FIVE-YEAR FORECAST FOR MAJOR PROPRIETARY FUNCTIONS

In addition to forecasting the revenues and expenditures for the tax-supported portion of the County's operations, our five year outlook also focuses on the major proprietary functions that support Miami-Dade County's economy. Not only do these functions provide thousands of jobs in our community, they also support the infrastructure that makes our community livable and attracts and retains business. These functions are all supported by fees and charges to the users of the services provided – be they the airlines, cruise lines and cargo lines that use the Port of Miami, Miami International Airport and the general aviation airports, the people who ride our public transit system, or the residents and businesses that utilize our solid waste, water and wastewater facilities and services. The setting of our rates and fees must not stand in the way of economic development in our community, while ensuring the resources are available to support continued growth the development.

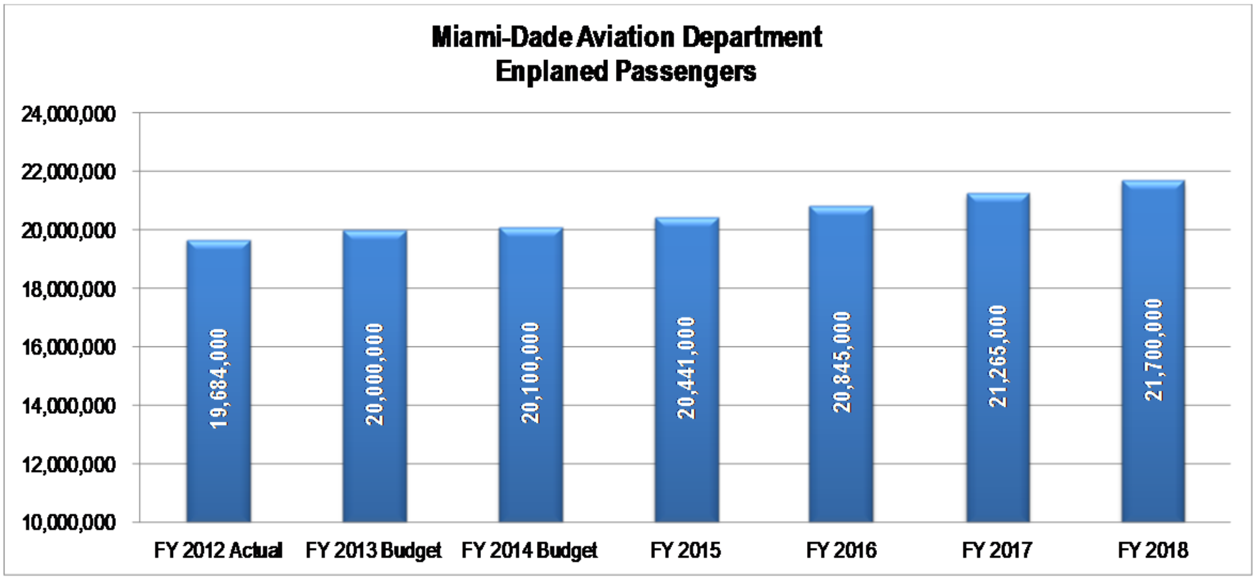
Miami-Dade Aviation Department (MDAD)

The Miami-Dade Aviation Department (MDAD) operates a system of airports for Miami-Dade County which consists of Miami International Airport (MIA) and four general aviation and training airports: Opa-locka Airport, Kendall-Tamiami Executive Airport, Homestead General Aviation Airport, and Dade-Collier Training & Transition Airport. The Airport System is considered the primary economic engine for Miami-Dade County as well as for South Florida. Over 36,000 people are employed in the Miami-Dade County System of Airports, 1,227 of whom are County employees. An economic impact study released in 2009 reported that MIA and the General Aviation Airports had an annual impact of $26.7 billion in the region's economy. MIA and related aviation industries contribute approximately 272,395 jobs directly and indirectly to the South Florida economy, responsible for one out of every 4.1 jobs. Additionally, the airport system contributed $923.3 million in state and local taxes and $644.1 million of federal aviation tax revenue.

Enplaned Passengers

In FY 2013-14, a diverse group of airlines will provide scheduled passenger service at the Airport including 9 U.S. airlines and 37 foreign-flag carriers. It is projected that during FY 2013-14, 20.1 million enplaned passengers will transit through MIA, representing a 0.5 percent increase over FY 2012-13 when 20.0 million enplaned passengers are projected to move through MIA. Similarly domestic enplaned passenger traffic is projected to decrease 1.01 percent in FY 2013-14 to 10.370 million from the figure of 10.477 million passengers in FY 2012-13. Domestic traffic represents 52 percent of MIA total passengers while international traffic is projected at 48 percent or 9.73 million enplaned passengers, up 2.2 percent from the previous year.

In international air travel, MIA's geographical location, close proximity to cruise port, and cultural ties provide a solid foundation for travel to and from Latin America, handling 48 percent of the South American market, 28 percent of Central America and 27 percent of the Caribbean market. With 48 percent of total passenger traffic being international, MIA ranks second in the USA for international passenger traffic and maintains one of the highest international-to-domestic passenger ratios of any U.S. airport.

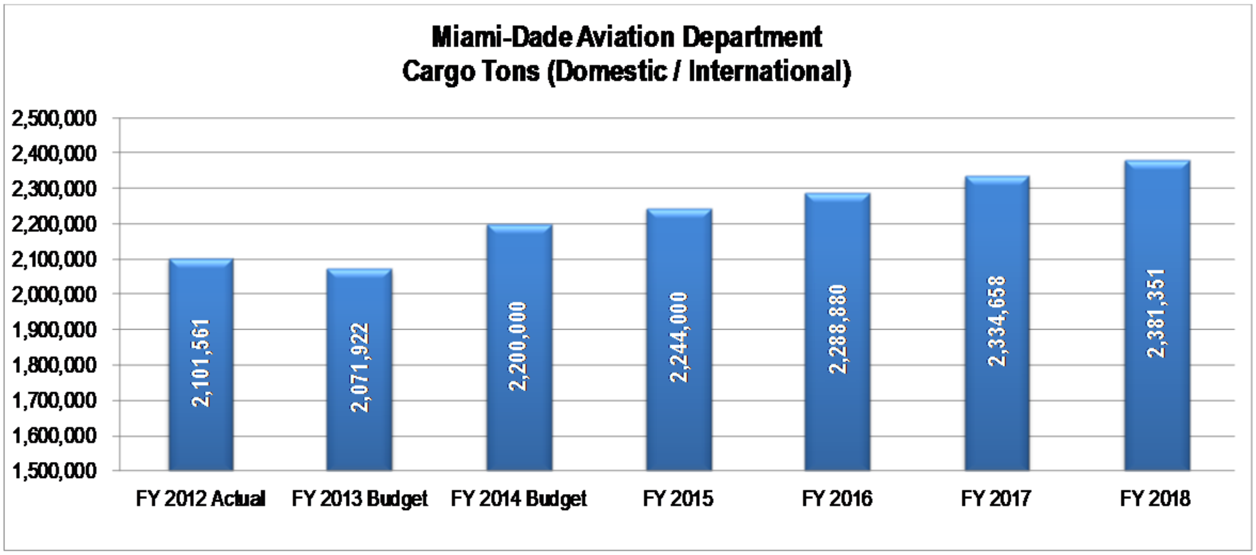


Cargo

In international trade, MIA is the major air cargo trans-shipment point between Latin America and the Caribbean, and other global markets primarily in the USA and Europe, ranking number one in the USA for international freight. Freight tonnage is projected at 2.072 million tons in FY 2012-13, resulting in a decrease of 1.4 percent below the prior's year's tonnage of 2.102 million tons. The cargo tonnage is projected to increase by two percent in FY 2013-14 to 2.2 million tons and maintain a two percent growth rate thereafter. International tonnage, representing 86 percent of total tonnage is projected to be 1.892 million tons in FY 2013-14 and domestic tonnage is projected at 308,000 tons. It is projected that these amounts will grow proportionally at a two percent growth factor.

MIA's total air trade is valued at $69.9 billion annually, or 97 percent of the dollar value of Florida's total air imports and exports, and 44 percent of the State's total (air and sea) trade with the world. As a center for hemispheric air trade, MIA now handles 84 percent of all air imports and 81 percent of all air exports between the United States and the Latin American/Caribbean region. MIA is the USA's leading airport in the handling of perishable products, handling 71 percent of all perishable products, 90 percent of all cut-flower imports, 58 percent of all seafood imports, and 73 percent of all fruit and vegetable imports.

MIA's cargo facility development program that began in 1992 has been completed, providing the Airport with over 2.7 million square feet of space in 17 new cargo buildings. Apron space has grown to over 3.8 million square feet, capable of handling 17 B747s or 38 DC-10Fs. Additionally, the Aeroterm / Centurion Cargo Facility was recently completed which can accommodate eight B747 wide-body freighters.



MIA Operating Strategy

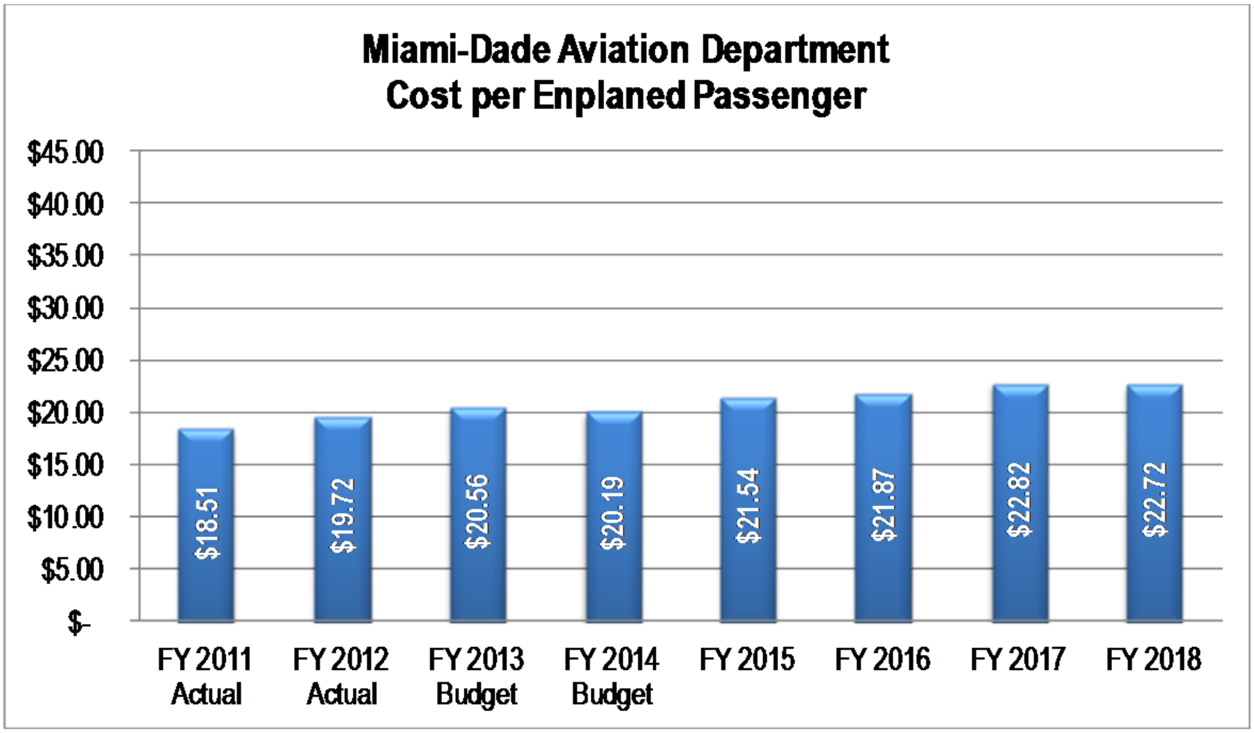
MIA's strategy to enhance the Airport System's competitive position with other airports and to attract more airlines as well as increase existing volume includes:

- Re-evaluating and restructuring needed business arrangements with existing and new airlines to attract additional activity
- Implementing procedures to enhance passenger experience and satisfaction
- Establishing procedures to increase commercial revenues and market rentals in the near and long-term
- Developing and beginning implementation of a plan to reduce the operating costs in the near and long-term in an effort to bring MIA's airport charges to a more affordable level
- Managing the construction of the capital program including the repair of facilities so that the airport system has the infrastructure required by its tenants

CIP Financial Update

The overall purpose of the CIP is to accommodate future MIA growth and to make the Airport more efficient from an airline operational perspective (e.g., North Terminal). The CIP is funded primarily by long-term debt, to be paid from charges to the airlines, supplemented by grants and limited pay-as-you-go revenues. MDAD will be winding down its $6.021 billion dollar expansion program with most core projects nearing completion or completed in FY 2012-13.

In order to improve efficiency of operations, the Department plans to mitigate inflationary cost increases in the future with reductions in operating expenses. A goal was established to reduce these operating expenses by 20 percent over five years.



Safety and Security

MDAD strives to operate a system of airports that provides for the safe and comfortable movement of people and goods in efficient and attractive facilities while offering competitive prices to all users. With the current threat against civil aviation, the Miami-Dade County System of Airports has been faced with an ever-growing number of security directives from the federal government. MDAD has reacted promptly to meet the deadlines imposed by the federal government and has adjusted staff assignments and used uniform police officers when possible to minimize overtime costs in an effort to respond to these increased requirements. Other issues require continuing dialogue with the Department of Homeland Security (DHS) and members of Congress to secure funding for federal security mandates, as well as ensuring that the DHS officials, and the policies they create, recognize the unique features of MIA, its passengers and the greater Miami community. MDAD continues to work with DHS to achieve an effective balance between implementing necessary security measures and protecting and expanding MIA's air service operations and the associated economic impact.

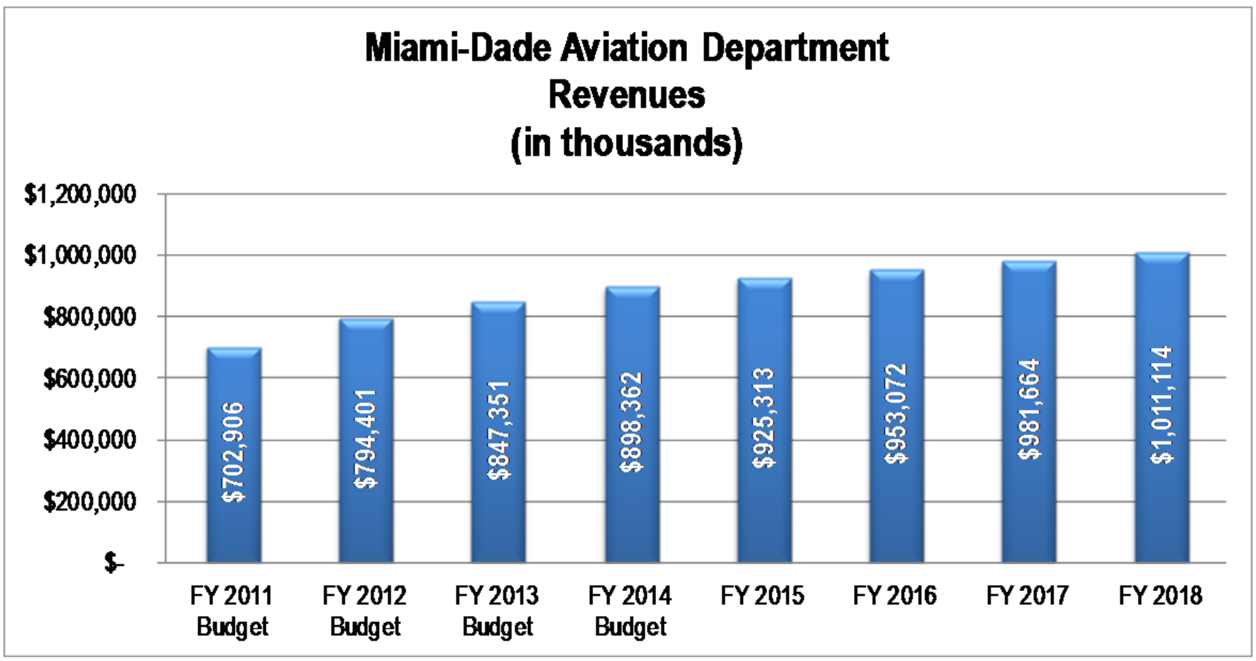
Following the tragic events of September 11, 2001, the Transportation Security Administration (TSA) was tasked by Congress to deploy security equipment for detecting explosives in passenger baggage. MDAD has worked with TSA on a viable long-term solution to efficiently screen passenger checked baggage by installing Explosive Detection System (EDS) in-line with MIA's baggage conveyor system. The TSA has committed $74.4 million to offset the cost of an inline EDS.

Economic Outlook

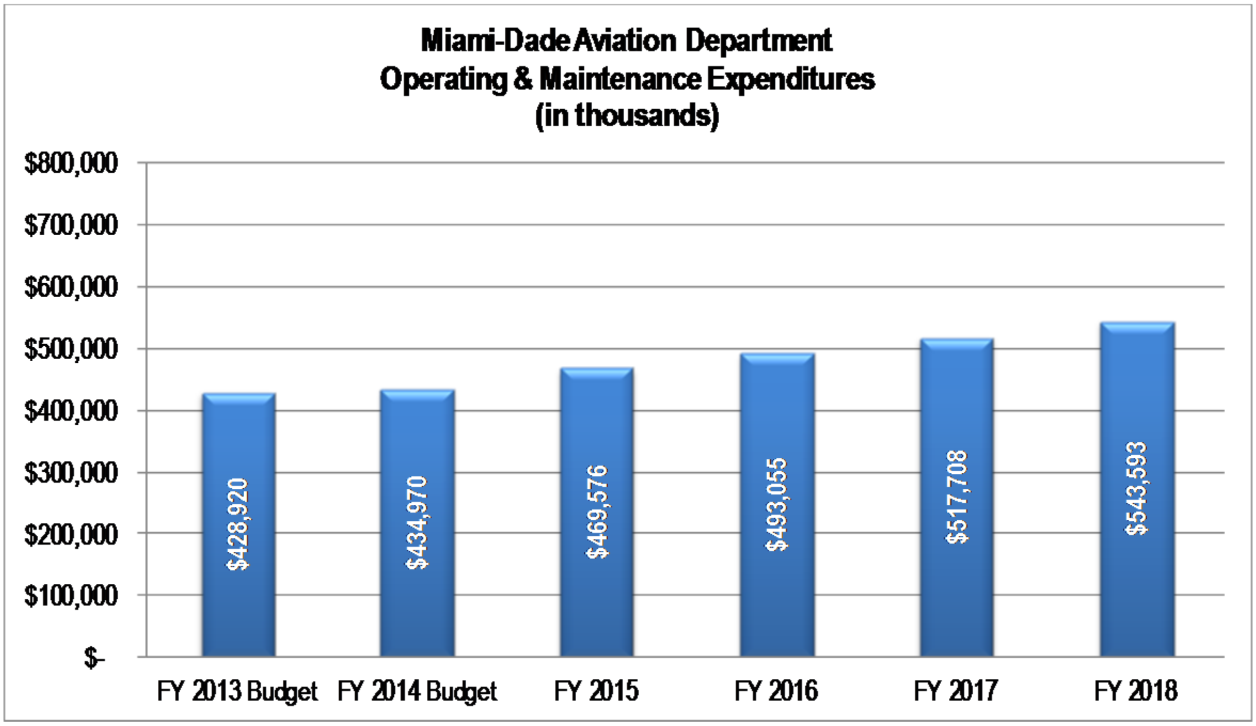
MDAD recognizes sound management and financial investment strategies as a priority outcome. Currently, the Department's bonds are rated A2 by Moody's, A by Standard & Poor's, and A by Fitch Ratings. All of the rating agencies cite MIA's role as the nation's largest international gateway to Latin America as an important strength.

After a sustained growth period from FY 2001-02 through FY 2007-08, in FY 2008-09, MDAD experienced a leveling of traffic consistent with the consolidation of the airline industry due to economic conditions worldwide. The upward trend in total passengers resumed in FY 2009-10 and continued through FY 2011-12. During FY 2011-12, MDAD experienced a 3.6 percent improvement in domestic traffic and a 6.8 percent improvement in international traffic. The Department is projecting a 5.3 percent growth rate in the FY 2013-14 Budget over FY 2012-13 actual passengers. Passenger Facility Charges (PFC), imposed per passenger to provide revenues to pay debt service for approved projects within the CIP, have generated $878.7 million since its inception in October 2001. MDAD is authorized to collect $2.757 billion including interest, before the authorization expires on October 1, 2037.

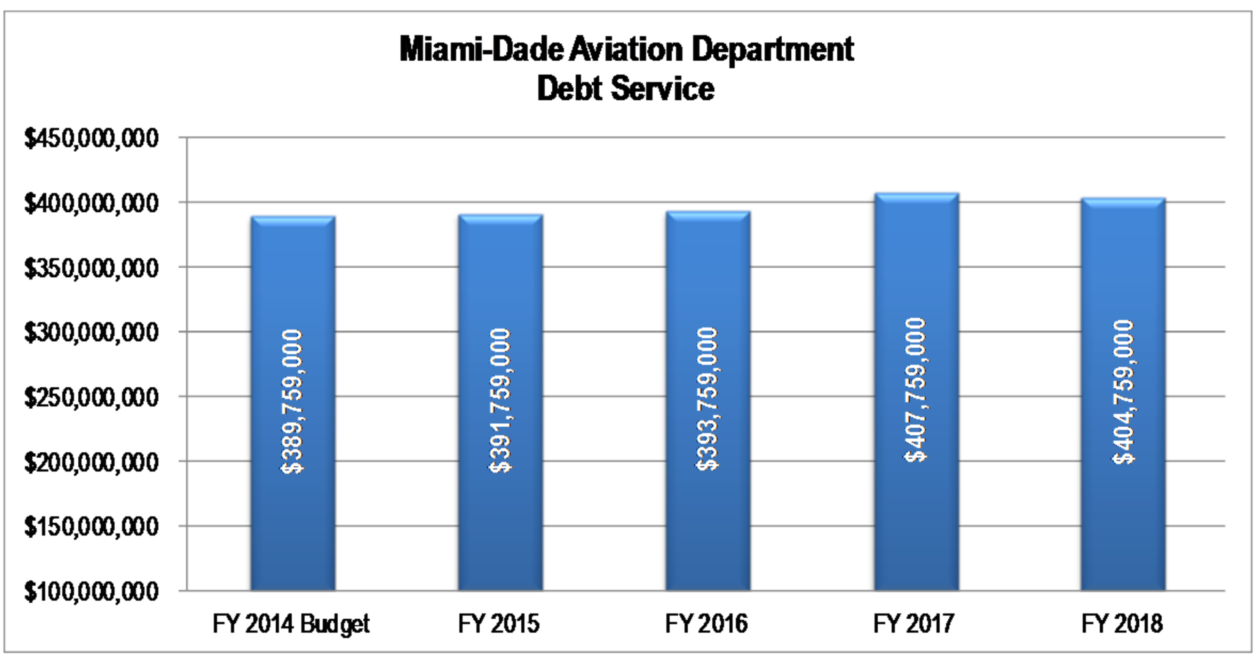
The airline rates and charges at MIA have continued to increase due to the issuance of additional debt required for the department's ongoing Capital Improvement Program. The department is making efforts to increase its ranking as a major airport system as exemplified in its "WE MEAN BUSINESS" Campaign, a five-year plan to refine and improve the department's goals and measures, consistent with its management strategy to increase efficiency, streamline operations, and reduce operating expenses, ensuring MDAD a greater share of the aviation market.



MDAD's revenue forecast is based on a residual revenue model. Unlike traditional fee for service models, MDAD calculates the landing fee rate based on expenses that are not covered by direct fee for services provided. The revenue forecast incorporates additional debt service related expenditures that will be incurred in FY 2013-14, which may require an increase in landing fee rates.

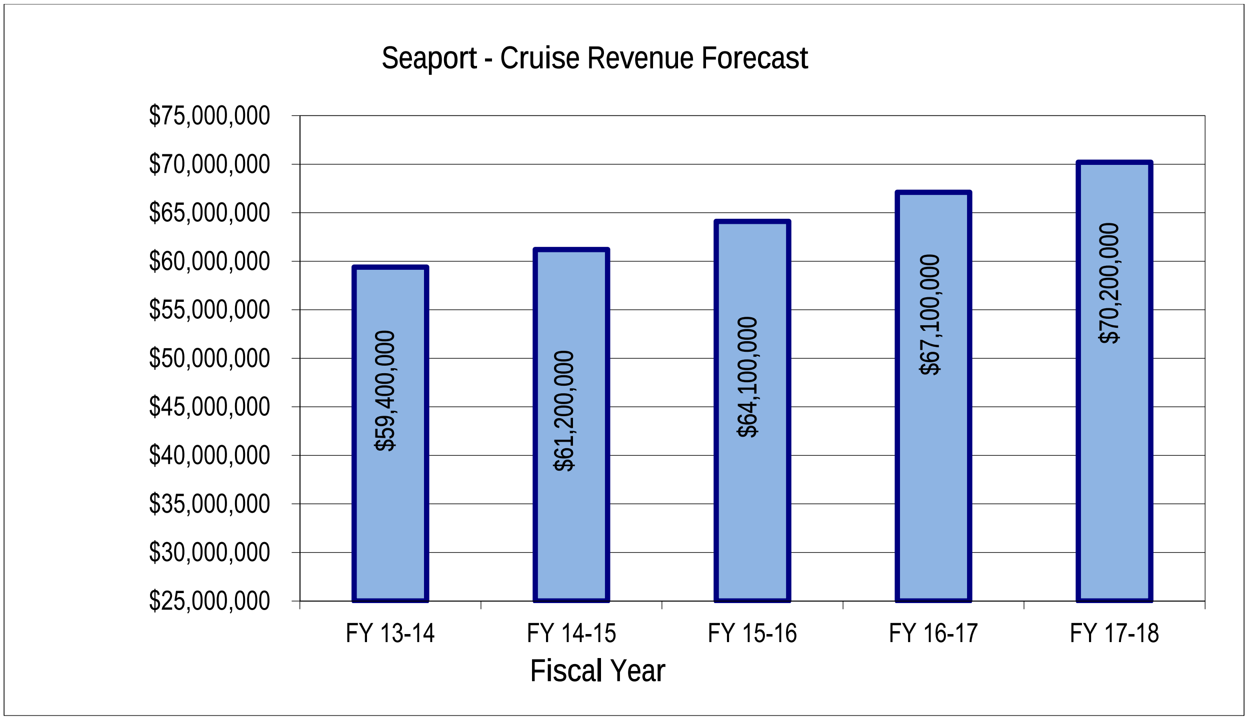


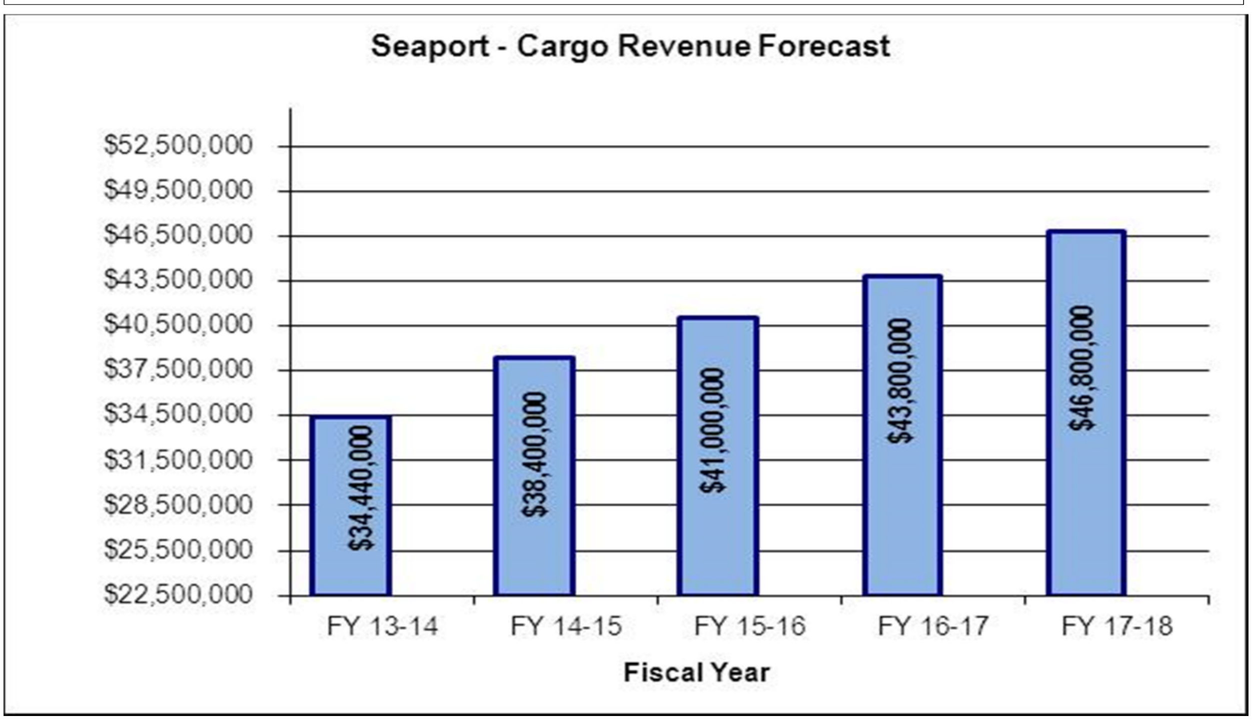
MDAD's operating and maintenance expenditures include expenditures associated with running Miami International Airport as well as four general aviation airports. This amount excludes depreciation, transfers to debt service accounts, improvement fund and maintenance reserve accounts, as well as a mandated operating cash reserve. The North Terminal is now open and the related incremental expenses for maintaining the new facility have been reflected in the adopted operating budget of the Aviation Department. The last component of the North Terminal, Federal Inspection Services area was opened July 31, 2012.



Port Miami

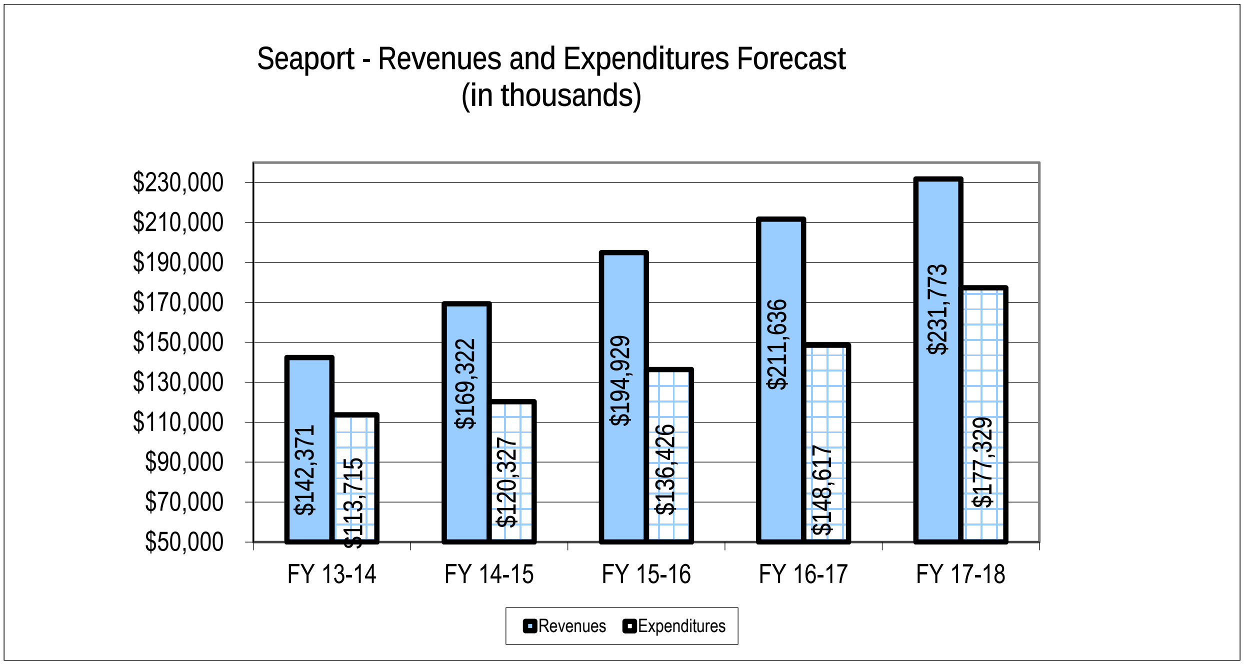
The Dante B. Fascell Port of Miami (POM) is projected to embark and disembark 4.053 million passengers in FY 2012-13. Bookings are expected to reach 4.9 million by FY 2013-14. Also, the amount of cargo flowing through POM has increased, growing to a projected 936,000 TEUs in FY 2012-13, a three percent increase over the previous years. Multi-year agreements with both cruise and shipping lines will support operations and facility expansion and improvements over the next five years. The following charts illustrate cruise and cargo revenues for the period of this forecast.





Two significant projects are the largest part of the POM capital improvement plan: the Port Tunnel and the Deep Dredge. Both the Port Tunnel which will improve traffic flow into and out of POM and the Deep Dredge project, which will bring the south channel to a depth of 50 feet so that POM will be ready to accept the post-panamax shipping lines, are expected to be completed during FY 2014-15. Other projects include enhancements to the container yards, acquisition of gantry cranes, improvements to rail connections, and upgrades to cruise terminals.

In anticipation of upcoming bond sales, POM recently retained a consultant to estimate future revenue projections of the Port. The analysis was based on projections resulting from a detailed assessment of the cargo and cruise markets in which the Port competes. In addition, operating costs were developed from recent historical trends. These net revenue streams were then compared with future anticipated debt service requirements to identify levels of debt coverage. This analysis is constantly being updated to determine the amount and type of debt issuances that will be offered.



Revenues include cruise, cargo, rentals, parking, carryover and other miscellaneous items like harbor fees and ground transportation. Expenditures include salary, fringe, other operating, and debt service but exclude cash reserves for presentation purposes.

For the purposes of this Five Year Financial Outlook, cruise line revenue forecast is based on anticipated cruise lines itineraries coupled with existing agreements through FY 2014-15. Future estimates include an annual 1.7 percent increase in passengers with a three percent tariff increase. Cargo throughput is projected to increase annually by 2.7 percent, and tariff rates are projected to increase by three percent through FY 2017-18. There is an extraordinary increase in cargo related revenues by 15.8 percent in FY 2014-15 as a result of increased rental revenue for cargo land.

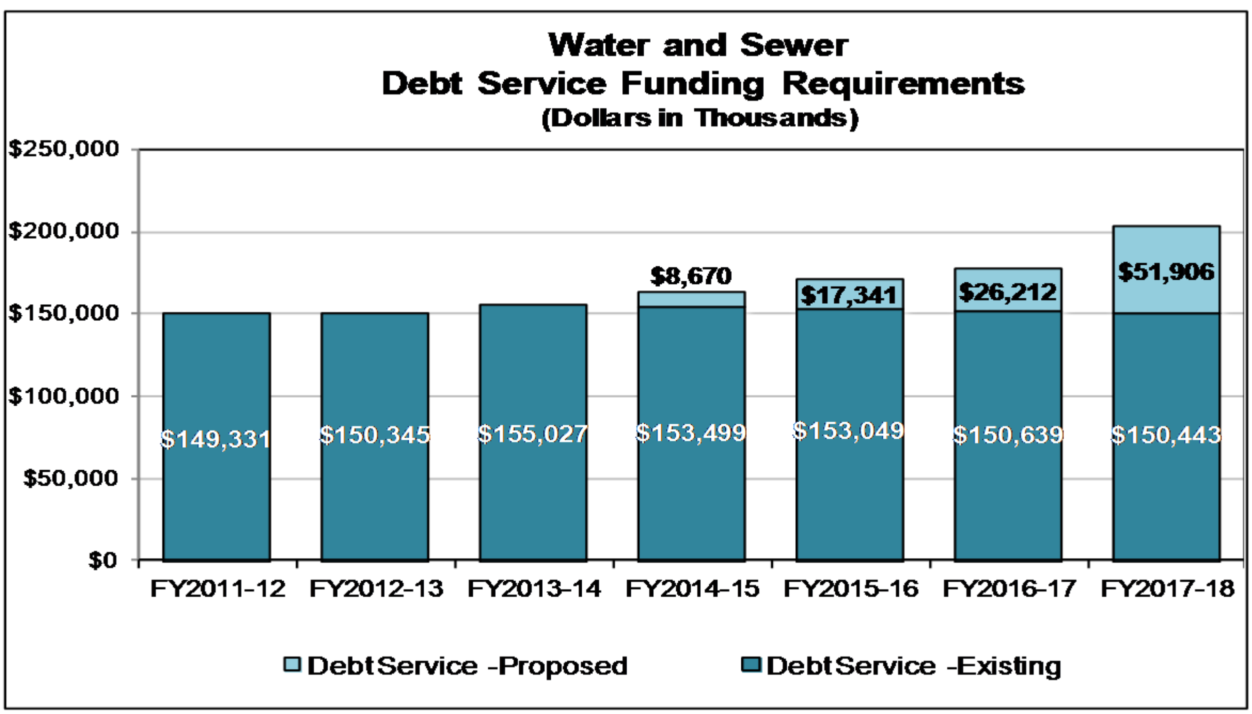
Associated expenditures for salary and fringes are programmed to grow in accordance with the projections in the County's five year plan. Other operating is projected to grow three percent year over year and various increases in debt service payments as the Port continues to fund its capital program. Current year and future year borrowings assume amortization of principal and annual interest payments at five percent; existing Sunshine State loans effective interest rate is assumed at 1.5 percent for FY 2013-14 and growing one percent until at five percent in FY 2016-17, with the intent to refinance the remaining variable rate portion to fixed rate in the future, contingent upon favorable market conditions. The Seaport is actively examining alternative revenue options, refinancing opportunities and expenditure adjustments that may significantly affect the data used to develop this five year plan. Currently under consideration are concessionaires, management agreements, and advertising opportunities.

Water and Sewer

Water and Sewer services are provided throughout the County to more than 424,000 water and 342,000 wastewater retail customers. Additionally, wholesale water services are provided in 15 municipalities and wholesale sewer services in 13 municipalities. Retail rates were held flat for both FY 2011-12 and FY 2012-13, although for FY 2013-14 a retail water and sewer rate increase of eight percent was adopted on June 4, 2013, to support increased costs of operations and maintenance, but also to fund required capital projects for regulatory compliance, aging infrastructure, plant rehabilitation and day-to-day rehabilitation activities.

A consent agreement was negotiated with the Federal Environmental Protection Agency (EPA) that addresses regulatory violations resulting from failing infrastructure at an estimated cost of $1.6 billion dollars; the agreement was presented and adopted by the Board of County Commissioners on May 21, 2013; all projects are currently included in the multi-year capital plan; increased debt requirements will require future rate adjustments.

In FY 2012-13, Senate Bill 444 modifying the State of Florida Ocean Outfall Statute was signed into law by the Governor, providing additional flexibility for the affected utilities to manage peak flows and to fulfill the wastewater reuse requirements in the statute. The changes enable the Miami-Dade Water and Sewer Department to avoid about $1 billion in capital costs for the project, which is now budgeted at $2.9 billion through 2025 when the project must be operational.



Water and Sewer Department's Multi-Year Capital Plan includes the testing and replacement as needed of all large diameter concrete water and sewer pipes, the substantial overhaul of all the water and wastewater plants and the installation of redundant water supply mains and storage tanks to ensure continuous delivery of water even when pipe failures occur, and completion of water supply projects required in the State Water Use Permit to meet service demands in the future. The department's operating budget includes an employee contribution of five percent towards health care expenditures. The following table shows the cash flows for both the water and wastewater systems.

(Dollars In Thousands)			Retail Rate Increase 8%	Retail Rate Increase 6%	Retail Rate Increase 6%	Retail Rate Increase 5%	Retail Rate Increase 5%
Water and Wastewater Operations	Revenues at 100% **FY 2011-12 Actual**	Revenues at 100% **FY 2012-13 Projected**	Revenues at 98%95% **FY 2013-14 Proposed**	Revenues at 98%95% **FY 2014-15 Future**	Revenues at 98%95% **FY 2015-16 Future**	Revenues at 98%95% **FY 2016-17 Future**	Revenues at 98%95% **FY 2016-17 Future**
Revenues							
Retail Water	$ 202,634	$ 205,322	$ 217,030	$ 229,967	$ 243,677	$ 255,861	$ 268,654
Wholesale Water	35,330	32,903	32,566	39,069	40,632	42,257	43,947
Retail Wastewater	226,369	227,557	241,034	255,592	271,030	284,582	298,811
Wholesale Wastewater	47,380	55,149	53,698	50,646	52,671	54,778	56,969
Other Operating Revenue	24,589	25,375	25,629	25,892	26,147	26,405	26,665
Total Operating Revenues	**$ 536,302**	**$ 546,306**	**$ 569,957**	**$ 601,166**	**$ 634,157**	**$ 663,883**	**$ 695,046**
Expenses							
Water Operating and Maintenance	$ 145,514	$ 156,896	$ 163,114	$ 168,984	$ 175,154	$ 181,478	$ 188,034
Wastewater Operating and Maintenance	179,563	182,128	193,464	200,322	207,529	214,909	222,553
Total Operating Expenses	**$ 325,077**	**$339,024**	**$356,578**	**$369,306**	**$382,683**	**$ 396,387**	**$ 410,587**
Non-Operating							
Other Non-Operating Transfers	$ 8,794	$ 628	$ (10,916)	$ (8,205)	$ 4,300	$ 16,304	$ 10,711
Interest Income	(1,672)	(1,491)	(3,060)	(4,455)	(5,591)	(8,057)	(11,023)
Debt Service - Existing (net of SWAP receipts)	149,331	150,345	155,027	153,499	153,049	150,639	150,443
Debt Service - Future	-	-	-	8,670	17,341	26,212	51,906
Capital Transfers	54,772	57,800	72,328	82,351	82,375	82,398	82,422
Total Non-Operating Expenses	**$ 211,225**	**$ 207,282**	**$ 213,379**	**$231,860**	**$251,474**	**$ 267,496**	**$ 284,459**

Rate increases will be necessary over the period of this analysis to support the operating and maintenance expenses, as well as the debt service requirements to support the system, while maintaining adequate reserves and coverage ratios. The following table illustrates the coverage requirements.

WATER AND SEWER DEBT RATIOS

(Dollars In Thousands)	Actual FY 2011-12	Projected FY 2012-13	Proposed FY 2013-14	Future FY 2014-15	Future FY 2015-16	Future FY 2016-17	Future FY 2017-18
PERCENT OF PROPOSED, FUTURE RATE INCREASES			8.0%	6.0%	6.0%	5.0%	5.0%
REQUIRED PRIMARY DEBT SERVICE COVERAGE RATIO	1.10	1.25	1.25	1.25	1.25	1.25	1.25
ACTUAL/PROJECTED PRIMARY DEBT SERVICE COVERAGE RATIO	1.54	1.43	1.56	1.57	1.61	1.64	1.59
REQUIRED STATE REVOLVING LOAN DEBT SERVICE COVERAGE RATIO	1.15	1.15	1.15	1.15	1.15	1.15	1.15
ACTUAL/PROJECTED STATE REVOLVING LOAN DEBT SERVICE COVERAGE RATIO	4.53	5.45	5.77	5.31	6.58	7.98	9.19
RATE STABILIZATION FUND	$30,536	$30,536	$30,536	$30,536	$30,536	$30,536	$30,536
GENERAL RESERVE FUND	$28,255	$27,164	$19,201	$28,295	$35,367	$54,387	$67,732
TOTAL FLEXIBLE CASH RESERVES	**$54,109**	**$57,700**	**$49,737**	**$58,831**	**$65,903**	**$84,923**	**$98,268**
RESERVES REQUIRED BY ORDINANCE	$55,664	$57,383	$59,430	$61,551	$63,780	$66,064	$68,431

Collection and Disposal Operations

PWWM collects garbage and trash from approximately 324,000 residential customers in the Waste Collection Service Area (WCSA), which includes UMSA and nine municipalities. Twice-per-week automated garbage collection, twice-per-year trash and bulky waste collection, and access to 13 Trash and Recycling Centers is provided in the WCSA. The residential recycling collection program serves more than 348,000 households in WCSA and an additional 12 municipalities. PWWM is responsible for disposal of garbage and trash countywide and operates three regional transfer stations and four active disposal facilities, along with contracting to utilize private landfills as necessary to maintain landfill capacity.

Projections for collections and disposal activity assume minimal household growth and tons, which are slowly rebounding from a decline due to the economy downturn. Collections from the WCSA represent 30 percent of the total tons disposed, which is projected to be 1.542 million tons in FY 2013-14. This is a 6.4 percent increase from the FY 2012-13 Budget. In addition to collection and disposal operations, revenues generated by fees and charges are used to support the landfills, remediation and closure, ongoing monitoring, and equipment through both pay-as-you-go projects and issuance of debt. The department's operating budget includes an employee contribution of five percent towards health care expenditures.

The following table shows the cash flows for both the collections and disposal funds. For purposes of this analysis, it is assumed that the residential household collection fee will remain at $439 annually and that disposal charges will be adjusted annually by the Consumer Price Index (CPI) South All Urban Consumers. For FY 2013-14, that index is projected at 1.6 percent. Based on these assumptions, the collections and disposal funds in PWWM, will not be able to meet its bond covenant of a 60-day operating reserve, and satisfy bond coverage requirements through the period of this forecast. An increase to the residential household collection fee may be required effective FY 2015-16.

Collection and Disposal Operations	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	Projected	Proposed	Future	Future	Future	Future
Revenues						
Collection Fees and Charges	196,948	184,446	175,198	162,584	150,981	145,172
Disposal Fees and Charges	302,711	275,743	250,235	228,666	196,597	184,396
Total Operating Revenues	$ 499,659	$ 460,189	$ 425,433	$ 391,250	$ 347,578	$ 329,568
Expenses						
Collection Operating and Maintenance	151,664	154,229	161,348	161,813	161,152	172,078
Disposal Operating and Maintenance	159,858	147,654	148,262	157,959	157,691	161,070
Total Operating Expenses	$ 311,522	$ 301,883	$ 309,610	$ 319,772	$ 318,843	$ 333,148
Debt Service	28,552	25,786	22,903	22,836	22,814	20,657
Capital	12,298	18,778	18,778	24,441	3,954	570
Total Non-Operating Expenses	$ 40,850	$ 44,564	$ 41,681	$ 47,277	$ 26,768	$ 21,227
System-wide Revenue Minus Expenditures	$ 147,287	$ 113,742	$ 74,142	$ 24,201	$ 1,967	$ (24,807)
Shortage in Required Unrestricted Reserve	$ 107,412	$ 75,479	$ 35,286	$ (16,519)	$ (39,832)	$ (67,576)
Debt Service Coverage Using Rate Stabilization (Required 120%)	205%	155%	170%	135%	121%	118%

Regional Transportation

Since the authorization of the People's Transportation Plan (PTP) half-cent surtax in November of 2002, progress has been made to improve Miami-Dade County's regional transportation system. It is projected that, $716 million of transit projects and $342 million of roadway projects will be expended in FY 2012-13 as part of the PTP. The "AirportLink" (Earlington Heights Connector), was put into service this past summer, connecting the Metrorail system to the Miami International Airport and the new rail cars are expected to commence delivery September 2015.

The 30-year proforma analysis for the PTP is updated annually, adjusted for actual revenue performance, debt issuances, changes in employee salaries and benefits due to collective bargaining, and other operating expenditure variations. The table below summarizes the revenue and expenditure projects for the next five year. Of note, in FY 2014-15, an extraordinary adjustment in maintenance of effort support will be required due to increased debt service requirements. This five year forecast assumes savings by implementing a bus grid system beginning in FY 2014.

Revenue (000)	2014	2015	2016	2017	2018
Operating Revenue					
Bus, Rail, STS, & Farebox	116,171	117,333	118,506	119,691	131,634
Other Revenues	10,834	10,942	11,052	11,162	11,274
PTP Carryover in PTP Fund prior years	6,000	0	0	0	0
Grant Funds & Subsidies					
Federal					
Formula Grant Preventative Maintenance	62,336	62,959	63,589	64,225	64,867
State					
Block Grant	19,364	19,751	20,146	20,549	20,960
TD Program	8,953	9,132	9,315	9,501	9,691
Urban Corridor	3,899	3,899	3,899	3,899	3,899
TD Tokens	2,000	2,000	2,000	2,000	2,000
Local					
PTP Surtax	211,841	218,196	224,742	231,484	238,429
Miami Dade MOE (3.5 Percent)	167,869	173,743	179,825	186,119	192,633
Additional Local Revenue or Service Cut	0	10,020	22,350	43,905	52,579
CI-LOGT (3 Cents)	17,130	17,387	17,648	17,736	17,825
SFRTA PMT	666	666	666	666	666
Capital Reimbursements	4,199	4,409	4,629	4,860	5,103
Total Operating Revenues	631,262	650,437	678,366	715,798	751,560

Expenses (000)	2014	2015	2016	2017	2018
Direct Operating Expenses					
MDT Operating Expenses	480,518	489,786	505,960	520,596	535,995
Total MDT Operating Expenses	480,518	489,786	505,960	520,596	535,995
Other Operating Expenses					
Municipal Contribution	42,368	43,639	44,948	46,297	47,686
New Municipal Contribution	6,355	6,546	6,742	6,945	7,153
CITT Staff	2,355	2,360	2,360	2,360	2,360
SFRTA Contribution	4,235	4,235	4,235	4,235	4,235
Deficit Repayment	3,000	0	0	0	0
PWD Project Management (Pay Go)	3,534	3,640	3,749	3,862	3,978
CITT Reserve	9,380	7,167	7,670	6,201	4,748
Debt Service					
Pre Existing Debt Service	2,495	2,495	2,495	2,495	0
Rezoning Bonds	784	784	784	784	784
PTP Debt Service ($2.2 billion program)	69,321	93,985	93,988	113,870	133,752
Bus Replacement	0	2,717	5,435	8,152	10,869
Total Expenses	624,345	657,354	678,367	715,797	751,560
Year-End Difference	6,917	(6,916)	0	0	0
Accumulated Difference	6,917	0	0	0	0