |
| Investment Rate of Return | 7.65%, net of pension plan investment expense, including inflation |

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

*Long-Term Expected Rate of Return*

The long-term expected rate of return on the 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% | 3.2% | 3.1% | 1.7% |
| Fixed income | 18% | 4.8% | 4.7% | 4.7% |
| Global equity | 53% | 8.5% | 7.2% | 17.7% |
| Real estate (property) | 10% | 6.8% | 6.2% | 12.0% |
| Private equity | 6% | 11.9% | 8.2% | 30.0% |
| Strategic investments | 12% | 6.7% | 6.1% | 11.4% |
| | 100% | | | |
| Assumed inflation-Mean | | 2.6% | | 1.90% |

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

*Discount Rate*

The discount rate used to measure the net pension liability of the Plan was 7.65 percent. The 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.

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

The following represents Seaport's proportionate share of the County's share of the Plan's net pension liability (asset) calculated using the discount rate of 7.65 percent, 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 (6.65 percent) or one percentage point higher (8.65 percent) than the current rate (in thousands):

| | 1% Decrease 6.65% | Current Discount Rate 7.65% | 1% Increase 8.65% |
|---|---|---|---|
| Seaport's proportionate share of the net pension liability (asset) | $ 19,555 | $ 7,547 | $ (2,446) |

*Pension Plan Fiduciary Net Position*

Detailed information about the 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 September 30, 2015 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, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

*Contributions*

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.20 percent and 1.26 percent, respectively. The County contributed 100 percent 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 $185,776 for the fiscal year ended September 30, 2015.

*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 September 30, 2015 (in thousands):

| | NET PENSION LIABILITY | DEFERRED OUTFLOW OF RESOURCES | DEFERRED INFLOW OF RESOURCES |
|---|---|---|---|
| Seaport | $ 4,956 | $ 466 | $ 38 |

The amounts reflected in the table above represent an allocation of 0.79% of the total Miami-Dade County balances for the HIS Plan. Seaport's proportionate share of the total Miami-Dade County's balances was based on Seaport's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions for participating County employees.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*
At September 30, 2015, the Seaport reported a net pension liability of $4.96 million for its proportionate share of the County's share of the HIS Plan's net pension liability. The total pension liability was determined by an actuarial valuation date as of July 1, 2014, and was recalculated and projected to the measurement date of June 30, 2015 using a standard actuarial roll-forward technique. The County's proportionate share of the net pension liability was based on the County's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015 and 2014, the Seaport's allocated proportionate share was 0.79 percent.

For the fiscal year ended September 30, 2015, the Seaport recognized pension expense adjustment of $164,000, related to the HIS Plan. In addition, Seaport 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 |
|---|---|---|
| Change of assumptions | $ 391 | $ - |
| Net difference between projected and actual earnings on HIS pension plan investments | 3 | - |
| Changes in proportion and differences between Seaport HIS contributions and proportionate share of HIS contributions | 17 | $ 38 |
| Seaport contributions subsequent to measurement date | 55 | - |
| **Total** | $ 466 | $ 38 |

The deferred outflows of resources related to pensions, totaling approximately $55,000, 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 the fiscal year ended September 30, 2016. 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 Year Ending September 30, | Deferred outflows/(inflows), net |
|---|---|
| 2016 | $ 63 |
| 2017 | 63 |
| 2018 | 63 |
| 2019 | 63 |
| 2020 | 63 |
| Thereafter | 58 |

*Actuarial Assumptions*

The HIS pension actuarial valuation was determined using the following actuarial assumptions as of July 1, 2014 applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.60% |
| Salary Increases | 3.25% average, including inflation |
| Discount Rate | 3.80% |

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

*Discount Rate*

The discount rate used to measure the total pension liability for the HIS Plan was 3.80 percent. 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 presents the Seaport's proportionate share of the County's share of the Plan's net pension liability calculated using a discount rate of 3.80 percent, as well as what the Seaport's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.80 percent) or one percentage point higher (4.80 percent) than the current rate (in thousands):

| | 1% Decrease 2.8% | Current Discount Rate 3.8% | 1% Increase 4.8% |
|---|---|---|---|
| Seaport's proportionate share of the net pension liability (asset) | $ 5,648 | $ 4,956 | $ 4,380 |

*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.

FRS – Defined Contribution Pension Plan

Seaport, through Miami Dade County, contributes to the FRS Defined Contribution Investment Plan (Investment Plan). The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Miami-Dade County employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts,

as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

| 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 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to Miami Dade County.

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 $203,653 for the fiscal year ended September 30, 2015.

**(b) Postemployment Benefits Other than Pensions**
In accordance with the requirements of Governmental Accounting Standards Board Statement 45 (GASB 45) for other post-employment benefits (OPEB), the County accrues the cost of retiree health subsidy and OPEB during the period of employees' active employment as the benefits are being earned. It requires the unfunded actuarial accrued liability to be disclosed in order to accurately account for the total future cost of OPEB and the financial impact on the County. The financial impact of this statement is reflected in the accompanying financial statements.

**Plan Description.** The County, for which the Seaport participates, administers a single-employer defined benefit healthcare plan ("the Plan") that provides postretirement medical and dental coverage to retirees as well as their eligible spouses and dependents. Benefits are provided through the County's group health insurance plan, which covers both active and retired members. Benefits are established and may be amended by the Miami-Dade County Board of County Commissioners ("the BOCC"), whose powers derive from F.S. 125.01(3) (a). The Plan does not issue a publicly available financial report.

**Eligibility:** To be eligible to receive retiree medical and dental benefits, participants must be

eligible for retirement benefits under the FRS and pay required contributions.

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

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

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

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

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

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

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

• JMH HMO Low Option

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

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

**Number of Covered Participants for the overall County:**

| | |
|---|---|
| Actives | 30,554 |
| Retirees under age 65 | 2,883 |
| Eligible spouses under age 65 | 972 |
| Retirees age 65 and over | 665 |
| Eligible spouses age 65 and over | 133 |
| Total | 35,207 |

**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 and dental benefits are currently funded on a pay-as-you go basis (i.e., Miami-Dade County funds on a cash basis as benefits are paid). The County's contribution is the actual pay-as-you-go postemployment benefit payments less participant contributions for the period October 1, 2014 to September 30, 2015. 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 effective January 1, 2015 through December 31, 2015 are provided in the tables on the following page. The County's subsidy is assumed to remain flat.

**Annual OPEB Cost and Net OPEB Obligation.** The County's annual other postemployment benefit (OPEB) cost is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The methodology used to determine the Seaport's allocated portion of the Annual OPEB cost and Net OPEB Obligation was based on the number of Seaport employees proportionate to the County's total eligible employees. Seaport's proportionate share of the total County's Annual OPEB cost and Net OPEB Obligation was approximately 1.5% for fiscal year 2015.

The Seaport's annual OPEB costs for the fiscal year 2015 on the next page, and the related proportional information for the plan are as follows (dollar amounts in thousands):

| | Fiscal year 2015 |
|---|---|
| Annual required contribution | $ 360 |
| Interest on net OPEB obligation | 36 |
| Adjustment to annual required contribution | (33) |
| Annual OPEB cost | 363 |
| Contributions made | (331) |
| Increase in net OPEB obligation | 32 |
| Net OPEB obligation-beginning of year | 826 |
| Net OPEB obligation-end of year | $ 858 |

The Seaport's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and two preceding years are as follows (dollar amounts in thousands):

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|---|---|---|---|
| **9/30/2015** | **$ 363** | **91.2%** | **$ 858** |
| 9/30/2014 | $ 346 | 89.9% | $ 826 |
| 9/30/2013 | $ 396 | 66.6% | $ 791 |

**Funded Status and Funding Progress.** The schedule below shows the County's balance of the OPEB actuarial accrued liability (AAL) as of October 1, 2014, the most recent actuarial valuation date. The funding status and funding progress was not determined separately for Seaport.

The AAL was unfunded as of September 30, 2015 (dollar amounts in thousands).

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Estimated Covered Payroll (c) | UAAL as % of Covered Payroll ([b-a]/c) |
|---|---|---|---|---|---|---|
| **10/1/2014** | **$ -** | **$ 401,180** | **$ 401,180** | **0%** | **$ 1,937,015** | **21%** |

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

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

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

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

| | |
|---|---|
| Actuarial valuation date | 10/01/2013 projected to October 1, 2014 |
| Amortization method | Level percentage of payroll, closed, over 30 years |
| Actuarial cost method | Projected unit credit, benefits attributed from date of hire to expected retirement age |
| Remaining amortization periods | 23 years |
| Actuarial assumptions: | |
| Discount rate | 4.4% |
| Inflation rate | 3.5% |
| Payroll growth assumption | 3%-3.5% |
| Health CPI | 3.0% |
| Health care cost trend period | Grades down over six years by 0.5% per year |
| Health care cost trend rates | Medical/Rx 8.0% initial to 5.0% ultimate |
| Mortality table | RP 2014 applied on a gender-specific basis |

Further, the participation assumption used in the valuation (the assumed percentage of future retirees that participate and enroll in the health plan) is 20% for those prior to age 55 (50 if special risk) and 60% until age 65. Once reaching Medicare eligibility, the participation rate is assumed to be 20%.

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

The Seaport recorded $331,000 of contributions expense for fiscal year 2015, in operating expenses of the Statements of Revenues, Expenses and Changes in Net Position. Additionally, the Seaport recorded $858,000 as a Net OPEB liability as of fiscal year end 2015, in the Statements of Net position, under "Other long-term liabilities".

### *(10) Risk Management*

The County's Risk Management Division (the "RMD") administers workers' compensation and general and automobile liability self-insurance programs. The Seaport, along with other County departments, participates in the County's self-insurance programs. Certain group health insurance programs are also self-insured. An independent administrator administers the programs. There has been no significant reduction in coverage for the last 3 years. Seaport properties are covered under the County's Master Property Insurance Program. The County purchases coverage through commercial carriers. The insurance program contains a $5 million deductible per occurrence for most perils. A $200 million deductible per occurrence applies to named windstorm losses. The current County wide limit per occurrence provided by this program is $350 million (inclusive of deductibles). Property coverage for the Seaport's gantry cranes are provided through a combination of the County's program and a policy purchased by the crane management company. 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, 2015, the Seaport incurred approximately $2.2 million, in insurance premium costs in the fiscal year. The estimated liability for reported and unreported claims of the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims, past experience adjusted for current trends, and other factors that would modify past experience. Outstanding claims are evaluated through a combination of case-by-case reviews and the application of historical experience. The estimates of incurred, but not reported losses are based on historical experience, and are recorded in the County's internal service fund as a liability.

### *(11) Due from other governments*

The Seaport has received state and federal grants to fund various cruise and cargo improvement projects including a harbor-dredging project. As of September 30, 2015, total receivables for reimbursement of grant expenditures incurred as of fiscal year end were $7.3 million.

### *(12) Related-party transactions*

#### (a) 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 Statement of Revenues, Expenses and Changes in Net Position amounted to approximately $23.5 million for the fiscal year ended September 30, 2015.

The table on the next page presents a list of providers of services and respective charges for the fiscal year ended September 30, 2015 (in thousands):

| | 2015 |
|---|---|
| Audit and Management Services | $ 190 |
| Fire Services | 2,697 |
| Fleet Management | 685 |
| Administrative Service Charges | 2,500 |
| Information Technology | 2,009 |
| Police Services | 9,451 |
| Public Works Services | 42 |
| Miami-Dade Water and Sewer | 2,807 |
| Other | 3,126 |
| Total | $ 23,507 |

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.

**(b) Due to County**
Amounts due to the County for the fiscal year ended September 30, 2015 was $548,713.

***(13) Commitments, Contingencies and Guarantees***

**(a) Cruise and Cargo Terminal Usage Agreements and Terminal Operating Agreement**
The Board approved various resolutions authorizing the County Manager to execute terminal usage agreements with the Port's major cruise lines (the "Lines") and cargo terminal operators. These agreements provide certain wharfage and dockage incentive discounts from the published Tariff as well as marketing incentives in return for minimum annual revenue guarantees 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 total gross minimum annual revenue guarantees due the Port for the following years (in thousands):

| Year Ending September 30, | Cruise Operators | Cargo Operators |
|---|---|---|
| 2016 | $ 61,794 | $ 46,551 |
| 2017 | 61,162 | 48,401 |
| 2018 | 62,798 | 50,313 |
| 2019 | 64,392 | 52,327 |
| 2020 | 66,197 | 54,458 |
| 2021-2025 | 211,644 | 307,618 |
| 2026-2030 | 107,820 | 379,563 |
| 2031-2033 | - | 27,983 |
| Totals | $ 635,807 | $ 967,214 |

Seaport has entered into several terminal usage agreements with cruise line operators which commits the Seaport to make certain terminal improvements at future dates, in order to accommodate the cruise operators' passengers and vessel operations, as follows:

- Terminal improvements are estimated to be approximately $10 million and will be advanced by the operator to the Seaport. In consideration for advancing the terminal improvement construction costs, the operator will be eligible to obtain dollar for dollar credit offsets against future port dockage and passenger wharfage fees (up to $10 million), plus additional credits equal to the operator's advanced payments for tenant relocation costs, not to exceed $1 million. Any incurred construction costs above $10 million, but not more than $11 million, will also be advanced by the operator with the operator receiving offsets for half of such additional amount from the Seaport. The costs paid by the Seaport for construction design services will be paid by the operator with a cap of not to exceed $1.5 million. The operator shall not be entitled to offsets or credits for any costs associated with design services. For the year ending September 30, 2015, the operator has not made any advance payments to Seaport which would require the commencement of terminal improvements and no credit offsets against future port dockage and passenger wharfage fees were required to be provided to the operator in connection with terms of this agreement.

- Terminal improvements include an expansion of the terminal footprint, increased queuing and check-in capacity, additional seating, enlarged baggage collection, and passenger boarding bridges designed to accommodate larger vessels. The Seaport's obligation is capped at $25 million and in no event shall the Seaport be responsible for any improvement cost exceeding this cap. However, the Seaport may elect to make additional substantial terminal improvements.

- Terminal improvements to allow for simultaneous berthing of cruise ships, both portside and starboard side, and other improvements to allow for six security screening machines and additional seating for approximately 1,000 passengers. These improvements are estimated to cost $10 million and are the sole responsibility of the Seaport. The improvements must be completed by the Seaport no later than October 15, 2016.

**(b) Litigation**

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

In fiscal year 2015, the Seaport accrued a liability of $833,226 for claims related to environmental mitigation and monitoring costs for its Dredge Project. Additionally, post-dredge surveys are required one-year after project completion to assess actual environmental impacts attributable to the project. If, based on not-yet completed post-dredging surveys, applicable oversight environmental agencies determine that actual project impacts exceed already-mitigated-for anticipated impacts, such agencies could seek to require additional environmental mitigation and/or monitoring work, the cost of which could exceed $1,000,000, and for which the Seaport could be financially responsible.

**(d) 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 Circular A-133 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.

**(e) Construction**
Seaport had contractual commitments of $15.1 million for the construction of cruise and cargo improvements, other port-wide infrastructure improvements, and certain other asset acquisitions at September 30, 2015.

**(f) Phase III Dredging**
In July 2012, the Board approved a resolution authorizing a Project Partnership Agreement between Miami-Dade County ("County") and the United States Department of the Army ('Army") for the construction of the -50 feet Dredging Miami Harbor Federal Navigation Project Phase III at the Port. The total cost of the project, including the cost of construction, Army procurement and administration, environmental mitigation and monitoring, and an Army required contingency, was estimated to be in the range of $180 to $220 million. Seaport made advance payments to the Army and recorded an "advance to other government" on the Statement of Net Position, when such payments were made. As of September 30, 2015, the remaining "advance to other governments" was $3.8 million. As of fiscal year end the Project was completed and a final reconciliation of records with the Army is still in progress. The unspent balance of the advance will be returned to Seaport if no other costs are charged by the Army.

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. As of fiscal year end 2015, approximately $108.7 million of funding was received from FDOT related to project. As of September 30, 2015, the Seaport recorded a receivable from FDOT in the amount of $5.3 million as a "due from other governments" on the Statement of Net Position.

Any cost incurred in excess of the amounts funded by FDOT was funded with Seaport's debt proceeds.

***(14) Unrestricted Net Position***

As mentioned in the MD&A section, the $203.1 million contribution to Florida Department of Transportation (FDOT) for the Port Tunnel Project (Tunnel) resulted in negative unrestricted net position balance of $170.6 million as of September 30, 2015. 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 will also reduce traffic congestion in the downtown area of Miami. The Tunnel is owned by the State of Florida and as such not recorded as a Port asset.

In return for the County providing a portion of the funds for the Tunnel Project, in March 2015 FDOT presented the County a Joint Participating Agreement (JPA) agreeing to pay the County from annually appropriated State Comprehensive Enhance Transportation System Tax (SCETS) the amount of $8 million for fiscal year 2018 and $17 million annually in each of the State's fiscal years 2019 through 2042.

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

***(15) Subsequent Event***

On December 8, 2015, the County amended agreements with two of its cruise operators. The first amendment extended a preferred berthing agreement, which expires on October 1, 2016, to an additional 11 years to October 1, 2027 with a five-year option to renew subject to further negotiations. The cruise operator will launch a new vessel starting in fiscal year 2018, increasing the guaranteed revenues to approximately $90 million during the extended agreement. In exchange for the long-term agreement and increased guarantees, the Port will spend approximately $25 million to upgrade said terminal to accommodate the new vessel.

The second amendment extended an original Terminal Berthing Agreement to October 1, 2018, which was set to expire on October 1, 2016, with the cruise operator having the option for a one-year renewal. The volume of anticipated ship calls during the initial term of this amendment is expected to generate approximately $7.8 million of revenue to Seaport. If the cruise operator exercises it one-year extension option, an additional $4.1 million of revenue is anticipated to Seaport.

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# *REQUIRED SUPPLEMENTARY INFORMATION*

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

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Estimated Covered Payroll (c) | UAAL as % of Covered Payroll ([b-a]/c) |
|---|---|---|---|---|---|---|
| **10/1/2014** | **$ -** | **$ 401,180** | **$ 401,180** | **0%** | **$ 1,937,015** | **21%** |
| 10/1/2013 | $ - | $ 400,103 | $ 400,103 | 0% | $ 1,919,888 | 21% |
| 10/1/2012 | $ - | $ 424,244 | $ 424,244 | 0% | $ 2,145,780 | 20% |

Notes to Schedule

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

(2) The schedule of funding progress above presents balances for the overall County, which includes the Seaport Department.

## 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)

| | 2014 | 2015 |
|---|---|---|
| Seaport's proportion of Miami-Dade County's FRS Plan net pension liability | 0.79% | 0.79% |
| Seaport's proportionate share of Miami-Dade County's FRS net pension liability | $ 3,611 | $ 7,547 |
| Seaport's covered employee payroll | $ 17,768 | $ 17,119 |
| Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered employee payroll | 20.32% | 44.09% |
| FRS Plan fiduciary net position as a percentage of the total pension liability | 92% | 92% |

Notes to Schedule

(1) See Note 9 for information regarding the Plan.

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

(3) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

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

| | 2014 | 2015 |
|---|---|---|
| Seaport's proportionate share of Miami-Dade County's required FRS contribution | $ 1,296 | $ 1,756 |
| Seaport's contribution in relation to the contractually required contribution | 1,296 | 1,756 |
| Contribution deficiency (excess) | $ - | $ - |
| Seaport's covered employee payroll | $ 17,768 | $ 17,119 |
| FRS contribution as a percentage of covered employee payroll | 7.29% | 10.26% |

Notes to Schedule

(1) See Note 9 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 June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

## Miami-Dade County, Florida Seaport Department

**Required Supplmentary 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)**

| | 2014 | 2015 |
|---|---|---|
| Seaport's proportion of Miami-Dade County's HIS net pension liability | 0.79% | 0.79% |
| Seaport's proportionate share of Miami-Dade County's HIS. net pension liability | $ 4,524 | $ 4,956 |
| Seaport's covered employee payroll | $ 22,822 | $ 22,281 |
| Seaport's proportionate share of Miami-Dade County's HIS net pension liability as a percentage of its covered employee payroll | 19.82% | 22.24% |
| HIS Plan fiduciary net position as a percentage of the total pension liability | 0.50% | 0.50% |

Notes to Schedule

(1) See Note 9 for information regarding the Plan.

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

(3) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

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

| | 2014 | 2015 |
|---|---|---|
| Seaport's proportionate share of Miami-Dade County's required HIS contribution | $ 166 | $ 186 |
| HIS contribution in relation to the contractually required contribution | 166 | 186 |
| Contribution deficiency (excess) | $ (0) | $ (0) |
| Seaport's covered employee payroll | $ 22,822 | $ 22,281 |
| FRS contribution as a percentage of covered employee payroll | 0.73% | 0.83% |

Notes to Schedule

(1) See Note 9 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 June 30th. The schedule is presented to illustrate GASB 68 requirements. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

# *STATISTICAL SECTION*

# Statistical Section

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

Contents

## Financial Trends



## Revenue Capacity



## Debt Capacity



## Demographic and Economic Information



## Operating Information



**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)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Operating revenues | $ 82,113 | $ 84,568 | $ 94,698 | $ 100,057 | $ 104,085 | $ 109,146 | $ 103,578 | $ 109,177 | $ 126,144 | $ 136,086 |
| Investment earnings | 3,815 | 3,100 | 960 | 247 | 414 | 512 | 359 | 153 | 510 | 861 |
| Other nonoperating | 21,350 | - | 2,734 | - | - | 810 | 718 | 687 | 666 | 666 |
| Total revenues | 107,278 | 87,668 | 98,392 | 100,304 | 104,499 | 110,468 | 104,655 | 110,017 | 127,320 | 137,613 |
| | | | | | | | | | | |
| Operating expenses | 61,210 | 64,021 | 61,579 | 68,999 | 66,335 | 65,836 | 59,550 | 66,011 | 64,341 | 66,700 |
| Depreciation | 16,132 | 17,927 | 19,863 | 20,790 | 22,995 | 23,548 | 24,947 | 25,958 | 27,423 | 30,020 |
| Interest expense | 23,938 | 25,280 | 22,409 | 19,448 | 16,961 | 18,901 | 18,668 | 18,167 | 35,496 | 37,283 |
| Other nonoperating expenses | 289 | 12,359 | - | 166 | 4,193 | 1,072 | 6,118 | 1,861 | 5,349 | 1,267 |
| Total expenses | 101,569 | 119,587 | 103,851 | 109,403 | 110,484 | 109,357 | 109,283 | 111,997 | 132,609 | 135,270 |
| | | | | | | | | | | |
| Net income (loss) before contributions | 5,709 | (31,919) | (5,459) | (9,099) | (5,985) | 1,111 | (4,628) | (1,980) | (5,289) | 2,343 |
| Net contributions | 7,343 | 27,730 | 7,212 | 13,315 | 11,796 | 6,331 | 12,789 | (16,781) | (85,944) | 47,644 |
| Change in net position | 13,052 | (4,189) | 1,753 | 4,216 | 5,811 | 7,442 | 8,161 | (18,761) | (91,233) | 49,987 |
| Net position at beginning of year (1) | 197,491 | 210,542 | 206,353 | 208,106 | 212,322 | 218,133 | 225,575 | 233,736 | 214,975 | 109,677 |
| Net position at end of year | 210,543 | 206,353 | 208,106 | 212,322 | 218,133 | 225,575 | 233,736 | 214,975 | 123,742 | 159,664 |
| | | | | | | | | | | |
| **Net position, end of year classified as:** | | | | | | | | | | |
| Net investment in capital assets | 183,185 | 191,448 | 204,261 | 185,871 | 194,133 | 201,468 | 217,486 | 204,722 | 272,815 | 310,619 |
| Restricted for debt service | 23,901 | 21,257 | 19,078 | 19,125 | 13,259 | 13,228 | 12,647 | 11,860 | 12,485 | 12,880 |
| Restricted for construction and other | - | - | - | - | 1,914 | - | 5,310 | 2,349 | 10,067 | 7,290 |
| Unrestricted and other | 3,456 | (6,352) | (15,233) | 7,326 | 8,827 | 10,879 | (1,707) | (3,956) | (171,625) | (171,125) |
| Net position at end of year | $ 210,542 | $ 206,353 | $ 208,106 | $ 212,322 | $ 218,133 | $ 225,575 | $ 233,736 | $ 214,975 | $ 123,742 | $ 159,664 |

Notes to Schedule
(1) Net position balance was restated as of October 1, 2014.
See Note 2(t) Notes to the Financial Statements.

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| OPERATING REVENUES: | | | | | | | | | | |
| Cruise Wharfage/Dockage | $ 32,067 | $ 33,094 | $ 39,492 | $ 40,195 | $ 41,963 | $ 46,424 | $ 45,192 | $ 50,528 | $ 60,295 | $ 63,659 |
| Cargo Wharfage/Dockage | 22,355 | 20,499 | 19,082 | 19,176 | 21,958 | 23,752 | 23,089 | 23,932 | 24,809 | 24,120 |
| Container Crane Fees | 10,299 | 8,525 | 7,922 | 8,180 | 8,471 | 9,910 | 7,607 | 6,619 | 6,243 | 8,624 |
| Rentals | 6,884 | 7,213 | 9,106 | 14,856 | 14,826 | 13,906 | 13,428 | 13,365 | 14,829 | 19,254 |
| Ground Transportation | 783 | 1,012 | 1,267 | 1,425 | 1,464 | 1,880 | 1,763 | 1,861 | 2,100 | 2,329 |
| Parking | 6,123 | 7,778 | 9,792 | 10,686 | 10,042 | 9,184 | 8,305 | 9,374 | 14,963 | 14,691 |
| Miscellaneous | 3,602 | 6,447 | 8,037 | 5,539 | 5,361 | 4,090 | 4,194 | 3,498 | 2,905 | 3,409 |
| | 82,113 | 84,568 | 94,698 | 100,057 | 104,085 | 109,146 | 103,578 | 109,177 | 126,144 | 136,086 |
| OPERATING EXPENSES: | | | | | | | | | | |
| Cruise Operations | 4,138 | 4,766 | 5,799 | 6,502 | 7,047 | 6,590 | 6,002 | 6,293 | 7,523 | 7,165 |
| Cargo Operations | 1,806 | 1,618 | 1,409 | 1,389 | 1,087 | 1,338 | 1,180 | 1,314 | 1,235 | 1,242 |
| Maintenance | 5,949 | 6,954 | 6,304 | 6,269 | 6,453 | 6,731 | 6,083 | 6,590 | 6,329 | 6,993 |
| Utilities | 3,274 | 2,791 | 2,110 | 5,102 | 2,950 | 3,256 | 2,225 | 1,814 | 2,881 | 3,730 |
| Marketing & Advertising | 1,824 | 1,307 | 1,293 | 1,680 | 1,321 | 1,015 | 1,105 | 1,848 | 1,747 | 1,803 |
| Gantry Cranes Operations | 10,533 | 10,018 | 7,641 | 8,042 | 6,811 | 6,926 | 6,357 | 7,533 | 7,543 | 7,006 |
| Security | 18,408 | 20,345 | 20,975 | 21,096 | 19,636 | 18,510 | 15,488 | 15,210 | 16,782 | 18,093 |
| General & Administration | 15,278 | 16,222 | 16,048 | 18,919 | 21,030 | 21,470 | 21,110 | 25,409 | 20,301 | 20,668 |
| Total Operating Expenses | 61,210 | 64,021 | 61,579 | 68,999 | 66,335 | 65,836 | 59,550 | 66,011 | 64,341 | 66,700 |
| Operating income before depreciation | 20,903 | 20,547 | 33,119 | 31,058 | 37,750 | 43,310 | 44,028 | 43,166 | 61,803 | 69,386 |
| DEPRECIATION | 16,132 | 17,927 | 19,863 | 20,790 | 22,995 | 23,548 | 24,947 | 25,958 | 27,423 | 30,020 |
| Operating Income | 4,771 | 2,620 | 13,256 | 10,268 | 14,755 | 19,762 | 19,081 | 17,208 | 34,380 | 39,366 |
| NON-OPERATING REVENUES (EXPENSES): | | | | | | | | | | |
| Interest Income, net | 3,815 | 3,100 | 960 | 247 | 414 | 512 | 359 | 153 | 510 | 861 |
| Interest expense, net | (23,938) | (25,280) | (22,409) | (19,448) | (16,961) | (18,901) | (18,668) | (18,167) | (35,496) | (37,283) |
| Operating grants | - | - | - | - | - | - | - | - | | |
| Operating transfers | (289) | - | - | - | - | (1,072) | - | - | | |
| Transfer in | - | - | - | - | - | - | - | - | | |
| Other income (expense) | 21,350 | (12,359) | 2,734 | (166) | (4,193) | 810 | (5,400) | (1,174) | (4,683) | (601) |
| Income (loss) before Contributions | 5,709 | (31,919) | (5,459) | (9,099) | (5,985) | 1,111 | (4,628) | (1,980) | (5,289) | 2,343 |
| Net Contributions | 7,343 | 27,730 | 7,212 | 13,315 | 11,796 | 6,331 | 12,789 | (16,781) | (85,944) | 47,644 |
| Net income (loss) | $ 13,052 | $ (4,189) | $ 1,753 | $ 4,216 | $ 5,811 | $ 7,442 | $ 8,161 | $ (18,761) | $ (91,233) | $ 49,987 |

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Cargo revenue | $ 32,654 | $ 29,024 | $ 27,004 | $ 27,356 | $ 30,429 | $ 33,662 | $ 30,696 | $ 30,551 | $ 31,052 | $ 32,744 |
| Tonnage | 8,654 | 7,835 | 7,430 | 6,831 | 7,389 | 8,222 | 8,108 | 7,981 | 7,700 | 8,614 |
| Revenue per ton | $ 3.77 | $ 3.70 | $ 3.63 | $ 4.00 | $ 4.12 | $ 4.09 | $ 3.79 | $ 3.83 | $ 4.03 | $ 3.80 |
| TEU | 977 | 885 | 828 | 807 | 847 | 907 | 909 | 901 | 877 | 1,008 |
| Revenue per TEU | $ 33.42 | $ 32.80 | $ 32.61 | $ 33.90 | $ 35.93 | $ 37.11 | $ 33.77 | $ 33.91 | $ 35.41 | $ 32.48 |

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Cruise Revenue | $ 32,067 | $ 33,094 | $ 39,492 | $ 40,195 | $ 41,963 | $ 46,424 | $ 45,192 | $ 50,528 | $ 60,295 | $ 63,659 |
| Passengers | $ 3,731 | 3,787 | 4,138 | 4,110 | 4,145 | 4,018 | 3,774 | 4,079 | 4,939 | 4,916 |
| Revenue per passenger | $ 8.59 | $ 8.74 | $ 9.54 | $ 9.78 | $ 10.12 | $ 11.55 | $ 11.97 | $ 12.39 | $ 12.21 | $ 12.95 |

**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 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Primary Debt Coverage | | | | | | | | | | |
| Net Operating Revenues | $ 20,903 | $ 20,547 | $ 33,119 | $ 31,058 | $ 37,750 | $ 43,310 | $ 44,028 | $ 43,166 | $ 61,803 | $ 69,386 |
| Coverage Adjustments | | | | | | | | | | |
| Pledged Rent Revenue | (1,937) | (1,937) | (1,937) | (1,937) | (1,937) | (1,130) | - | - | - | - |
| Other Income (loss) | 22,500 | 2,696 | - | - | - | - | - | - | - | - |
| Non-Cash Items | 787 | 4,269 | 2,786 | 1,661 | 1,238 | (293) | 165 | 475 | 46 | (868) |
| Unrestricted Interest | 101 | 968 | 175 | 40 | 11 | 4 | 8 | - | - | - |
| Revenues Available | $ 42,354 | $ 26,543 | $ 34,143 | $ 30,822 | $ 37,062 | $ 41,891 | $ 44,201 | $ 43,641 | $ 61,849 | $ 68,518 |
| Revenue Bonds Maximum Debt Service Required | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 27,547 | 27,671 | 27,640 |
| Coverage Required 125% | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 34,434 | 34,589 | 34,550 |
| Net Revenue Coverage | 403% | 253% | 325% | 294% | 353% | 399% | 421% | 127% | 179% | 198% |

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

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Primary Debt Coverage | | | | | | | | | | |
| Net Operating Revenues | $ 20,903 | $ 20,547 | $ 33,119 | $ 31,058 | $ 37,750 | $ 43,310 | $ 44,028 | $ 43,166 | $ 61,803 | $ 69,386 |
| Coverage Adjustments | | | | | | | | | | |
| Pledged Rent Revenue | (1,937) | (1,937) | (1,937) | (1,937) | (1,937) | (1,130) | - | - | - | - |
| Other Income (loss) | 22,500 | 2,696 | - | - | - | - | - | - | - | - |
| Non-Cash Items | 787 | 4,269 | 2,786 | 1,661 | 1,238 | (293) | 165 | 475 | 46 | (868) |
| Unrestricted Interest | 101 | 968 | 175 | 40 | 11 | 4 | 8 | - | - | - |
| Revenues Available | $ 42,354 | $ 26,543 | $ 34,143 | $ 30,822 | $ 37,062 | $ 41,891 | $ 44,201 | $ 43,641 | $ 61,849 | $ 68,518 |
| G O Bonds Maximum Debt Service Required | 11,149 | 11,149 | 11,149 | 11,149 | 11,149 | 9,884 | 9,884 | 9,863 | 9,863 | 9,863 |
| Coverage Required 110% | 12,264 | 12,264 | 12,264 | 12,264 | 12,264 | 10,872 | 10,872 | 10,849 | 10,849 | 10,849 |
| Net Revenue Coverage | 345% | 216% | 278% | 251% | 302% | 385% | 407% | 402% | 570% | 632% |

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

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Primary Debt Coverage | | | | | | | | | | |
| Net Operating Revenues | $ 20,903 | $ 20,547 | $ 33,119 | $ 31,058 | $ 37,750 | $ 43,310 | $ 44,028 | $ 43,166 | $ 61,803 | $ 69,386 |
| Coverage Adjustments | | | | | | | | | | |
| Pledged Rent Revenue | (1,937) | (1,937) | (1,937) | (1,937) | (1,937) | (1,130) | - | - | - | - |
| Other Income (loss) | 22,500 | 2,696 | - | - | - | - | - | - | - | - |
| Non-Cash Items | 787 | 4,269 | 2,786 | 1,661 | 1,238 | (293) | 165 | 475 | 46 | (868) |
| Unrestricted Interest | 101 | 968 | 175 | 40 | 11 | 4 | 8 | - | - | - |
| Revenues Available | $ 42,354 | $ 26,543 | $ 34,143 | $ 30,822 | $ 37,062 | $ 41,891 | $ 44,201 | $ 43,641 | $ 61,849 | $ 68,518 |
| Revenue Bonds Maximum Debt Service Required | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 8,399 | 27,547 | 27,671 | 27,640 |
| Coverage Required 125% | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 10,499 | 34,434 | 34,589 | 34,550 |
| G O Bonds Maximum Debt Service Required | 11,149 | 11,149 | 11,149 | 11,149 | 11,149 | 9,884 | 9,884 | 9,863 | 9,863 | 9,863 |
| Coverage Required 110% | 12,264 | 12,264 | 12,264 | 12,264 | 12,264 | 10,872 | 10,872 | 10,849 | 10,849 | 10,849 |
| Excess coverage required greater (less) than maximum coverage | 3,215 | 3,215 | 3,215 | 3,215 | 3,215 | 3,088 | 3,088 | 7,873 | 7,904 | 7,896 |
| Needed to Meet Coverage | 22,763 | 22,763 | 22,763 | 22,763 | 22,763 | 21,371 | 21,371 | 45,283 | 45,438 | 45,399 |
| Net Revenues Coverage | 186% | 117% | 150% | 135% | 163% | 196% | 207% | 96% | 136% | 151% |

Note: Coverage requirement under master bond ordinance is 125% and 110% of maximum principal and interest for revenue bonds and GO bonds, respectively. In fiscal year 2013, the Seaport did not meet its combined debt service coverage of 100%, as required by the debt covernants. Refer to Note 6 (a) of the Notes to Financial Statements for further information.

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

| Fiscal year | G.O. Bonds | Revenue Bonds | Loans | Capital Acquisition Bond | Total Debt | Ratio of Debt to TEUs | Ratio of Debt to Cruise Passengers |
|---|---|---|---|---|---|---|---|
| 2006 | 133,575 | 65,968 | 348,710 | - | 548,253 | 561 | 147 |
| 2007 | 130,315 | 63,320 | 345,305 | - | 538,940 | 609 | 142 |
| 2008 | 126,821 | 60,472 | 339,671 | - | 526,964 | 636 | 127 |
| 2009 | 123,067 | 57,408 | 336,252 | 68,953 | 585,680 | 726 | 143 |
| 2010 | 119,043 | 53,849 | 332,832 | 68,642 | 574,366 | 678 | 139 |
| 2011 | 111,559 | 48,435 | 328,981 | 127,941 | 616,916 | 680 | 154 |
| 2012 | 105,862 | 42,681 | 325,300 | 126,240 | 600,083 | 660 | 159 |
| 2013 | 107,984 | 402,340 | 322,702 | 122,310 | 955,336 | 1,060 | 234 |

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

| Year | Total | Difference | % Change |
|---|---|---|---|
| 2006 | 8,654 | - | 0.0% |
| 2007 | 7,835 | (819) | -9.5% |
| 2008 | 7,430 | (405) | -5.2% |
| 2009 | 6,831 | (599) | -8.1% |
| 2010 | 7,389 | 558 | 8.2% |
| 2011 | 8,222 | 833 | 11.3% |
| 2012 | 8,108 | (114) | -1.4% |
| 2013 | 7,981 | (127) | -1.6% |
| 2014 | 7,700 | (281) | -3.5% |
| 2015 | 8,614 | 914 | 11.9% |

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

| Year | TEU's | Difference | % Change |
|---|---|---|---|
| 2006 | 977 | - | 0.0% |
| 2007 | 885 | (92) | -9.4% |
| 2008 | 828 | (57) | -6.4% |
| 2009 | 807 | (21) | -2.5% |
| 2010 | 847 | 40 | 5.0% |
| 2011 | 907 | 60 | 7.1% |
| 2012 | 909 | 2 | 0.2% |
| 2013 | 901 | (8) | -0.9% |
| 2014 | 877 | (24) | -2.7% |
| 2015 | 1,008 | 131 | 14.9% |

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

| Year | Export Tons | % of Total | Import Tons | % of Total | Total |
|---|---|---|---|---|---|
| 2006 | 3,352 | 39% | 5,302 | 61% | 8,654 |
| 2007 | 3,462 | 44% | 4,373 | 56% | 7,835 |
| 2008 | 3,655 | 49% | 3,775 | 51% | 7,430 |
| 2009 | 3,500 | 51% | 3,331 | 49% | 6,831 |
| 2010 | 3,865 | 52% | 3,524 | 48% | 7,389 |
| 2011 | 4,376 | 53% | 3,846 | 47% | 8,222 |
| 2012 | 4,222 | 52% | 3,886 | 48% | 8,108 |
| 2013 | 4,020 | 50% | 3,961 | 50% | 7,981 |
| 2014 | 3,828 | 50% | 3,872 | 50% | 7,700 |
| 2015 | 4,046 | 47% | 4,568 | 53% | 8,614 |

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

| Year | Total | Difference | % Change |
|---|---|---|---|
| 2006 | 3,731 | - | 0.0% |
| 2007 | 3,787 | 56 | 1.5% |
| 2008 | 4,138 | 351 | 9.3% |
| 2009 | 4,110 | (28) | -0.7% |
| 2010 | 4,145 | 35 | 0.8% |
| 2011 | 4,018 | (127) | -3.1% |
| 2012 | 3,774 | (244) | -5.9% |
| 2013 | 4,079 | 305 | 8.1% |
| 2014 | 4,939 | 860 | 21.1% |
| 2015 | 4,916 | (23) | -0.5% |

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

| Years | Resident Population | Change |
|---|---|---|
| 1900 | 4,955 | - |
| 1910 | 11,933 | 6,978 |
| 1920 | 42,752 | 30,819 |
| 1930 | 142,955 | 100,203 |
| 1940 | 267,739 | 124,784 |
| 1950 | 495,084 | 227,345 |
| 1960 | 935,047 | 439,963 |
| 1970 | 1,267,792 | 332,745 |
| 1980 | 1,625,781 | 357,989 |
| 1990 | 1,937,000 | 311,219 |
| 1991 | 1,968,000 | 31,000 |
| 1992 | 1,986,000 | 18,000 |
| 1993 | 1,943,000 | -43,000 |
| 1994 | 2,010,000 | 67,000 |
| 1995 | 2,056,588 | 46,588 |
| 1996 | 2,087,000 | 30,412 |
| 1997 | 2,117,000 | 30,000 |
| 1998 | 2,140,000 | 23,000 |
| 1999 | 2,179,000 | 39,000 |
| 2000 | 2,253,362 | 74,362 |
| 2001 | 2,284,000 | 30,638 |
| 2002 | 2,313,000 | 29,000 |
| 2003 | 2,343,000 | 30,000 |
| 2004 | 2,372,000 | 29,000 |
| 2005 | 2,422,000 | 50,000 |
| 2006 | 2,437,000 | 15,000 |
| 2007 | 2,402,208 | -34,792 |
| 2008 | 2,387,170 | -15,038 |
| 2009 | 2,398,245 | 11,075 |
| 2010 | 2,563,885 | 165,640 |
| 2011 | 2,516,515 | -47,370 |
| 2012 | 2,551,255 | 34,740 |
| 2013 | 2,565,685 | 14,430 |
| 2014 | 2,586,290 | 20,605 |
| 2015 | 2,653,934 | 67,644 |

# DEMOGRAPHIC AND ECONOMIC INFORMATION

## PRINCIPAL EMPLOYERS (Unaudited)
### CURRENT YEAR AND NINE YEARS AGO

| | 2015 | | | 2006 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| Miami-Dade County Public Schools | 31,000 | 1 | 2.35% | 50,000 | 1 | 4.31% |
| Miami-Dade County | 24,692 | 2 | 1.87% | 32,000 | 2 | 2.76% |
| U.S. Federal Government | 19,300 | 3 | 1.46% | 20,400 | 3 | 1.76% |
| Florida State Government | 19,200 | 4 | 1.45% | 17,000 | 4 | 1.47% |
| University of Miami | 13,864 | 5 | 1.05% | 9,874 | 7 | 0.85% |
| Baptist Health South Florida | 13,369 | 6 | 1.01% | 10,826 | 5 | 0.93% |
| American Airlines | 11,773 | 7 | 0.89% | 9,000 | 8 | 0.78% |
| Jackson Health System | 8,163 | 8 | 0.62% | 10,500 | 6 | 0.91% |
| Florida International University | 4,951 | 9 | 0.37% | - | | - |
| City of Miami | 3,820 | 10 | 0.29% | 4,034 | 13 | 0.35% |
| Mount Sinai Medical Center | 3,402 | 11 | 0.26% | - | | - |
| Florida Power & Light Company | 3,011 | 12 | 0.23% | 3,900 | 15 | 0.34% |
| Miami Children's Hospital | 2,991 | 13 | 0.23% | - | | - |
| Homestead AFB | 2,810 | 14 | 0.21% | - | | - |
| Miami-Dade College | 2,572 | 15 | 0.19% | 6,500 | 9 | 0.56% |
| Precision Response Corporation | - | | - | 6,000 | 10 | 0.52% |
| United Parcel Service | - | | - | - | | - |
| Bell South Corporation - Florida | - | | - | 5,500 | 11 | 0.47% |
| Winn Dixie Stores | - | | - | 4,833 | 12 | 0.42% |
| Publix Super Markets | - | | - | 4,000 | 14 | 0.35% |
| | 164,918 | | 12.48% | 194,367 | | 16.77% |

Source: The Beacon Council, Miami, Florida, Miami Business Profile
Miami-Dade County, Florida 2006 Comprehensive Annual Financial Report

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

| Year | Population | Total Personal (in thousands of dollars) | Per Capita Personal Income | Unemployment Rate | Civilian Labor Force | Median Age |
|---|---|---|---|---|---|---|
| 2006 | 2,376,343 | 82,481,222 | 34,709 | 3.8% | 1,158,801 | 37 |
| 2007 | 2,402,208 | 85,978,571 | 35,791 | 3.6% | 1,192,231 | 38 |
| 2008 | 2,387,170 | 88,954,732 | 37,264 | 5.3% | 1,205,913 | 39 |
| 2009 | 2,398,245 | 87,049,840 | 36,297 | 8.9% | 1,218,871 | 39 |
| 2010 | 2,563,885 | 91,657,923 | 35,750 | 12.0% | 1,257,324 | 38 |
| 2011 | 2,516,515 | 98,156,665 | 39,005 | 12.7% | 1,300,030 | 39 |
| 2012 | 2,551,255 | 102,327,313 | 40,109 | 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 | (1) | (1) | 6.2% | 1,321,033 | (1) |

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

Legend: (1) Information unavailable.

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

| Coverage/Insurance Company | Insurance Company | Policy Period | Details of Coverage | Limits of Coverage |
|---|---|---|---|---|
| **Crime Policy** | | | | |
| | Fidelity & Deposit Co. of Maryland | 08/19/15 - 08/19/16 | Employee Theft<br>Theft of Money and Securities | $1,000,000<br>$500,000 |
| **Accidental Death:** | | | | |
| | Hartford Life Insurance Co. | 08/29/15 - 08/29/16 | Accidental death and dismemberment | $25,000 |
| **Property Insurance:** | | | | |
| | Various companies | 04/15/15 - 04/15/16 | Real & Personal Property | Various |
| **Automobile Liability** | | Continuous | Self-insured | $100,000 per/person<br>$200,000 per occurrence<br>pursuant to F.S. 768.28 |
| **General Liability** | | Continuous | Self-insured | $100,000 per/person<br>$200,000 per occurrence<br>pursuant to F.S. 768.28 |
| **Workers' Compensation** | | Continuous | Self-insured | Statutory coverage |

## Miami-Dade County, Florida Seaport Department
### Schedule of Full-time Seaport employees by function (Unaudited)
**Last ten fiscal years**

| Function/program | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Cruise & Housekeeping | 67 | 67 | 69 | 64 | 63 | 62 | 58 | 57 | 57 | 54 |
| Cargo Operations | 26 | 26 | 18 | 15 | 15 | 15 | 13 | 12 | 12 | 12 |
| Port Security | 108 | 112 | 126 | 135 | 135 | 142 | 130 | 96 | 96 | 93 |
| Maintenance | 96 | 97 | 116 | 84 | 77 | 78 | 69 | 69 | 69 | 69 |
| Marketing & Advertising | 15 | 14 | 11 | 10 | 10 | 7 | 8 | 8 | 8 | 8 |
| Administration & Engineering | 72 | 71 | 71 | 102 | 110 | 113 | 99 | 120 | 120 | 113 |
| **Total** | 384 | 387 | 411 | 410 | 410 | 417 | 377 | 362 | 362 | 349 |

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

| Description | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014* | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of gantry cranes | 12 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 13 | 13 |
| Number of passenger terminals | 10 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |

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

PORTMIAMI | MIAMI-DADE COUNTY

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