

Comprehensive Annual Financial Report

For the Fiscal Years Ended September 30, 2014 and 2013

Waste Management Enterprise Fund

**An Enterprise Fund of Public Works and
Waste Management Department**

A Department of Miami-Dade County, Florida



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Prepared by the Accounting Division



2014



MISSION STATEMENT

“To provide vital infrastructure systems and services and an integrated waste collection, recycling and disposal program that promote the mobility, health, safety, comfort, sustainability, and prosperity of our community.”

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Table of Contents

Introductory Section (Unaudited)

Board of County Commissioners	vi
Letter of Transmittal	vii
GFOA Certificate of Achievement	xxiv
Organizational Chart	xxv

Financial Section

Independent Auditors' Report	2
Management's Discussion and Analysis (Unaudited)	5
Financial Statements	
Statements of Net Position	28
Statements of Revenues, Expenses and Changes in Fund Net Position	30
Statements of Cash Flows	31
Notes to Financial Statements	33
Required Supplementary Information	63

Supplementary Financial Section

Disposal System	
Supplemental Schedules of Net Position	66
Supplemental Schedules of Revenues, Expenses & Changes in Fund Net Position	68
Waste Collection System	
Supplemental Schedules of Net Position	69
Supplemental Schedules of Revenues, Expenses & Changes in Fund Net Position	71

Statistical Section (Unaudited)

I	Revenues, Expenses & Changes in Fund Net Position and Net Position — Last 10 Years	74
II	Definitions	76
III A	Disposal System — Tonnage	78
III B	Disposal System — Revenue Tons Source	82
IV A	Collection System — Tonnage by Type	86
IV B	Collection System — Tonnage by Facility	90
V	Collection System — Customer Statistics	94
VI	Revenue by Type	97
VII	Resources Recovery — Electrical Revenues	98
VIII	Home Chemical Collection Program	100
IX	Demographic and Economic Indicators	102
X	Facilities & Service Area Map	104
XI	Insurance in Force	105
XII	Debt Service Coverage & Outstanding Debt Ratio — Last 10 Years	106
XIII	Major Contracts and Agreements — Operating	108
XIV	Major Disposal Delivery Agreements	110
XV	Operating Information	112



Introductory Section

(UNAUDITED)





MIAMI-DADE COUNTY

Carlos A. Gimenez
Mayor

BOARD OF COUNTY COMMISSIONERS

Jean Monestime
Chairman

Esteban Bovo, Jr.
Vice Chairman

Barbara J. Jordan
District 1

Daniella Levine Cava
District 8

Jean Monestime
District 2

Dennis C. Moss
District 9

Audrey M. Edmonson
District 3

Senator Javier D. Souto
District 10

Sally A. Heyman
District 4

Juan C. Zapata
District 11

Bruno A. Barreiro
District 5

José "Pepe" Díaz
District 12

Rebeca Sosa
District 6

Esteban Bovo, Jr.
District 13

Xavier L. Suarez
District 7

Harvey Ruvín
Clerk of Courts

Pedro J. Garcia
Property Appraiser

Robert A. Cuevas, Jr.
County Attorney

Miami-Dade County provides equal access and equal opportunity in employment and services and does not discriminate on the basis of disability.

It is the policy of Miami-Dade County to comply with all of the requirements of the Americans with Disabilities Act.



Public Works and Waste Management

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April 24, 2015

The Honorable Carlos A. Gimenez
Mayor

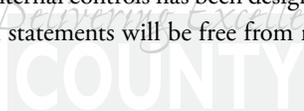
The Honorable Chairman Jean Monestime and Members
Board of County Commissioners

The Honorable Harvey Ruvin
Clerk of Courts
Miami-Dade County, Florida

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (the "Report") from the Waste Management Enterprise Fund ("Waste Management"/"WM") of Miami-Dade County's Public Works and Waste Management Department (the "Department"/"PWWM") for the fiscal years ended September 30, 2014 and 2013 is hereby submitted. In this Report, references to the Public Works and Waste Management Department, "PWWM", the "Department", Waste Management and "WM" represent the activities of the Waste Management Enterprise Fund only. This report is published in accordance with Florida Statutes and the resolution covering the issuance of indebtedness by the Department's Waste Management Enterprise Fund. Pursuant to those requirements, we have issued this Report of WM presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by a firm of licensed certified public accountants.

This report consists of Management's representations concerning the finances of the Department's Waste Management Enterprise Fund. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the Department's management has established a comprehensive internal control framework that is designed both to protect the Department's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Department's financial statements in conformity with GAAP. Because the cost of internal controls should not exceed their benefits, the Department's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As man-





agement, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Waste Management’s financial statements have been audited by McGladrey LLP Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of WM for the fiscal years ended September 30, 2014 and 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Waste Management Enterprise Fund’s financial statements as of and for the fiscal years ended September 30, 2014 and 2013, are fairly presented for material purposes in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this Report.

The independent audit of the financial statements of WM was part of a broader, federally-mandated Single Audit of Miami-Dade County, Florida (the “County”/ “Miami-Dade”) designed to meet the special needs of federal grantor agencies. The Standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of major federal awards. These reports are available in Miami-Dade County’s separately issued Single Audit Report.

This letter of transmittal is designed to complement the Management’s Discussion and Analysis (MD&A) and should be read in conjunction with it. The Department’s MD&A can be found immediately following the report of the independent auditors in the Financial Section.

Profile of the Waste Management Enterprise Fund

The Merger and Waste Management Enterprise Fund

On September 22, 2011, the Miami-Dade County Board of County Commissioners approved the County’s fiscal year 2012 budget. This budget introduced a plan to reduce the number of county departments from 42 to 25, in an effort to build a more efficient County government to better serve taxpayers. The merger of Solid Waste and Public Works was considered an area where consolidation should bring savings to the County. Elimination of administrative duplication supporting the operational units within each department (the Public Works Department and the Solid Waste Management Department) would translate to savings while maintaining the core missions and direct services. Other governmental jurisdictions have successfully combined these functions. The County’s evaluation of these two departments’ functions revealed opportunities that lent themselves to this grouping. As a result, the Department of Solid Waste Management and the Public Works Department commenced to merge their activities on October 1, 2011, as the Public Works and Waste Management Department.

Since the merger, the activities of the former Miami-Dade County Department of Solid Waste Management have continued as part of the Waste Management Enterprise Fund. Waste Management’s principal responsibilities may be categorized as: (1) collection, (2) transfer, (3) disposal and (4) recycling of municipal solid waste.

WM Collection primarily provides solid waste services to single-family residential units and a small number of commercial and multi-family accounts in the unincorporated portions of the County and eight municipalities including: City of Aventura, City of Doral, City of Miami Gardens, City of Sunny Isles Beach, Town of Cutler Bay, Town of Miami Lakes, Village of Palmetto Bay and Village of Pinecrest. The Department has entered into long-term interlocal agreements with 18 municipalities to provide solid waste disposal services and 12 municipalities for curbside recycling. In fiscal

year 2014, the Department received waste from 20 of the 35 municipalities in the County.

The Department is responsible for the operation of a variety of facilities, including Resources Recovery (waste-to-energy facility), landfills, transfer stations and Neighborhood Trash and Recycling Centers (T&R Centers). The Department is also responsible for meeting the State's countywide environmental compliance objectives, such as the State's waste recycling goal of 75 percent by 2020.

The System

The System comprises: (a) all property, real and personal now or in the future owned, leased (as lessor or lessee), operated or used by the County in providing the services of collecting, transferring, disposing and recycling of solid waste. This property includes the County's solid waste collection, transfer, disposal and recycling facilities and all improvements, including all buildings, fixtures, equipment, and (b) contracts entered into by the County for the collection, transfer, disposal and recycling of solid waste.

The System does not include, at the option of the County, any solid waste system facility or equipment which may be acquired by the County subsequent to the date of the Original Ordinance and designated by the County as a "Separate System" on or prior to the date of acquisition.

The Department's Disposal and Collection Activities

Financial information for the disposal and collection activities is included in this report under Supplementary Financial Information. Because the Waste System includes all properties, operations and obligations of the Department, the Management's Discussion and Analysis is presented for the System as a whole.

Operations, Facilities and Regulatory Responsibilities

Operations

The residential garbage collection program provides twice-weekly garbage collection for residential units

in unincorporated Miami-Dade County and the municipalities of Aventura, Cutler Bay, Doral, Miami Gardens, Miami Lakes, Palmetto Bay, Pinecrest and Sunny Isles Beach. With the exception of Aventura, the Department's express authority to collect waste in these municipalities is provided by County Ordinance 96-30.

The Department provides three types of residential waste collection service (1) Automated container service, (2) Manual container service and (3) Dumpster service. The automated container service utilizes a Department provided waste cart that works with the automated waste collection vehicle. Residents with automated service may purchase additional waste carts or request smaller containers for their use. All materials must be placed inside the containers and the lids must be closed in order to be serviced by the automated waste collection vehicle. The manual service provides for un-containerized set-out of bags or containers of waste and bundled tree limbs up to four (4) feet in length; no single item over 50 pounds. The dumpster service is utilized in multi-unit settings, such as townhomes.

The Department's residential waste collection service also includes access to any of the 13 T&R Centers located throughout the unincorporated portion of the County. On an annual basis, adjusted to calendar year from fiscal year, residents can also request two bulky waste pickups of up to 25 cubic yards each or one combined pick-up of 50 cubic yards.

The Department's highly successful residential curbside recycling program continues to provide every-other-week single-stream collection service. Residents place all recyclable materials (both fiber and rigid containers) in one wheeled cart. This program serves approximately 352,000 households which include the unincorporated area, the eight cities in the Waste Collection Service Area and 12 municipalities (serviced through interlocal agreements).

Annual tons collected through this program continue to increase over previous fiscal years. During FY 2014, residents recycled approximately 61,900 tons of material.

This activity reflects the costs of the recycling program including the acquisition cost of recycling carts, if any, and other costs such as collection (payment to contractors), administration, public education and promotional efforts. In addition to the annual calendar mailing and ongoing recycling outreach activities conducted in FY14, the Department continued its advertising campaign themed “Keep Your Cart Happy.” This educational effort increases customer awareness of acceptable recyclable materials and helps combat contamination. In FY14, the campaign included eight months of online, radio, newspaper, transit advertising, as well as 30-second television ads on local English and Spanish network and cable stations. The department also celebrated Earth Month in April 2014 by hosting its first-ever Eco Fair at the West Perrine Trash and Recycling Center. With a significant focus on residential recycling, the community awareness event included free document shredding, recycling promotional activities and educational booths on proper recycling, home chemical management, water conservation and other eco-friendly activities. The Department continues to participate in WE+LAB (Water and Energy Learning and Behavior) workshops that teach residents about conservation, recycling and proper home chemical disposal.

The Department provides two types of commercial waste collection service, (1) Commercial minimum collection service and (2) Commercial container service. The commercial minimum collection service includes two pick-ups per week, limited to one (1) 96 gallon waste cart per waste unit charged. The commercial container service provides for dumpster service with a varying number of pick-up and container size options.

Effective, efficient, and consistent code enforcement is vital for Miami-Dade County’s health, safety and welfare. The Public Works and Waste Management Department’s (PWWM) Code Enforcement Division (Division) continues to play an important role in addressing aesthetics within our business and residential communities. The Division is comprised of waste enforcement officers and administrative and clerical support staff. The Division’s responsibility is to enforce Chapter 15 of the Miami-Dade County Code (Code).

Chapter 15 empowers the Division to regulate unauthorized disposal and collection of solid waste by residents, businesses and public entities, as well as ensure compliance with mandatory commercial and multi-family recycling requirements. Waste enforcement officers also serve a critical function in the Department’s bulky waste collection service by determining whether waste piles on County rights-of-way are illegally dumped or properly scheduled for pick-up. Additionally, the Division is working closely with the Credit and Collection Section in the Finance Department to collect outstanding debt owed to the Department. The Division is still responsible for researching and providing payoffs for overdue waste service payments; and, issuing general hauler, landscaper, waste tire generator and waste tire transporter permits. The authority to issue uniform civil violation notices is contained in Chapter 8CC of the Code, which governs fee and fine schedules.

Waste enforcement officers are deployed in 35 zones throughout the waste collection service area. Each waste enforcement officer is cross trained to handle a variety of residential, commercial and waste disposal facility enforcement tasks.

Litter and illegal dumping are a growing concern along Miami-Dade County rights-of-way; therefore the Department has continued to address both issues through the Community Service Program Partnership with other departments and agencies. This program is a diversion alternative for participants to convert fines and other sanctions to hours worked involving litter collection and beautification projects. This program is being evaluated to determine if it should be transferred to another division for better synergy.

Additionally, our Special Investigations Unit continues to detect and investigate illegal dumping, unauthorized waste diversion, cardboard theft and violations involving unpermitted or unauthorized haulers and facilities using surveillance and other specialized investigative techniques.

The Division plays a significant role in hurricane recovery efforts and any other significant occurrences. Fol-



Following a storm event, waste enforcement officers play a key role in the training of monitors, hurricane debris identification, monitoring debris removal progress by contractors and responding to complaints. The Division is versed and experienced in working with FEMA to ensure that Federal procedures and directives are adhered to in accordance with established guidelines.

The Department is committed to pursuing cost-effective programs and activities that have positive environmental impacts related to the management of solid waste. A key component of the solid waste system is the Resources Recovery Facility (RRF), which provides safe, environmentally sound management of garbage and trash through both the production of renewable electricity for sale to the power grid and recovery of recyclable ferrous and non-ferrous metals.

The Florida Department of Environmental Protection (FDEP) regulates the environmental aspects of the RRF operation while the Florida Reliability Coordinating Council, Inc. (FRCC) regulates the technical aspects of power generation and the facility's interface with the Bulk Electric System or "power grid". Formal regulation of the RRF's electric production is a relatively new occurrence that resulted from the widespread blackouts in the Midwest and eastern portion of the United States in 2005. Those occurrences fostered amendments to the Federal Power Act, which authorized the Federal Energy Regulation Commission (FERC) to adopt new rules governing electric power generation, transmission, distribution and sale of electricity including that generated by a small power producer such as RRF. Small power producers such as RRF had previously been exempt from most of those regulations. The North American Electricity Reliability Corporation (NERC) and its eight subordinate, regional agencies are responsible for enforcing these standards. Since June 18, 2007, the RRF has had to comply with the NERC standards. The FRCC is the regional administrator governing activities in Miami-Dade County. It manages compliance with the standards through a variety of mechanisms including self-reporting, spot check audits and onsite audits.

During fiscal year 2014 there were no incidents at

the RRF resulting in issuance of a Warning letter by the Florida Department of Environmental Protection (FDEP). No potential violations of National Electric Reliability Corporation (NERC) standards, which are administered by the FRCC, occurred. Covanta, which operates the electric generator, assumed all the compliance and reporting responsibilities for NERC standards for both the generator owner and operator during the prior fiscal year. This is known as a Joint Registrant Organization (JRO).

With respect to other Department facilities, there were no incidents resulting in enforcement actions by FDEP, by the local agency, Regulatory and Economic Resources Department (RER), or by other environmental regulatory agencies having jurisdiction over the Department's activities and facilities during fiscal year 2014.

Significant environmental programs such as the operation of landfill gas control systems, groundwater remediation systems, groundwater monitoring, wetlands monitoring, exotics control, and maintenance of the restored coastal and freshwater wetlands associated with the South Dade Landfill, Old South Dade Landfill, 58th Street Landfill and the Resources Recovery Ashfill continued in fiscal year 2014.

The Department's waste reduction and recycling programs are designed to meet the requirements of the State of Florida's Energy, Climate Change and Economic Security Act of 2008 which established a new statewide recycling goal – reduce the disposal of recyclables by 75% by 2020. The Department continues to provide recycling programs that target all waste generators. The Department's waste reduction programs include programs for curbside recycling collection, home chemical collection, electronics recycling, and a recyclable materials procurement policy that requires all County Departments to use recycled and recyclable materials where feasible. Recycling highlights include the recycling of approximately 23,400 tons of aluminum, ferrous and non-ferrous metal recovered at the Resources Recovery Facility. In addition, drop-off programs at neighborhood T&R Centers contributed approximately 990 tons.

In Fiscal Year 2014 the single-stream residential recycling program collected approximately 61,900 tons. The recycling stream was made up of approximately 30,200 tons of paper (including newspaper, cardboard, junk mail and cereal boxes) and approximately 11,600 tons of aluminum, glass, plastic and steel containers. Though total inbound tons increased slightly, the number of commodity tons decreased due to an increase in residue. Residue is made up of materials that are not recyclable. In September 2013, a recycling composition study was performed by the materials processing contractor. The results showed a significant increase in residue meaning fewer tons of commodities and more tons of non-recyclable material.

The Department's Home Chemical Collection (HC2) Centers are the only permanent centers in Miami-Dade County for residents to dispose of small quantities of chemical wastes typically generated by a household. These sites are dedicated to the collection of these wastes and are operated by trained personnel from the Department's Technical Services and Environmental Affairs Division. The HC2 Centers can also be operated by trained personnel from the County's current home chemical waste disposal vendor should the need arise. Materials received at the HC2 Centers are sorted according to their hazard category (flammability, toxicity, and corrosivity) and are then temporarily stored at the HC2 Centers prior to packaging, transport, and disposal by an appropriate hazardous waste disposal vendor contracted by Miami-Dade County.

During fiscal year 2014, at the HC2 Centers, Miami-Dade residents safely disposed of approximately 152,600 pounds of chemical hazardous wastes and approximately 343,800 pounds of latex paint. Residents also disposed of approximately 23,800 gallons of used oil by means of the Used Oil Collection sites at three different T&R Centers (Moody Drive, Golden Glades and Snapper Creek) and the two permanent HC2 Centers. Lastly, approximately 2,210,000 pounds of electronic waste, such as CPUs, computer monitors, TVs, et cetera (collectively termed "E-waste"), were recycled through a program con-

ducted at eight T&R Centers, a drop off station at the City of Homestead Solid Waste Operations yard, and the permanent HC2 Centers.

The Department delivered trash to the County's Resources Recovery Facility to be converted into a marketable biomass fuel. The Recyclable Trash Improvement (RTI) plant has a capacity of 270,000 tons per year. This biomass fuel product is used to power the Okeelanta plant, a co-generation facility in the City of South Bay, Florida. Historically, biomass fuel has also been delivered to Ridge Energy in Auburndale, Florida. The annual amount of biomass fuel produced using the RTI system is contingent upon these facilities' operational patterns and demand for the fuel. The Resources Recovery Facility produced approximately 76,500 tons of biomass for export during fiscal year 2014.

Department Facilities

Disposal Facilities

The active elements of the solid waste disposal system are the following:

- Resources Recovery Facility owned by the County and operated under a Management Agreement with Covanta Dade Renewable Energy Ltd.
- South Dade Landfill, a Class I garbage landfill owned and operated by the County.
- North Dade Landfill, a Class III trash-only landfill owned and operated by the County.
- Ash Landfill owned and operated by the County and located at the Resources Recovery Facility for the final disposition of ash produced by the Resources Recovery process.
- Contract disposal capacity at the Waste Management Landfill located in the Town of Medley, Florida (the "Medley Landfill") or the Central Disposal Facility located in Pompano Beach, Florida (Broward County) owned and operated by Waste Management Inc. of Florida.

Landfills

The Department operates three landfills: the South Dade Landfill at 23707 SW 97 Avenue, Miami, Florida, the North Dade Landfill at 21500 NW 47 Avenue, Miami, Florida, and the Ash Landfill at 6990 NW 97

Avenue, Doral, Florida. The South Dade Landfill is permitted to accept garbage, trash and special wastes such as asbestos, sterile medical wastes, sewage sludge, shredded tires, pathological waste (dead animals), ash, and contaminated soil. The North Dade Landfill is permitted to accept only waste such as trash, yard trash, shredded tires, and construction/demolition debris. The Ash Landfill, which is located at the Resources Recovery Facility, accepts the ash from this facility and some ash from the Okeelanta co-generation facility in the City of South Bay.

Transfer Facilities

The regional transfer facilities are an essential part of the County's integrated solid waste management system by increasing the efficiency of disposal of solid waste generated in the incorporated and unincorporated areas of the County. A portion of the solid waste generated in the County is delivered to the County's transfer stations by the Department, municipal and private collection vehicles where it is reloaded into large transfer trailers for transportation to one of the County's three disposal sites or contracted private disposal facilities. The transfer stations were designed to serve several purposes within the overall System.

These include the following:

- Reduce travel distance and transport time for waste collection vehicles.
- Reduce waiting time and traffic congestion at the Department's disposal facilities.
- Allow for system operating flexibility by providing short-term storage capacity for solid waste prior to disposal.
- Enable the Department to comply with its various waste delivery obligations without directing municipal or private haulers to specific disposal facilities.

The County operates three regional transfer stations: (1) the Northeast Transfer Station, located at 18701 N.E. 6th Avenue; (2) the West Transfer Station, located at 2900 S.W. 72nd Avenue; and (3) the Central Transfer Station, located at 1150 N.W. 20th Street. The transfer stations are strategically located through-

out the County and are referred to by location as the Northeast Transfer Station, West Transfer Station, and Central Transfer Station.

In addition to the three regional transfer stations, the Department has ongoing transfer operations at the Resources Recovery Facility, the South Dade Landfill and the North Dade Landfill for the transport of waste and waste derived by-products, such as shredded, tires, rejects, non-processables, unders, etc., between facilities. The Transfer Division has developed a second shift to transport garbage and trash from the Landfills and Transfer Stations to the Resources Recovery Facility Monday through Friday between the hours of 2:30pm and 1:00am.

Waste Collection Facilities

Thirteen T&R Centers provide authorized customers access for residential bulky waste drop-off, while the other collection facilities provide for daily coordination of garbage and trash collection route assignments throughout the waste collection service area. The collection facilities are integral to ensuring the deployment of waste collection vehicles.

T&R Centers

- North Dade - 21500 NW 47 Avenue
- Norwood - 19901 NW 7 Avenue
- Palm Springs North - 7870 NW 178 Street
- West Little River - 1830 NW 79 Street
- Golden Glades - 140 NW 160 Street
- Sunset Kendall - 8000 SW 107 Avenue
- Snapper Creek - 2200 SW 117 Avenue
- Richmond Heights - 14050 Boggs Drive
- Chapman Field - 13600 SW 60 Avenue
- Eureka Drive - 9401 SW 184 Street
- West Perrine - 16651 SW 107 Ave
- Moody Drive - 12970 SW 268 Street
- South Miami Heights - 20800 SW 117 Court

Home Chemical Sites

- Home Chemical Collection Facility – North
8831 NW 58 Street
- Home Chemical Collection Facility – South
23707 SW 97 Avenue



Collection Vehicles Staging Sites

- 3A Facility – Collection Vehicles Facility
18701 NE 6 Avenue
- 3B Facility – Collection Vehicles Facility
8000 SW 107 Avenue
- 58th Street Facility – Collection Vehicles Facility
8831 NW 58 Street
- South Dade Landfill – Also a Collection Vehicles Facility
24000 SW 97 Avenue (For 19 crews serving Area 7
in the extreme south portion of the County).

Regulatory Responsibilities

In accordance with the 1985 State of Florida Growth Management Act, the Department must plan for providing a specific level of solid waste service, a process generally referred to as “concurrency”. Under the 1988 State of Florida Solid Waste Management Act, as amended and certain provisions of the Florida Administrative Code, the Department is responsible for ensuring that solid waste disposal needs are met in both the incorporated and the unincorporated areas of the County. The County’s System, which includes County-owned solid waste disposal facilities and those operated under contract with the County, must have disposal capacity sufficient to accommodate waste volumes generated within the County for a minimum of five (5) years.

The County is required by USEPA and FDEP to close and perform post closure care for its landfills in compliance with current regulations. In addition to the requirements for “capping” and closing landfills, post closure care of a site is mandated for 30 years after the closure is accepted by USEPA and FDEP.

During FY 2014, the County continued construction of additional disposal capacity at South Dade Landfill Cell 5. The work consisted primarily of detailed grading of the landfill cell’s base in preparation for the next phase of construction, which will be construction of the liner, drainage layer, leachate pump stations, and embankment. This work is scheduled for late FY 2015. The construction progress is being carefully controlled and administered to coincide with consumption of landfill capacity. The closure

design for the Resources Recovery Landfill Cell 19 also continued during the period. The permit application is expected to be submitted to FDEP in the spring of 2015.

During FY 2014, the Department made timely submittal of all required monitoring reports to the federal, state, and environmental regulatory agencies.

Budgetary Control

In accordance with the State of Florida Statutes the County prepares, approves, adopts and executes an annual budget for such funds as may be required by law or by sound financial practices. The Board of County Commissioners approves the Department’s annual budget for current expenses and capital outlays. The budgets are adopted on a basis consistent with GAAP, except no amounts are provided for depreciation, amortization and depletion. Budgets are monitored at various levels of classification details within the Department. Expenses at the fund level may not legally exceed the budgeted appropriation.

Factors Affecting Financial Condition

Local Economy

One year ago, in the year-end outlook for the local economy, it was anticipated that FY 2014 would enjoy a modest acceleration in growth derived from an expected strong performance in the real estate and construction sectors and continued strength in the tourism industry. Slowing growth in the emerging markets, and more importantly Latin America, was expected to be a drag on international trade activity. Private sector employment would increase due to more activity in real estate and stable to positive growth in all other sectors.

This forecast for FY 2014 turned out to be a fair assessment of what actually took place. At the national level, FY 2014 saw an acceleration of economic activity with real gross domestic product (GDP) increasing at an annual rate of 2.6 percent, a considerably stronger showing than the 1.8 percent growth in the preceding



year. Stronger growth was accompanied by very low inflationary pressure. Prices increased by only 1.6 percent, a level not seen since FY 2010 despite the fastest decrease of the headline unemployment rate in at least a decade to 6.5 percent from 7.6 percent.

For Miami-Dade's main economic engines FY 2014 saw a continuation of FY 2013 with positive trends in real estate and tourism. The trade sector continued to produce a surplus (exports minus imports) though over the course of the year there was a larger slow-down in exports than imports.

During FY 2014 nonagricultural wage and salary employment (annual average) recorded an overall gain of approximately 30,200 jobs over the prior fiscal year. This was an increase of 2.8 percent, to put total employment at a record high of 1,093,200 according to seasonally adjusted data from the Bureau of Labor Statistics. After a slight slowdown of the rate of growth in FY 2013, this gain represents the most robust job creation since the recovery began. Despite a gain in the size of the labor force (+1.3 percent), the unemployment rate decreased. The average annual unemployment rate for the year stood at 7.2 percent, compared to 8.9 percent a year earlier. Moreover, unemployment rates have steadily decreased over the year from 7.6 percent in October of 2013 to 6.6 percent in September.

Most economic sectors were contributors to employment growth with only wholesale trade (-1,600 jobs) and the government (-1,800 jobs) sectors losing employment. The top two sectors that gained jobs were retail trade and professional and business services, registering gains of 8,700 and 6,000 jobs respectively. Job gains also occurred in construction adding 4,100 positions and manufacturing up 2,200 positions, finally marking a significant turnaround in the goods-producing sectors.

Traditionally, the real estate sector in Miami-Dade County is viewed as one of the important measures of the County's economic health. In FY 2014, single family home sales continued the positive trend

post-housing-market-bubble-collapse, while sales in the condominium market showed a slight decline. At the same time distressed market activity appears to be winding down as new foreclosure filings continue to decline to pre-housing bubble levels while foreclosure sales remain flat as cases already in the pipeline get resolved.

Following a breakout year for residential construction in FY 2013, FY 2014 saw permitting activity take a step back. Over the year permits were issued for the construction of 8,741 residential units, off about 4.2 percent from the prior year. The largest drop-off came for permits of single-family units, down 12.2 percent to 1,908 units, while permits for buildings with 5 or more units dropped by only 1.7 percent to 6,730 units. While the number of units permitted was soft in FY 2014, such was not the case for the value of units. The total value of all units permitted in the past year fell just shy of the \$2 billion mark at \$1.965 billion, an increase of over 69 percent from the prior year. Buildings with 5 or more units accounted for over \$1.4 billion of the total, single family, \$532 million and 2-4 unit structures, \$18 million.

The commercial/industrial components of the real estate market continued to improve on gains from the previous year.

Taxable sales rose 3 percent from FY 2013 to FY 2014 reaching \$43.7 billion (in 2013 inflation adjusted dollars). FY 2014 saw increases across-the-board for all major categories from the previous year with the exception of tourism and recreation, down 1.8 percent year-over-year to \$10 billion.

International trade and commerce is a key component of Miami-Dade's economy. After achieving its highest level ever (\$125.7 billion) in FY 2013, merchandise trade passing through the Miami Customs District (that includes an area broader than Miami-Dade) fell by 4.9 percent in FY 2014 to \$119.6 billion.

In contrast to the recurring merchandise trade defi-

cits that the United States maintains year after year, the Miami Customs District enjoys a large trade surplus, though it has been narrowing over the last four years. Exports registered a decrease of 5.9 percent compared to a decrease of 4.5 percent during the prior year. Conversely, imports decreased by 3.6 percent after increasing 16.0 percent in the prior year. Most of the Miami Customs District export markets are in South America, Central America, and the Caribbean. In addition, the majority of all U.S. imported perishables from this region 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 in Miami-Dade recovered fairly quickly from the effects of the recession and posted significant gains in FY 2011 and FY 2012. Despite growth slowing down in FY 2013 and FY 2014, the industry has continued to reach new heights in terms of number of visitors, occupancy rates and room rates.

Visitors to the Miami area increased about 2.4 percent in FY 2014, around twice the 1.2 percent increase in the previous year but slower than the average annual rate achieved since FY 2010. In total, there were 14.4 million overnight visitors during the past year, up from 14.0 million recorded in FY 2013. After a FY 2013 in which for the first time the number of international visitors surpassed the number of domestic visitors, FY 2014 saw a return to the historic pattern of more domestic than international visitors, 51.2 to 49.8 percent respectively, thanks to a growth in domestic visitors of 3.3 percent that was more than twice the growth of 1.6 percent in international visitors.

Along with the higher number of visitors, hotel booking activity registered improvements as hotel occupancy rates increased on a year-round basis moving in the same direction as a year ago. In FY 2014, hotel occupancy rate increased from 77.7 percent to 78.6 percent. The increase in demand came along with an increase of 4 percent in the average hotel room rate, surpassing 180 dollars for the first time.

After a year of overall strong growth and continued realignment of the different sectors of the local economy, conditions are set for a level of economic activity in 2015 comparable to that of 2014. The US economy seems poised for another strong year. The stock market, a forward looking indicator of investor confidence in future economic growth, recorded double digit growth in calendar year 2014. Oil prices have fallen and are expected to remain low over the next year. Measures of consumer confidence stand at their highest levels in years. This optimism leads economists to project continued growth as reflected in a recent poll of economists that forecasts a U.S. GDP growth rate of 3.1 percent in 2015 compared to a 2.4 percent rate for the past year.

By contrast, economic growth in the emerging markets, and especially Latin America, is expected to continue to be sluggish in FY 2015. This combination of a growing US economy and slower growth in Latin American would be expected to have countervailing impacts in the Miami-Dade economy. In net, however, the momentum in real estate and construction activity and fundamental strength in trade and tourism should continue in 2015 lead to further strong employment growth.

Miami-Dade's commercial and industrial real estate market continues to remain well positioned for long-term growth supported by the continuing growth in population and the strength of international trade and commerce. For the year ahead, the outlook for the commercial/industrial market is one of optimism for continued improvements in both demand and value terms.

Weighing all the likely developments in major areas of the economy leads to a forecast for FY 2015 that is likely to be similar to the previous fiscal year. The degree of improvement will be a function of the stability in government employment, growth in the real estate and construction sectors, and performance of the Latin American economies.

For fiscal year 2015, the Department conservatively projects steadiness in the Collections Fund revenues

due to minimal customer growth, despite signs of improvement in the local construction market which are promising over the longer term. The Waste Collection Operation's continual challenge is to deliver excellent service to its customers with minimal revenue growth and aging fleet that needs to be replaced. Therefore, the Department continues to monitor expenditures and search out and implement operating efficiencies in order to sustain the Collection Operations for another fiscal year.

The Disposal Fund also continues to face revenue challenges, due primarily to a lack of recovery of full fee revenue tons to pre-recession levels coupled with a decline in energy revenues as a result of an ending long-term Power Purchase Agreement. In 2015 the Department expects to partially offset these declines via two other revenue streams. In addition to a nominal increase in revenues, due to a Consumer Price Index (CPI) increase of 2.3% CPI South All Urban Consumers, applicable to contracts and inter-local agreements as of October 1, 2014, an additional increase in revenues is expected to be generated from the Department's *Utility Service Fee*, which will increase to eight percent in conjunction with a fee increase implemented by the Water and Sewer Department effective for this FY. As a result, the Department is anticipating that the Disposal Fund will more than adequately manage the coming year while continuing to face financial challenges over the long term.

Long-term Financial Planning

The PWWM continues to maintain long-term financing for the construction and acquisition of long-term solid waste system assets. The fiscal year 2015 Adopted Capital Budget and Multi-Year Capital Improvement Plan includes programmed expenditures for FY 2015 and the next five fiscal years through FY 2020 totaling \$133.436 million. These projects include approximately \$39.638 million in groundwater remediation, closure and other environmental improvement projects at the Department's facilities, \$31.089 million in other collection and disposal facility improvements, which include landfill cell

construction and transfer station improvements and approximately \$44.408 million for the Virginia Key municipal landfill closure grant project. These projects will be funded with both operating funds and debt proceeds as budgeted.

Major capital projects programmed to commence or continue in fiscal year 2015 include:

- Continue the Resource Recovery Ashfill Cell No. 19 closure design.
- Completion of the construction of the 58th Street Truckwash.
- Continue the construction of the South Dade Landfill Cell No. 5.
- Continue the Trash and Recycling Center Improvements.
- Continue with 58th Street Home Chemical Collection Center and area drainage improvements.
- Continue the construction of the new Central Transfer Station Scale House.

The department is also evaluating short-term financing for heavy equipment and vehicle replacement needs. As a result of aging vehicles, the need to purchase vehicles is great as we evaluate new technology, hybrids and CNG fuel efficient vehicles.

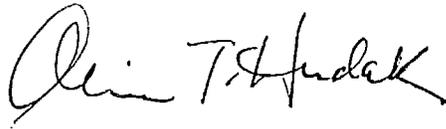
Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Waste Management Enterprise Fund of Miami-Dade County's Public Works and Waste Management Department for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013. This was the 20th consecutive year that Waste Management Enterprise Fund (under this structure and as the Department of Solid Waste Management) has achieved 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.

The Department was the winner of three prestigious 2014 Achievement Awards from the *National Association of Counties (NACo)* for the Department's Transfer Division On-Board Scales Program and the Enforcement Division's Community Service Program.



Alina T. Hudak
Deputy Mayor and Director



Paul Mauriello, AICP
Deputy Director for Waste Operations

Acknowledgements

This report could not have been prepared on a timely basis without the efficiency and dedication of the Department's Accounting staff. We are grateful to all Department employees who assisted and contributed to its preparation. We thank the County's Finance Department for their assistance and support. We would also wish to thank the Mayor and the Miami-Dade County Commissioners for their continued support in enabling Waste Management Enterprise Fund to fulfill its role in delivering a highly efficient and effective countywide integrated solid waste service to the community.

Respectfully submitted,



Aneisha Daniel
Assistant Director – Administration



Maria Sanchez, CPA
Controller

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

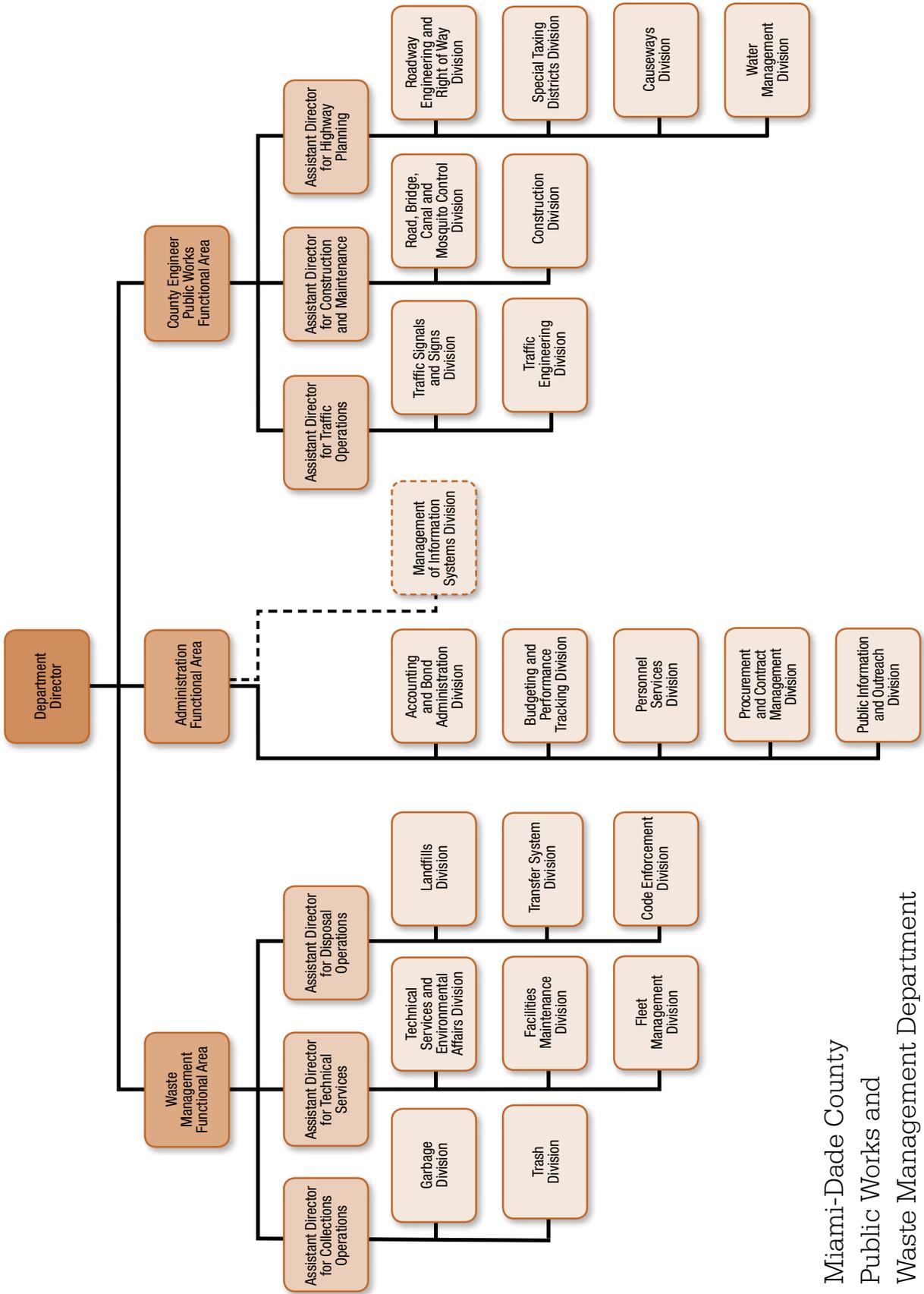
Presented to

**Waste Management Enterprise Fund
Florida**

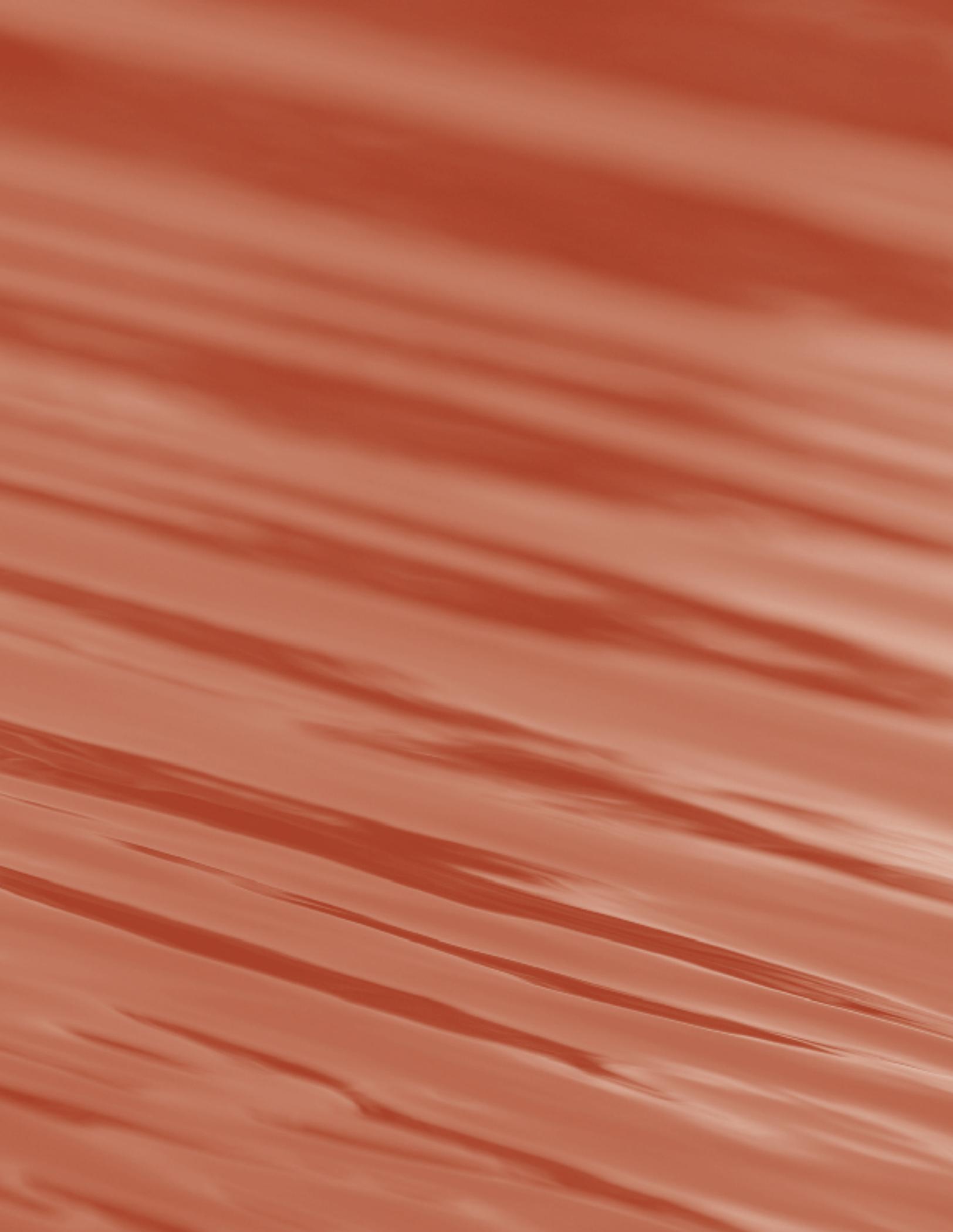
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO



Miami-Dade County
 Public Works and
 Waste Management Department
 Table of Organization: FY 2014



Financial Section





McGladrey LLP

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 Waste Management Enterprise Fund of the Public Works and Waste Management Department ("Waste Management") of Miami-Dade County, Florida, as of and for the years ended September 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise Waste Management's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the 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 Waste Management Enterprise Fund of the Public Works and Waste Management Department of Miami-Dade County, Florida, as of September 30, 2014 and 2013, and the changes in financial position and cash flows for the years 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 Waste Management fund and do not purport to, and do not, present fairly the financial position of the Public Works and Waste Management Department of Miami-Dade County or Miami-Dade County, Florida, as of September 30, 2014 and 2013, and the changes in financial position, or where applicable, its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As disclosed in Note 1 to the accompanying financial statements, the net position of the Waste Management fund has been restated for the adoption of Governmental Accounting Standards Board Statement 65, *Items Previously Reported as Assets and Liabilities*. 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 and schedule of funding progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise Waste Management's basic financial statements. The introductory section, supplementary financial section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary financial section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our reports dated April 24, 2015 and March 19, 2014 on our consideration of Waste Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Waste Management's internal control over financial reporting and compliance.



Miami, Florida
April 24, 2015

Management's Discussion and Analysis (Unaudited)

The Waste Management Enterprise Fund ("Waste Management"/"WM") of Miami-Dade County's Public Works and Waste Management Department (the "Department"/"PWWM") presents the following Management's Discussion and Analysis (MD&A). References herein to the Public Works and Waste Management Department, "PWWM", the "Department", and Waste Management ("WM") represent the activities of the Waste Management Enterprise Fund only. Our discussion of WM's financial performance provides an overview of the financial activities for the fiscal years ended September 30, 2014 and 2013. The information presented in this MD&A should be considered in conjunction with the information furnished in the Letter of Transmittal included in the Introductory Section, WM's financial statements in this section and the various summaries of activities and financial performance included in the Supplemental Schedules (supplementary financial information) and the Statistical Section of this report.

Highlights

Financial Highlights

Fiscal Year 2014

- At September 30, 2014, the assets of the Department exceeded its liabilities and deferred inflows of resources by \$229.7 million ("net position") as compared to \$203.5 million, as restated, at September 30, 2013. Of the total \$229.7 million in net position as of September 30, 2014, \$55.7 million represented net investment in capital assets; \$83.9 million was restricted for debt service, groundwater protection and reserves; the remaining balance of \$90.1 million represented net position's unrestricted portion.
- Total net position increased by \$26.2 million, reflecting total revenues in excess of total expenses for the fiscal year ended September 30, 2014.
- For the fiscal year ended September 30, 2014, the Department's operating revenues decreased by \$1.5 million.
- For the fiscal year ended September 30, 2014:
 - Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills decreased \$13.4 million.
 - Depreciation expense decreased \$500 thousand.
 - Closure and postclosure care costs for inactive landfills decreased \$11.2 million.
 - Non-operating expenses net of non-operating income increased by \$2.9 million.
 - Contributions decreased by \$3.5 million.
- The Department's bonds and loans payable decreased by \$14.5 million during the fiscal year ended September 30, 2014.

Fiscal Year 2013

- The fiscal year 2013 financial statements have been restated in the fiscal year 2014 presentation to reflect the impact of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The impact to the fiscal year 2013 net position beginning balance totaled approximately \$2 million. The Management Discussion and Analysis sections for fiscal year 2013 included below have not been restated. These remain as presented in the fiscal year 2013 financial statements.
- At September 30, 2013, the assets of the Department exceeded its liabilities by \$205.5 million ("net

position”) as compared to \$196.5 million at September 30, 2012. Of the total \$205.5 million in net position as of September 30, 2013, \$57.9 million represented net investment in capital assets; \$84.4 million was restricted for debt service, groundwater protection and reserves; the remaining balance of \$63.2 million represented net position’s unrestricted portion.

- Total net position increased by \$9 million, reflecting total revenues in excess of total expenses for the fiscal year ended September 30, 2013.
- For the fiscal year ended September 30, 2013, the Department’s operating revenues decreased by \$3.3 million.
- For the fiscal year ended September 30, 2013:
 - Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills increased \$8.8 million.
 - Depreciation expense decreased \$3.5 million.
 - Closure and postclosure care costs for inactive landfills increased \$2.2 million.
 - Non-operating expenses net of non-operating income decreased \$10.6 million.
 - Contributions increased \$4.2 million, as revised in the fiscal year 2014 presentation.
- The Department’s bonds and loans payable decreased by \$17.9 million during the fiscal year ended September 30, 2013.

Waste Management Enterprise Fund's Highlights

Fiscal Year 2014

- During the fiscal year ended September 30, 2014, the Department serviced approximately 326,400 residential units, approximately 3,500 household/commercial accounts and approximately 1,000 commercial accounts. This represents an overall increase of 0.55% over the fiscal year ended September 30, 2013.
- The annual fee for curbside collection remained at \$439 per household in fiscal year 2014.
- During fiscal year ended September 30, 2014, disposal equivalent revenue tons totaled approximately 1.627 million tons, a 6.9% increase when compared to the fiscal year ended September 30, 2013.
- The disposal contract tipping fee was \$64.85 per ton during the fiscal year ended September 30, 2014, an increase of 1.89% over the fiscal year ended September 30, 2013.
- The Department contributed \$5.4 million to capital projects during fiscal year 2014.

Fiscal Year 2013

- During the fiscal year ended September 30, 2013, the Department serviced approximately 324,400 residential units, approximately 3,700 household/commercial accounts and approximately 1,000 commercial accounts. This represents an overall increase of 0.12% over the fiscal year ended September 30, 2012.
- The annual fee for curbside collection remained at \$439 per household in fiscal year 2013.
- During fiscal year ended September 30, 2013, disposal equivalent revenue tons totaled approximately 1.522 million tons, an 0.86% increase when compared to the fiscal year ended September 30, 2012.

- The disposal contract tipping fee was \$63.65 per ton during the fiscal year ended September 30, 2013, an increase of 1.69% over the fiscal year ended September 30, 2012.
- The Department contributed \$13 million to capital projects during fiscal year 2013.

Overview of the Financial Statements

This discussion and analysis section is intended to serve as an introduction to the Department's financial statements with the notes thereto. The notes to the financial statements are essential for a full understanding of the information contained in the financial statements.

The Department's Financial Statements report information about the Department using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Department's activities. These financial statements include the financial position, results of operations and cash flows of both the Disposal and Collection Systems. Supplemental financial data for each of these systems is provided elsewhere in this report.

The Statements of Net Position include all of the Department's assets and liabilities providing information about the nature and amounts of resources (assets) and obligations to creditors (liabilities) with the difference between the two reported as net position at September 30, 2014 and 2013, respectively. The increases and decreases in net position may serve as a valuable indicator of whether the financial position of the Department is improving or deteriorating over time. These statements also provide the basis for assessing the liquidity and financial flexibility of the Department along with its capital structure.

All of the Department's revenues and expenses are reflected on the Statements of Revenues, Expenses and Changes in Fund Net Position for the fiscal years ended September 30, 2014 and September 30, 2013, respectively. These statements measure the level of success by the Department's operations in fiscal years 2014 and 2013, respectively. These may be used to evaluate the Department's profitability and credit worthiness and to determine whether the Department has successfully recovered all its costs through its user fees and other charges.

The Department's Statements of Cash Flows provide information about the Department's cash receipts and cash disbursements during the fiscal years ended September 30, 2014 and 2013, respectively. These statements report sources, uses, and net changes in cash resulting from operating, investing, capital and non-capital financing activities.

Financial Analysis of the Department

As previously mentioned, the Statements of Net Position and the Statements of Revenues, Expenses and Changes in Fund Net Position reflect information about the Department's activities, which may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating over time. These two set of statements report the net position of the Department and changes in them. The difference between assets and liabilities is one way to measure financial health or financial position. Over time, increases or decreases in the Department's net position are one indicator of whether its financial health is improving or deteriorating. In addition, consideration must be given to non-financial factors including but not limited to population growth, economic conditions, changes in regulatory requirements and legislation.

The analysis below focuses on the Department's net position (Table I) at the end of the fiscal years 2014, 2013, and 2012.

The Department's assets exceeded liabilities and deferred inflows of resources by \$229.7, \$203.5 (as restated) and \$196.5 million at September 30, 2014, 2013 and 2012, respectively.

A summary of the Department's statements of net position at September 30, (Table I) is shown below:

Table I

Miami-Dade County, Florida
Public Works and Waste Management Department
Waste Management Enterprise Fund
Net Position

	<u>At September 30,</u>		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
	<i>(In thousands)</i>		
ASSETS			
CURRENT ASSETS			
Total Unrestricted Assets	\$ 195,375	\$ 182,570	\$ 195,511
Total Restricted Assets	<u>17,729</u>	<u>16,944</u>	<u>21,899</u>
Total Current Assets	<u>213,104</u>	<u>199,514</u>	<u>217,410</u>
NON-CURRENT ASSETS			
Total Unrestricted Assets	-	45	603
Total Restricted Assets	112,794	117,014	115,728
Total Capital Assets	134,963	146,747	140,810
Total Other Assets	<u>2,126</u>	<u>2,903</u>	<u>5,642</u>
Total Non-Current Assets	<u>249,883</u>	<u>266,709</u>	<u>262,783</u>
TOTAL ASSETS	<u>462,987</u>	<u>466,223</u>	<u>480,193</u>
LIABILITIES			
CURRENT LIABILITIES			
Total Payable from Unrestricted Assets	16,163	21,618	17,624
Total Payable from Restricted Assets	<u>17,729</u>	<u>16,944</u>	<u>21,899</u>
Total Current Liabilities	<u>33,892</u>	<u>38,562</u>	<u>39,523</u>
LONG-TERM LIABILITIES			
Total Long-Term Liabilities	<u>199,222</u>	<u>224,134</u>	<u>244,163</u>
TOTAL LIABILITIES	<u>233,114</u>	<u>262,696</u>	<u>283,686</u>
Deferred Inflows of Resources	<u>155</u>	-	-
TOTAL LIABILITIES & DEFERRED INFLOWS OF RESOURCES	<u>233,269</u>	<u>262,696</u>	<u>283,686</u>
NET POSITION			
Net Investment in Capital Assets	<u>55,687</u>	<u>55,913</u>	<u>38,425</u>
Restricted	<u>83,882</u>	<u>84,453</u>	<u>81,709</u>
Unrestricted	<u>90,149</u>	<u>63,161</u>	<u>76,373</u>
TOTAL NET POSITION (as restated)	<u>\$ 229,718</u>	<u>\$ 203,527 *</u>	<u>\$ 196,507</u>

Fiscal Year 2014

As of September 30, 2014, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 24% of the Department's net position.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Net investment in capital assets decreased to \$55.7 million at September 30, 2014, from \$55.9 million (as restated) at September 30, 2013. This minor decrease reflects the combined effects of a decrease in capital assets net of accumulated depreciation combined with decreases in unused debt proceeds and unused closure grant proceeds, partially offset by a decrease in the related debt. The related debt has been applied to the figures representing both invested in capital assets and restricted for (debt service and landfill closure grants). Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position decreased to \$83.9 million at September 30, 2014, from \$84.4 million at September 30, 2013. This decrease reflects the combined effects of a lower balance in the operating reserve, partially offset by increases in the debt service balance (net of balances included in capital assets related debt) and the ground water protection receivable balance. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of \$90.1 million at September 30, 2014, is reported as the unrestricted portion of net position. Unrestricted portion generally represents balances, which may be used to meet the Department's obligations to customers, employees and creditors. This \$90.1 million balance, at September 30, 2014, increased from \$63.2 million at September 30, 2013, reflecting the effects of higher balances in current unrestricted assets combined with lower balances in payables from unrestricted assets (current liabilities) and lower balances in unrestricted long-term liabilities (excluding bonds and notes payables), offset by minor decreases in other assets and in derivative instrument investment balances. These balances in unrestricted net position reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling \$79 and \$89 million as of September 30, 2014 and 2013, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

Fiscal Year 2013

As of September 30, 2013, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 28% of the Department's net position.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Net investment in capital assets increased to \$57.9 million at September 30, 2013, from \$38.4 million at September 30, 2012. This increase reflects the combined effects of capital asset additions and decrease in the related debt, partially offset by deductions for the increase in accu-

mulated depreciation, decrease in proceeds for closure grants and in unused debt proceeds. The related debt has been applied to the figures representing both invested in capital assets and restricted for (debt service and landfill closure grants). Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net position represents resources that are subject to external restrictions on how they may be used. Restricted net position increased \$2.7 million from \$81.7 million at September 30, 2012 to \$84.4 million at September 30, 2013. This increase reflects the combined effects of higher balances in debt service (net of balances included in capital assets related debt), groundwater protection receivable and operating reserve. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of \$63.2 million at September 30, 2013, is reported as the unrestricted portion of net position. Unrestricted portion generally represents balances, which may be used to meet the Department's obligations to customers, employees and creditors. This \$63.2 million balance, at September 30, 2013, decreased from \$76.4 million at September 30, 2012, reflecting the effects of lower balances in current unrestricted assets, in other assets (net of issuance costs) and in derivative instrument investment combined with higher balances in payables from unrestricted assets (current liabilities) and unrestricted long term liabilities (excluding bonds and notes payables). These balances in unrestricted net position reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling \$89 and \$94 million as of September 30, 2013 and 2012, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

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Changes in the Department's net position can be established upon review of the summary of the Department's statements of revenues, expenses and changes in net position for the fiscal years ended September 30, (Table II) shown below:

TABLE II
 Miami-Dade County, Florida
 Public Works and Waste Management Department
 Waste Management Enterprise Fund
 Changes In Net Position

	For Fiscal Years Ended September 30,		
	2014	2013	2012
	<i>(In thousands)</i>		
Operating revenues			
Solid waste disposal services	\$ 64,342	\$ 58,758	\$ 57,749
Solid waste collection services	143,703	135,376	141,983
Utility service fees	24,290	22,490	21,692
Electricity sales	14,079	31,453	30,703
Other operating revenues	14,983	14,779	14,030
Total operating revenues	261,397	262,856	266,157
Interest income	752	(539)	(206)
Other non-operating income, net	-	3,935	-
Contributions	737	4,184	-
Total Revenues	262,886	270,436	265,951
Operating expenses excluding depreciation and closure & postclosure care costs for inactive landfills	218,498	231,862	223,085
Depreciation	19,003	19,469	22,991
Closure & postclosure care costs for inactive landfills	(11,003)	192	(1,983)
Interest expense	4,937	5,598	8,810
Closure grant	2,863	4,308	5,477
Other non-operating expenses, net	2,397	-	1,133
Total Expenses	236,695	261,429	259,513
Changes in Net Position	26,191	9,007	6,438
Total Net Position, beginning of the year (as restated*)	203,527	194,520 *	190,069
Total Net Position, end of the year (as restated*)	\$ 229,718	\$ 203,527 *	\$ 196,507

Total net position increased by \$26.2 million and \$9 million in fiscal years 2014 and 2013, respectively.

Historically, operating revenues generated by the System have included solid waste disposal services revenues, solid waste collection services revenues, utility service fees, electrical revenues from the Resources Recovery Facility and other operating revenues. Other Operating Revenues include disposal facility fees, office rental income, parking facilities revenue, code enforcement fines, permit fees, and other miscellaneous income.

Fiscal Year 2014

Operating revenues decreased to \$261.3 million in fiscal year 2014 from \$262.9 million in fiscal year 2013 as a result of lower electricity sales, partially offset by higher Solid Waste Disposal Services Revenues, Solid Waste Collection Services Revenues, Utility Service Fees Revenues and Other Operating Revenues.

Disposal Services Revenues increased to \$64.3 million in the fiscal year ended September 30, 2014, from approximately \$58.8 million in fiscal year 2013. This \$5.5 million increase resulted from higher disposal tipping fees combined with higher equivalent revenue tons. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees increased from fiscal year 2013 to fiscal year 2014, as follows: From \$63.65 per ton to \$64.85 per ton for contractual customers; from \$83.92 per ton to \$85.51 per ton for non-contractual customers; and from \$12.52 per ton to \$12.75 per ton for the additional fee paid by those customers utilizing the Department's transfer stations. Equivalent revenue tons increased to 1.627 million tons in the fiscal year ended September 30, 2014, from 1.522 million tons in the fiscal year ended September 30, 2013.

Solid Waste Collection Services Revenues increased to \$143.7 million in fiscal year 2014 from approximately \$135.4 million in fiscal year 2013. This \$8.3 million increase reflects the effects of a fiscal year 2013 \$7.9 million adjustment by the Tax Collector (to address an excess distribution made to the Department in a fiscal year prior to 2013) combined with the minor impact of slightly higher number of units and minor increases and decreases in other components of Waste Collection Revenues. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2014 as compared to fiscal year 2013, as follows: \$439 per household for residential curbside collection, \$339 per unit for residential container service and the rollaway service ranged from \$236.11 to \$956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2014, the Department serviced approximately 326,400 residential (household) units, approximately 3,500 household/commercial accounts and approximately 1,000 commercial accounts as compared to approximately 324,400 residential (household) units, approximately 3,700 household/commercial accounts and approximately 1,000 commercial accounts during the fiscal year ended September 30, 2013.

Utility Service Fee Revenues reflected an increase to \$24.3 million in fiscal year 2014 from \$22.5 million in the fiscal year ended September 30, 2013. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales decreased to \$14.1 million in fiscal year 2014 from \$31.4 million in the fiscal year ended September 30, 2013, principally as a result of the expiration on November 30, 2013, of the Power Purchase Agreement. Beginning December 1, 2013, the Department sold power to Florida Power and Light Company ("FP&L"),

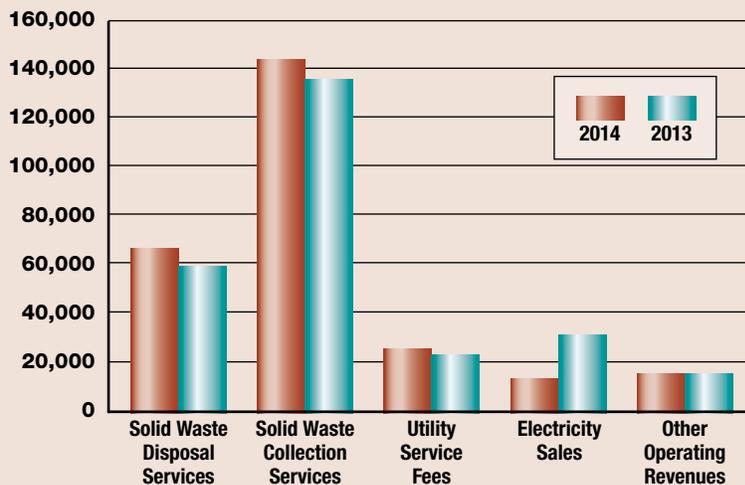
Rainbow Marketing Corporation and Duke Energy on the “As-Available Market”. The average “As-Available Rate” was between \$27 and \$28 per Mega Watt Hour of energy produced which is significantly less than the \$85 per Mega Watt Hour the Department was receiving through November 30, 2013. Combined with the decrease in rate, the kilowatt hours produced decreased to 290,433,000 in fiscal year 2014 from 315,785,000 in fiscal year 2013. The Department continues to explore multiple alternatives to increase energy revenues. Electrical revenues are generated pursuant to the aforementioned arrangements for the sale of electricity generated at the Resources Recovery Facility. These revenues, net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility’s Operator which also declined (see disclosed in the Waste-to -Energy Expense section) as a result of the decline in sales.

Other Operating Revenues reflected a minor increase to \$14.9 million in fiscal year 2014 from \$14.8 million in fiscal year 2013. Other Operating Revenues include Disposal Facility Fee Revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other. This increase in fiscal year 2014 reflects minor increases in Disposal Facility Fee Revenues and Code Enforcement Revenues, partially offset by decreases in revenues from the administrative building rental and parking lot, landscaper permit fees, landfill gas revenue and other miscellaneous revenues.

The following chart shows a comparison of operating revenues by source for the fiscal years ending September 30, 2014 and 2013.

Operating Revenues

(Dollar Amount in Thousands)



Fiscal Year 2013

Operating revenues decreased to \$262.9 million in fiscal year 2013 from \$266.2 million in fiscal year 2012 as a result of lower Solid Waste Collection Services receipts partially offset by slightly higher Solid Waste Disposal Services Revenue, Utility Service Fees, Electricity Sales and Other Operating Revenues.

Disposal Services Revenues increased to \$58.8 million in the fiscal year ended September 30, 2013, from approximately \$57.8 million in fiscal year 2012. This increase resulted from higher disposal tipping fees combined with slightly higher equivalent revenue tons. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees increased from fiscal year 2012 to fiscal year 2013, as follows: From \$62.59 per ton to \$63.65 per ton for contractual customers; from \$82.52 per ton to \$83.92 per ton for non-contractual customers; and from \$12.32 per ton to \$12.52 per ton for the additional fee paid by those customers utilizing the Department's transfer stations. Equivalent revenue tons increased to 1.522 million tons in the fiscal year ended September 30, 2013, from 1.509 million tons in the fiscal year ended September 30, 2012.

Solid Waste Collection Services Revenues decreased to \$135.4 million in fiscal year 2013 from approximately \$142 million in fiscal year 2012. This \$6.6 million decrease reflects the effects of an adjustment by the Tax Collector for \$7.9 million to address an excess distribution made to the Department in a prior fiscal year. Prior to this adjustment, the fiscal year 2013 revenues reflected an increase of approximately \$1.3 million over fiscal year 2012 as a result of slightly higher number of units and minor increases in other components of Waste Collection Revenues. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2013 as compared to fiscal year 2012, as follows: \$439 per household for residential curbside collection, \$339 per unit for residential container service and the rollaway service ranged from \$236.11 to \$956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2013, the Department serviced approximately 324,400 residential (household) units, approximately 3,700 household/commercial accounts and approximately 1,000 commercial accounts as compared to approximately 324,000 residential (household) units, approximately 3,700 household/commercial accounts and approximately 1,000 commercial accounts during the fiscal year ended September 30, 2012.

Utility Service Fee Revenues reflected an increase to \$22.5 million in fiscal year 2013 from \$21.7 million in the fiscal year ended September 30, 2012. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales increased to \$31.4 million in fiscal year 2013 from \$30.7 million in the fiscal year ended September 30, 2012, reflecting the effects of higher rates partially offset by lower kilowatt hours produced. Kilowatt hours (KWH) produced decreased to 315,785,000 in fiscal year 2013 from 332,019,000 in fiscal year 2012. Electrical revenues are generated pursuant to agreements with Progress Energy Inc. and FP&L for the sale of electricity generated at the Resources Recovery Facility. These revenues from Progress Energy Inc., net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility's Operator.

Other Operating Revenues increased to \$14.8 million in fiscal year 2013 from \$14 million in fiscal year 2012. Other Operating Revenues include Disposal Facility Fee Revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other. This increase in fiscal year 2013 reflects a one time payment by the Resource Recovery Facility Operator combined with increases in Disposal Facility Fee Revenues and Code Enforcement Revenues partially offset by decreases in revenues from the administrative building rental and parking lot, landscaper permit fees and other miscellaneous revenues.

Fiscal Year 2014

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills decreased by \$13.4 million to \$218.4 in fiscal year 2014 from \$231.8 in fiscal year 2013.

A summary of the Department's Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care Costs for Inactive Landfills for the years ended September 30, 2014, 2013 and 2012, respectively, is as follows (Table III):

TABLE III

Miami-Dade County, Florida
 Public Works and Waste Management Department
 Waste Management Enterprise Fund
 Summary of Operating Expenses Prior to Depreciation
 Expense and Closure & Postclosure Care for Inactive Landfills
*for the Fiscal Years Ended September 30, 2014, 2013 and 2012 respectively, indicating the amount of change in
 Fiscal Year 2014 as compared to Fiscal Year 2013*

Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care for Inactive Landfills	2014	2013	2012	Increase/ (Decrease)
	<i>(In thousands)</i>			
Landfill & disposal operations, including change in closure & postclosure care cost estimates for active landfills	\$ 21,664	\$ 18,086	\$ 17,383	\$ 3,578
Waste-to-energy	63,465	80,874	80,264	(17,409)
Transfer operations	22,784	20,733	21,024	2,051
Garbage collection	41,151	39,607	38,963	1,544
Trash collection	25,002	22,701	22,653	2,301
Recycling	9,361	9,338	9,283	23
Litter control	907	1,010	1,147	(103)
Facility maintenance	2,755	2,378	2,436	377
Enforcement and environmental compliance	5,765	5,829	5,415	(64)
General and administrative	25,644	31,306	24,517	(5,662)
Total	\$ 218,498	\$ 231,862	\$ 223,085	\$ (13,364)

For fiscal year 2014, operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills decreased approximately \$13.4 million when compared to fiscal year 2013. This decrease in costs primarily reflects decreases in waste-to-energy and general and administrative expenses coupled with minor decreases in litter control and enforcement & environmental compliance, partially offset by increases in all other operating expense line items.

Waste to energy expenses decreased \$17.4 million to \$63.5 million in fiscal year 2014 from \$80.9 million in fiscal year 2013. This decrease reflects the decline in payments to the Operator (for their share of the electricity revenues) in proportion to the decline in electricity sales (discussed in operating revenues above) and the corresponding decline in transmission costs combined with the decline caused by the termination of capital tipping fees (on October 1, 2013, when the Resource Recovery Facility Refunding Revenue Bonds Series 1996 matured), partially offset by minor increases in processing fees to the Operator corresponding to minor increases in the tonnage processed combined with higher rates (increases based on CPI) for fiscal year 2014. General and administrative expenses decreased \$5.7 million from \$31.3 million in fiscal year 2013 to \$25.6 million in fiscal year 2014 reflecting lower personnel costs, contractual services, rental and county services. Litter control reflected a minor decrease to \$907 thousand in fiscal year 2014 from \$1 million in fiscal year 2013 as a result of lower personnel costs and lower charges for county services partially offset by higher contractual services and insurance costs. Enforcement and environmental compliance decreased \$64 thousand as a result of lower costs for contractual services, maintenance & repairs partially offset by all other cost categories.

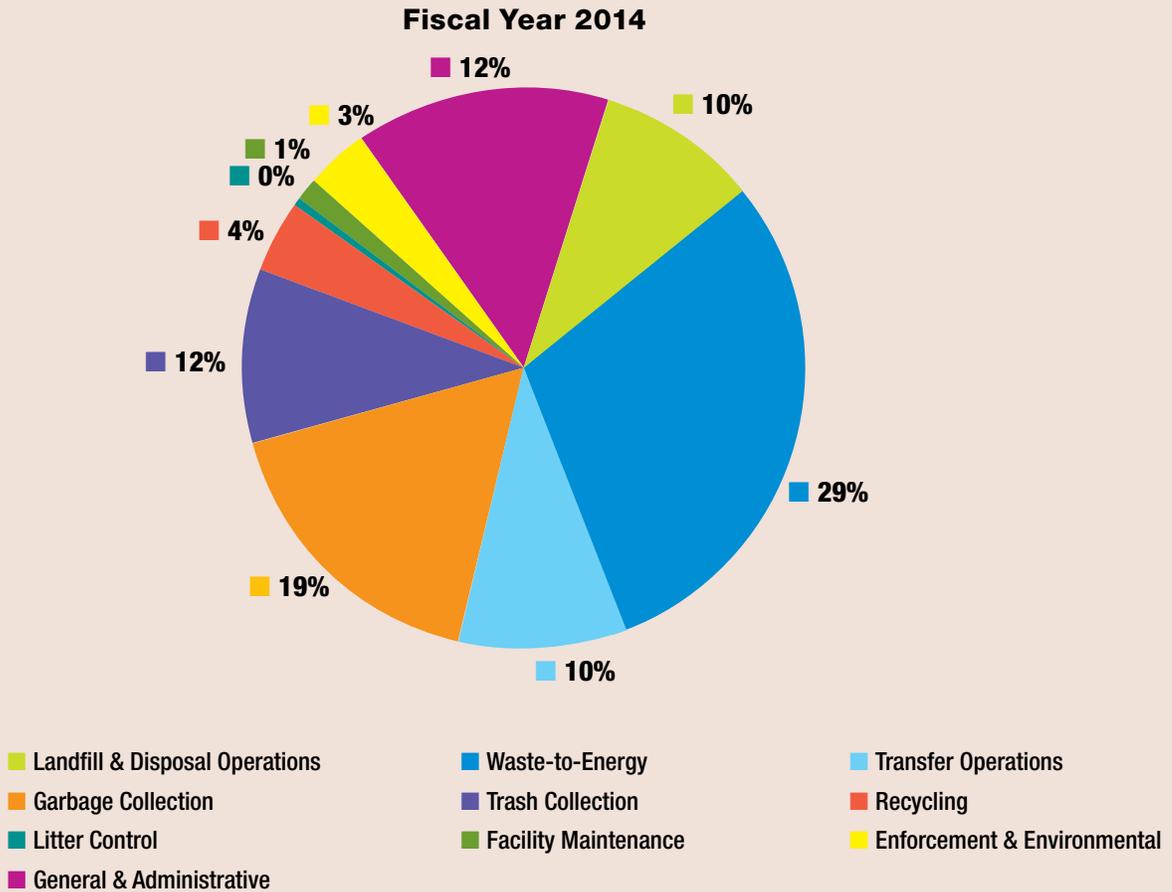
Landfill and disposal operations increased \$3.6 million in fiscal year 2014 when compared to fiscal year 2013, principally as a result of closure and postclosure care costs for the active landfills which reflected a recovery/reduction in expense in fiscal year 2013. Transfer, garbage collection and trash collection costs reflected increases of \$2 million, \$1.5 million and \$2.3 million, in fiscal year 2014 when compared to fiscal year 2013, respectively. These increases resulted from higher personnel costs, insurance county services and contractual services. Recycling increased \$23 thousand in fiscal year 2014 when compared to fiscal year 2013, as a result of higher contractual services. Facility maintenance increased \$377 thousand in fiscal year 2014 when compared to fiscal year 2013, as a result of higher contractual, maintenance and repair costs.

Additional information concerning Waste Management's Operations and Management (O&M) Agreement for the Resource Recovery Facility can be found in Note 13 to the financial statements and additional information concerning WM's closure and postclosure care costs for active landfills can be found in Note 10 to the financial statements.

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The following chart shows operating expenses before depreciation and costs for closure and postclosure care for inactive landfills for the fiscal year ended September 30, 2014.

Operating Expenses Before Depreciation and Closure and Postclosure Care Costs for Inactive Landfills (As a Percentage of Total)



Depreciation expense decreased \$500 thousand to \$19 million in fiscal year 2014 from \$19.5 million in fiscal year 2013. The decrease resulted from the combined effects of assets being fully depreciated and the corresponding depreciation for assets disposed of during the fiscal year, partially offset by higher land depletion expense and the corresponding depreciation resulting from additions to depreciable plant and equipment in fiscal year 2014. Additional information concerning the Department’s depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department’s property, plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year resulted in \$11 million recovery/reduction in expense in fiscal year 2014 as compared to \$192 thousand expense in fiscal year 2013. This component includes expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for closure enhancements to Olinda Park and the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The \$11 million recovery/reduction in expense in fiscal year 2014 reflects the recognition of \$11.4 million credit to expense for OSD, partially offset with \$100 thousand expense for Main and \$300 thousand expense for Olinda Park as compared to the fiscal year 2013 recognition of \$192 thousand in expense including the combined effects of an expense of \$226 thousand for OSD, \$148 thousand expense for Main and \$182 thousand credit (reduction to expense) for Olinda Park. There were no expenses recognized in connection with Ojus in fiscal years 2014 and 2013, respectively. Changes in estimates result from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non-operating expenses net of revenues in fiscal year 2014 totaled \$9.4 million as compared to \$6.5 million in fiscal year 2013 as revised after reclassifying (in the fiscal year 2014 presentation) the fiscal year 2013 hybrid truck grant from non-operating to contributions (see contributions below).

The components of this segment reflected decreases and increases in fiscal year 2014 when compared to fiscal year 2013, as follows: Interest income increased \$1.3 million reflecting (including a loss of \$45 thousand in connection with the decline in the fair value of the interest rate swap reported as derivative instrument investment, see Note 15 to the financial statements). Interest expense decreased \$661 thousand reflecting the combined effects of \$77 thousand decline in debt amortization, a \$1.318 million credit adjustment for accretion in fiscal year 2014 as compared to \$782 thousand credit adjustment in fiscal year 2013 (an increase in credit adjustment of \$536 thousand) and \$1.201 million in capitalized interest in fiscal year 2014 as compared to \$1.153 million in fiscal year 2013. Closure grants (expense) decreased \$1.4 million. Other expense, net of income totaled \$2.4 million in fiscal year 2014 as compared to other income, net of expense of \$3.9 million in fiscal year 2013. This \$6.3 million increase in expense in fiscal year 2014, resulted primarily from the \$2.5 million recognized in fiscal year 2014 for the payment to Save Our Seniors Homeowner's Relief Fund and the fiscal year 2013 credit adjustment to reverse prior period over recognized accretion of \$3.7 million combined with \$100 thousand in net expense for other less significant variances in other components including the fiscal year 2014 amortization of debt premium/discount, amortization of deferred gain in debt refunding, loss of disposal of fixed assets, and the fiscal year 2013 transactions combining the Federal Emergency Management Agency (FEMA) additional receipts (credit) and amortization of bond issuance costs (the latter written off in fiscal year 2014, pursuant to GASB Statement No. 65).

Fiscal Year 2013

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills increased by \$8.8 million from \$223 million in fiscal year 2012, to \$231.8 million in fiscal year 2013.

For fiscal year 2013, operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills increased approximately \$8.8 million when compared to fiscal year 2012. This increase

in costs primarily resulted from increases in general and administrative expenses combined with increases in landfill disposal operations, waste-to-energy, garbage collection, trash collection, recycling and enforcement and environmental compliance. All of these increases were partially offset by decreases in transfer operations, litter control and facility maintenance costs.

Landfill and disposal operations increased \$703 thousand. This increase primarily resulted from higher contractual services and general and administrative expenses partially offset by lower costs in all other categories but principally in closure and post closure care costs for the active landfills which reflected a recovery/reduction in expense in fiscal year 2013 as compared to an expense in fiscal year 2012. Waste-to energy expenses increased \$610 thousand. This increase largely resulted from higher professional and other contractual services partially offset by lower arbitrage costs (for the Resource Recovery Facility Refunding Revenue Bonds, Series 1996). Garbage collection increased \$644 thousand primarily as a result of higher charges for supplies and county services, partially offset by lower personnel, insurance and general and administrative costs. Trash operations increased \$48 thousand. This increase largely resulted from higher charges for county services and general and administrative costs partially offset by decreases in basically all other categories. Recycling expenses increased \$55 thousand reflecting higher costs for other contractual services partially offset by lower personnel and county services. Enforcement and Environmental compliance increased \$414 thousand. This increase reflects higher other contractual services and maintenance and repair costs partially offset by decreases in basically all other categories. General and administrative costs increased approximately \$6.8 million. This increase reflects higher personnel, other contractual services, insurance, county services and general and administrative costs partially offset by minor decreases in contractual professional services, maintenance and repairs, and rental costs.

Transfer operations decreased \$291 thousand, principally as a result of lower personnel, county services and insurance costs partially offset by higher contractual professional services. Costs for litter control decreased \$137 thousand. This decrease primarily resulted from lower personnel and county services partially offset by higher other contractual services. Facility maintenance costs decreased \$58 thousand reflecting lower costs in personnel, maintenance and repair and other contractual services partially offset by higher contractual professional services, charges for county services and general and administrative costs.

Additional information concerning Waste Management's Operations and Management (O&M) Agreement for the Resources Recovery Facility can be found in Note 13 to the financial statements and additional information concerning WM's closure and postclosure care costs for active landfills can be found in Note 10 to the financial statements.

Depreciation expense decreased to approximately \$19.5 million in fiscal year 2013 from approximately \$23 million in fiscal year 2012. The decrease in fiscal year 2013 resulted from the combined effects of assets being fully depreciated and lower costs for land depletion partially offset by additions to depreciable plant and equipment. Additional information concerning the Department's depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department's property, plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year 2013 resulted in a \$192 thousand expense as compared to approximately \$2 million credit (recovery/reduction to expense) in fiscal year 2012. This component includes expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for closure enhancements to Olinda Park and the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The \$192 thousand expense in fiscal year 2013 reflects the recognition of expense of \$226 thousand for OSD, \$148 thousand expense for Main and \$182 thousand credit for Olinda Park as compared to the fiscal year 2012 recognition of the \$2 million credit (reduction to expense) which, primarily reflects the recognition of a \$2.3 million credit for OSD partially offset by a \$300 thousand in expense for the Main Landfill. There were no expenses recognized in connection with Ojus in fiscal years 2013 and 2012, respectively. Changes in estimates result from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non-operating expenses net of revenues in fiscal year 2013 totaled \$5 million as compared to \$15.6 million in fiscal year 2012. The components of this segment reflected decreases and increases as follows: Interest income decreased \$333 thousand (including a loss of \$558 thousand in connection with the decline in the fair value of the interest rate swap reported as derivative instrument investment, see Note 15 to the financial statements). Interest expense decreased \$3.2 million reflecting approximately \$194 thousand decline in debt amortization and the combined effects of a \$782 thousand credit adjustment for accretion in fiscal year 2013 as compared to \$1.8 million expense recognized for fiscal year 2012 accretion and capitalized interest of \$1.2 million in fiscal year 2013 as compared to \$685 thousand in fiscal year 2012. Closure grants (expense) decreased \$1.2 million. A \$1.5 million in hybrid truck grant was awarded, received and recognized in fiscal year 2013. Other income, net of expense totaled \$3.9 million in fiscal year 2013 as compared to other expense, net of income of \$1.1 in fiscal year 2012. This \$5 million increase primarily resulted from a credit adjustment to reverse prior period over recognized accretion of \$3.7 million coupled with \$264 thousand credit in Federal Emergency Management Agency (FEMA) additional receipts (during the ongoing audit of Hurricane Katrina's and Hurricane Wilma's reimbursements) awarded and forwarded in fiscal year 2013 as compared to \$1.7 expense resulting from receipts reclaimed by FEMA in fiscal year 2012.

Fiscal Year 2014

Contributions

During fiscal year 2014, Waste Management received \$700 thousand in contributions. This represented funding for the South Dade Landfill Cell 5 construction from the County's General Obligation Bonds.

Fiscal Year 2013

Contributions

During fiscal year 2013, Waste Management received \$4.2 million in contributions (after reclassifying in the fiscal year 2014 presentation the \$1.5 million in hybrid truck grant hereto from non-operating to contributions). The other \$2.7 million in contributions represented funding for the South Dade Landfill Cell 5 construction from the County's General Obligation Bonds.

Capital Assets And Debt Administration

Capital Assets

Fiscal Year 2014

As of September 30, 2014, the Department had approximately \$135 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents a decrease of \$12 million from \$147 million at September 30, 2013. This decrease reflects the effects of sales of assets, write-off of assets and the donation of an asset to a municipality (approved by the Board of County Commissioners) combined with additions to accumulated depreciation, partially offset by asset additions in fiscal year 2014. During fiscal year 2014, the Internal Services Department approved the write-off of the aforementioned assets which had remained un-located (and as such reported to the police department) for more than two fiscal years.

Major capital assets activity during fiscal year 2014 included the following:

- Projects continued in connection with the 58 Street Truck Wash Facility, Collection 3A New Facility Building, Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, 58 Street Guardhouse & Drainage Improvements, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facility Back-up Generator, Disposal Facilities Improvements, Disposal Scalehouse Expansion Project, North Dade Landfill Gas Extraction Phase 2, Northeast Transfer Station – 3A New Facility, Northeast Transfer Station - Surge Pit Tipping Floor Roof, Northeast Transfer Station- New Surge Pit Crane, Northeast Transfer Station - Tunnel Roof, miscellaneous projects at the Resources Recovery Facility, Replacement of Scales at Disposal Facilities, South Dade Ground Water Trench, South Dade Landfill Cell 4 Gas Extraction, South Dade Landfill Cell 5 Construction and West Transfer Station - Tipping Floor. The projects listed herein exclude the closure projects discussed below.
- The 58 Street Collection Facility Building Renovation was completed.
- It should be noted that while included in the Department's capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, certain costs of closure projects incurred in fiscal year 2014 have been excluded from property, plant and equipment in the summary table below. During fiscal year 2014, the Department contributed approximately \$564 thousand to these closure projects. Additional information concerning the Department's closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.
- Capital project additions during fiscal year 2014 totaled \$5.4 million.

During fiscal year 2014, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department's capital assets.

The following table (Table IV) summarizes the Department's capital assets and accumulated depreciation at September 30.

TABLE IV

Miami-Dade County, Florida
Public Works and Waste Management Department
Waste Management Enterprise Fund
Capital Assets and Accumulated Depreciation

	At September 30,		
	<u>2014</u>	<u>2013</u>	<u>2012</u>
		<i>(In thousands)</i>	
Buildings and improvements	\$ 494,333	\$ 492,747	\$ 480,218
Machinery and equipment	171,531	171,649	161,265
Capital Assets, depreciable	665,864	664,396	641,483
Accumulated depreciation	(584,582)	(568,150)	(548,701)
Land	22,647	22,647	22,647
Construction in progress	31,034	27,854	25,381
Capital Assets, Net	\$ 134,963	\$ 146,747	\$ 140,810

Additional information concerning the changes in the Department's capital assets can be found in Note 3 to the financial statements.

Fiscal Year 2013

As of September 30, 2013, the Department had approximately \$147 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents an increase of \$6 million from \$141 million at September 30, 2012. This increase reflects the effects of asset additions, partially offset by depreciation expense combined with the write-off of assets which were approved for deletion because these could not be located during prior fiscal years' (fiscal years 2011 and 2009) capital physical inventory.

Major capital assets activity during fiscal year 2013 included the following:

- Projects continued in connection with the 58 Street Truck Wash Facility, Collection 3A New Facility Building, Collection 58 Street Building Renovation, Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, 58 Street Guardhouse & Drainage Improvements, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facility Back-up Generator, Disposal Facilities Improvements, Disposal Scalehouse Ex-

pansion Project, Northeast Transfer Station - Tunnel Roof, Northeast Transfer Station - Surge Pit Tipping Floor Roof, Northeast Transfer Station- New Surge Pit Crane, Northeast Transfer Station – 3A New Facility, miscellaneous projects at the Resources Recovery Facility, Replacement of Scales at Disposal Facilities, South Dade Ground Water Trench, South Dade Landfill Cell 5 Construction and West Transfer Station - Tipping Floor. The projects listed herein exclude the closure projects discussed below.

- It should be noted that while included in the Department’s capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, certain costs of closure projects incurred in fiscal year 2013 have been excluded from property, plant and equipment in the summary table below. During fiscal year 2013, the Department contributed approximately \$1.5 million to these closure projects. Additional information concerning the Department’s closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.
- Capital project additions during fiscal year 2013 totaled \$13 million.

During fiscal year 2013, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department’s capital assets.

Long-term Debt

Fiscal Year 2014

At September 30, 2014, the Department had approximately \$123.3 million in bonds payable and subordinate debt outstanding, as compared to approximately \$137.8 million at September 30, 2013. Of this \$123.3 million total, \$121.7 million in bonds payable are secured by a prior lien upon a pledge of the Pledged Revenues of the System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2014 as compared to \$134.3 million at September 30, 2013. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2014, the Department’s debt service coverage equaled 231%, as compared to 164% in the fiscal year ended September 30, 2013. This increase in coverage is attributed to higher Net Operating Revenues (NOR). The increase in NOR resulted from the decrease in operating expenses combined with higher interest income eligible for debt service coverage and slightly lower costs for closure and postclosure costs for the Main Landfill, partially offset by lower operating revenues. The debt service coverage calculation herein excludes the \$45 thousand loss in connection with the decline in the fair value of the interest rate swap reported as derivative instrument investment pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, “Accounting and Financial Reporting for Derivative Instruments” (GASB 53), see Note 15 to the financial statements. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2014, the calculation of debt service coverage resulting in 231% excludes adjustments to Net Operating Revenues from the Rate Stabilization Fund.

The remaining balance of \$1.6 million in debt reflects the balance outstanding at September 30, 2014, for Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2013B and Sunshine State Loans, Series I, 2005 and Series I, 2006 allocated to the Department (the Sunshine State Loans were restructured under the Series 2011A Loan Agreement during fiscal year 2011, see Note 4 to the financial statements). This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt.

Total debt decreased approximately \$14.5 million during fiscal year 2014. This decrease reflects the combined effects of debt reductions resulting from debt amortization changes, debt payments, and the corresponding amortization of premium, discount, and deferred amounts recorded during fiscal year 2014 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2014.

During February 2005, the Department updated its bond ratings with each of the three major rating agencies. The ratings received were as follows: Aaa from Moody's Investors Service, Inc., AAA from Standard and Poor's Credit Market Services, and AAA from Fitch Ratings.

On September 13, 2011, Fitch Ratings upgraded the underlying 'A' rating (affirmed on September 23, 2009) to 'A+'. On December 9, 2011, Moody's Investors Service affirmed the underlying A2 rating.

On August 28, 2013, Moody's Investors Service affirmed the underlying A2 rating and revised the outlook to negative. On September 5, 2013, Fitch Ratings affirmed the underlying 'A+' rating and revised the outlook to negative.

On June 20, 2014, Standard & Poor's Ratings Services raised its rating to 'A+' from 'A' with a stable outlook. On August 28, 2014, Fitch Ratings affirmed its 'A+' rating and the outlook remained negative.

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The summary of the Department's debt obligations at September 30, (Table V) is shown below:

TABLE V

Miami-Dade County, Florida
 Public Works and Waste Management Department
 Waste Management Enterprise Fund
 Summary of the Department's Debt Obligations

September 30, 2014
(In thousands)

	Amount Outstanding	Interest Rates
Revenue Bonds	\$ 121,665	3.65-5.5%
County Special Obligation Bonds	398 (1) (2)	2.25-5.0%
Sunshine State Loans	1,229 (2)	5%
Total	<u>\$ 123,292</u>	

- (1) Reflects the effects of partial refunding of Series 2004B by 2013B.
 (2) County Special Obligation Bonds and Sunshine State Loans deferred gains on refunding were reclassified to Deferred Inflows of Resources per GASB Statement No. 65.

September 30, 2013
(In thousands)

	Amount Outstanding	Interest Rates
Revenue Bonds	\$ 134,283	3.65-5.5%
County Special Obligation Bonds	826 *	2.25-5.0%
Sunshine State Loans	2,667	5%
Total	<u>\$ 137,776</u>	

* Reflects the effects of partial refunding of Series 2004B by 2013B.

September 30, 2012
(In thousands)

	Amount Outstanding	Interest Rates
Revenue Bonds	\$ 148,066	3.65-5.5%
County Special Obligation Bonds	3,738	2.0-5.0%
Sunshine State Loans	3,866	5%
Total	<u>\$ 155,670</u>	

Additional information concerning the WM's outstanding long-term debt and coverage calculations can be found in Note 4 to the financial statements and Table XII of the Statistical Section of this report.

Fiscal Year 2013

At September 30, 2013, the Department had approximately \$137.8 million in bonds payable and subordinate debt outstanding, as compared to approximately \$155.7 million at September 30, 2012. Of this \$137.8 million total, \$134.3 million in bonds payable are secured by a prior lien upon a pledge of the Pledged Revenues of the

System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2013 as compared to \$148.1 million at September 30, 2012. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2013, the Department's debt service coverage equaled 164%, as compared to 231% in the fiscal year ended September 30, 2012. This decrease in coverage is attributed to lower Net Operating Revenues (NOR). The decrease in NOR resulted from the decrease in operating revenues and in interest income eligible for debt service coverage combined with higher operating expenses described above, partially offset by lower costs for closure and postclosure costs for the Main Landfill. The debt service coverage calculation herein excludes the \$558 thousand loss in connection with the decline in the fair value of the interest rate swap reported as derivative instrument investment pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53), see Note 15 to the financial statements. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2013, the calculation of debt service coverage resulting in 164% includes no adjustment to Net Operating Revenues from the Rate Stabilization Fund.

The remaining balance of \$3.5 million in debt reflects the balance outstanding at September 30, 2013, for the County's Capital Asset Acquisition Special Obligation Bonds, Series 2004B (partially refunded with Series 2013B on September 26, 2013, see Note 4 to the financial statements), Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2013B and Sunshine State Loans, Series I, 2005 and Series I, 2006 allocated to the Department (the Sunshine State Loans were restructured under the Series 2011A Loan Agreement during fiscal year 2011, see Note 4 to the financial statements). This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt.

Total debt decreased approximately \$17.9 million during fiscal year 2013. This decrease reflects the combined effects of debt reductions resulting from debt payments, debt refunding, and the corresponding amortization of premium, discount, and deferred amounts recorded during fiscal year 2013 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2013.

During February 2005, the Department updated its bond ratings with each of the three major rating agencies. The ratings received were as follows: Aaa from Moody's Investors Service, Inc., AAA from Standard and Poor's Credit Market Services, and AAA from Fitch Ratings.

On September 13, 2011, Fitch Ratings upgraded the underlying 'A' rating (affirmed on September 23, 2009) to 'A+'. On December 9, 2011, Moody's Investors Service affirmed the underlying A2 rating.

On August 28, 2013, Moody's Investors Service affirmed the underlying A2 rating and revised the outlook to negative. On September 5, 2013, Fitch Ratings affirmed the underlying A+ rating and revised the outlook to negative.

Economic Factors and Next Year's Budget and Rates

- Miami-Dade County's population increased in fiscal year 2014 by 0.2% as reported by the Planning Division's Research Section of Miami-Dade County's Department of Regulatory and Economic Resources. During the fiscal year ended September 30, 2014 the average annual number of household (residential) units, household/commercial accounts and commercial accounts serviced by the Department increased 0.55%. During the previous two fiscal years the average annual number of household units, household/commercial accounts and commercial accounts increased/ (decreased) 0.12% and (0.27%) per year (for fiscal year 2013 and fiscal year 2012, respectively). Information concerning the Department's average annual number of household units, household/commercial accounts and commercial accounts can be found in Table V of the Statistical Information Section of this report.
- The numbers of disposal equivalent revenue tons have been 1.627, 1.522 and 1.509 million for fiscal years 2014, 2013 and 2012, respectively. Information concerning the Department's disposal equivalent revenue tons can be found in Table III A of the Statistical Information Section of this report.

All these factors were considered in the preparation of the Department's budget for fiscal year 2015.

The Adopted Budget for fiscal year 2015 includes:

- A disposal contract tipping fee of \$66.34. This 2.3% increase over fiscal year 2014 reflects the change in the consumer price index stipulated for this fee.
- The annual fee for curbside collection remained at \$439 per household.
- The balance in the Disposal Fund's Rate Stabilization Reserves was \$20.7 million as of September 30, 2014. The Adopted Budget for fiscal year 2015 does not anticipate the use of funds from Rate Stabilization.
- An increase from 3.5% to 4% on the Department's share of the fee charged on water and wastewater bills countywide.
- An annual fee of \$79.50 per cart (subject to annual adjustment in future fiscal years) to cover the cost of providing twice-weekly curbside collection service for each additional green (waste) cart held by a household. Each property owner has the option to discontinue the curbside collection service for any additional green cart by filing with the Department a "Cancellation Form for Additional Green Waste Cart Service" by April 15, 2015.

Request For Information

This financial report is designed to provide customers, creditors and other interested parties with a general overview of the Department's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed in writing to the Controller, Public Works and Waste Management Department, 2525 NW 62 Street, 5th Floor, Miami, Florida 33147.

Waste Management Enterprise Fund
An Enterprise Fund of Public Works and Waste Management Department
A Department of Miami-Dade County, Florida
Statements of Net Position

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 6,734	\$ 53
Investments	175,968	168,420
Accounts receivable, net of allowance of \$253 and \$255, respectively	12,363	13,651
Due from other governments	141	148
Loans receivable from other County funds	169	298
Total Unrestricted Current Assets	195,375	182,570
Current Restricted Assets		
Cash and cash equivalents	7,132	5,370
Investments	117	1,533
Accounts receivable	10,480	10,041
Total Restricted Current Assets	17,729	16,944
Total Current Assets	213,104	199,514
NON-CURRENT ASSETS		
Derivative Instrument Investment	-	45
Restricted Assets		
Cash and cash equivalents	9,508	9,864
Investments	103,286	107,150
Total Restricted Non-Current Assets	112,794	117,014
Capital Assets		
Land	22,647	22,647
Buildings and improvements, net of depreciation	41,547	49,128
Furniture, Fixtures, Machinery and Equipment, net of depreciation	39,735	47,118
Construction in progress	31,034	27,854
Total Capital Assets, net	134,963	146,747
Other Assets		
Loans receivable from other County funds	337	1,025
Other	1,789	1,878
Total Other Assets	2,126	2,903
Total Non-Current Assets	249,883	266,709
Total Assets	\$ 462,987	\$ 466,223

Continued

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

Waste Management Enterprise Fund
 An Enterprise Fund of Public Works and Waste Management Department
 A Department of Miami-Dade County, Florida

Statements of Net Position

Continued

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Liabilities		
CURRENT LIABILITIES		
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	\$ 8,528	\$ 13,582
Due to other County funds	1,860	1,524
Compensated absences	3,425	3,713
Other current liabilities	529	633
Liability for closure and postclosure care costs	1,821	2,166
Total Payable from Unrestricted Assets	16,163	21,618
Payable from Restricted Assets		
Accounts payable	101	68
Accrued interest payable	2,369	2,495
Bonds and loans payable	15,259	14,381
Total Payable from Restricted Assets	17,729	16,944
Total Current Liabilities	33,892	38,562
Long-Term Liabilities		
Long-term portion of bonds and loans payable, net of unamortized premiums and discounts	108,033	123,395
Liability for closure & postclosure care costs	77,619	86,593
Compensated absences	11,469	12,138
Other long-term liabilities	52	56
Other postemployment benefits	2,049	1,952
Total Long-Term Liabilities	199,222	224,134
Total Liabilities	233,114	262,696
Deferred Inflows of Resources		
Deferred gain on refunding	155	-
Total Liabilities and Deferred Inflows	233,269	262,696
Net Position		
Net investment in capital assets	55,687	55,913
Restricted for:		
Debt service	14,298	14,033
Groundwater protection	10,480	10,041
Rate stabilization	20,686	20,686
Operating reserve	38,418	39,693
Total Restricted	83,882	84,453
Unrestricted	90,149	63,161
Total Net Position (as restated)	\$ 229,718	\$ 203,527

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

Waste Management Enterprise Fund
An Enterprise Fund of Public Works and Waste Management Department
A Department of Miami-Dade County, Florida

Statements of Revenues, Expenses and Changes in Fund Net Position

	For the Fiscal Years Ended September 30,	
	2014	2013
	<i>(In thousands)</i>	
Operating Revenues		
Solid waste disposal services	\$ 64,342	\$ 58,758
Solid waste collection services	143,703	135,376
Utility service fees	24,290	22,490
Electricity sales	14,079	31,453
Other operating revenues	14,983	14,779
Total Operating Revenues	261,397	262,856
Operating Expenses		
Landfill & disposal operations, including change in closure & postclosure care cost estimates for active landfills	21,664	18,086
Waste-to-energy	63,465	80,874
Transfer operations	22,784	20,733
Garbage collection	41,151	39,607
Trash collection	25,002	22,701
Recycling	9,361	9,338
Litter control	907	1,010
Facility maintenance	2,755	2,378
Enforcement and environmental compliance	5,765	5,829
General and administrative	25,644	31,306
Subtotal	218,498	231,862
Depreciation	19,003	19,469
Closure & Postclosure Care Costs for Inactive Landfills	(11,003)	192
Total Operating Expenses	226,498	251,523
Operating Income	34,899	11,333
Non-Operating Revenues (Expenses)		
Interest income	752	(539)
Interest expense	(4,937)	(5,598)
Closure grants	(2,863)	(4,308)
Other Income (expense), net	(2,397)	3,935
Total Non-Operating Expenses, Net	(9,445)	(6,510)
Contributions	737	4,184
Changes in Net Position	26,191	9,007
Total Net Position, beginning of the year (as restated)	203,527	194,520
Total Net Position, end of the year (as restated)	\$ 229,718	\$ 203,527

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

Waste Management Enterprise Fund
 An Enterprise Fund of Public Works and Waste Management Department
 A Department of Miami-Dade County, Florida

Statements of Cash Flows

	For the Fiscal Years Ended September 30,	
	2014	2013
	<i>(In thousands)</i>	
Cash Flows From Operating Activities:		
Cash received from fees and charges	\$ 262,124	\$ 264,575
Cash paid to suppliers	(153,831)	(164,065)
Cash paid for closure and long-term care costs	(966)	(4,410)
Cash paid to employees for services	(66,143)	(64,188)
Net cash provided by operating activities	41,184	31,912
Cash Flows From Noncapital Financing Activities:		
Grant funds received from FEMA	-	263
Resource Recovery Arbitrage Rebate	(187)	-
Other	(7)	-
Contribution for the Save Our Seniors Homeowner's Relief Fund	(2,525)	-
Net cash provided by (used in) non capital financing activities	(2,719)	263
Cash Flows From Capital and Related Financing Activities:		
Principal additions on bonds and loans payable	-	406
Principal payments on bonds and loans payable	(15,392)	(16,105)
Interest paid	(5,000)	(7,460)
Proceeds from the sale of property and equipment	81	-
Contribution for the construction of capital assets	737	4,184
Acquisition and construction of capital assets	(6,808)	(24,101)
Landfill closure grant expenses	(2,824)	(4,308)
Net cash used in capital and related financing activities	(29,206)	(47,384)
Cash Flows From Investing Activities:		
Proceeds from sale and maturity of investments	277,103	285,318
Purchases of investments	(279,371)	(277,103)
Interest earned on investments	797	19
Receipts from loan to other County fund for land purchases	299	299
Net cash provided by (used in) investing activities	(1,172)	8,533
Net increase (decrease) in cash and cash equivalents	8,087	(6,676)
Cash and cash equivalents, beginning of year	15,287	21,963
Cash and cash equivalents, end of year	\$ 23,374	\$ 15,287
Classified As:		
Unrestricted cash and cash equivalents	\$ 6,734	\$ 53
Restricted cash and cash equivalents	16,640	15,234
Total	\$ 23,374	\$ 15,287

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

Waste Management Enterprise Fund
An Enterprise Fund of Public Works and Waste Management Department
A Department of Miami-Dade County, Florida

Statements of Cash Flows

	For the Fiscal Years Ended September 30,	
	2014	2013
	<i>(In thousands)</i>	
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating income	\$ 34,899	\$ 11,333
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	19,003	19,469
Change in closure and postclosure care liability	(8,307)	(1,081)
Amortization	(55)	-
Bad Debt Write Off	519	-
(Increase) decrease in assets:		
Accounts receivable	849	1,703
Due from other governments & other County funds	7	16
Other assets	89	250
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(4,222)	3,629
Compensated absences	(957)	697
Other current liabilities	(104)	213
Due to other County funds	336	(111)
Liability for closure and postclosure costs	(966)	(4,410)
Other long-term liabilities	93	204
Net Cash Provided by Operating Activities	\$ 41,184	\$ 31,912

Noncash Investing, Capital and Financing Activities:

The fair value of investments decreased by approximately \$164,000 and approximately \$330,000 in fiscal years 2014 and 2013, respectively.

The change in the fair value of Waste Management's swap as of September 30, 2014 and 2013 was \$45 thousand and \$558 thousand, respectively.

The accounts payable balance included \$241 thousand and \$853 thousand in capital assets payable as of September 30, 2014 and 2013, respectively.

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

Notes to Financial Statements

September 30, 2014 and 2013

1. General and Summary of Significant Accounting Policies

Reporting Entity – On September 22, 2011, the Miami-Dade County Board of County Commissioners approved the County’s fiscal year 2012 budget. This budget reduced the number of county departments from 42 to 25, in an effort to build a more efficient County government to better serve taxpayers. The combination of Solid Waste and Public Works was to eliminate administrative duplication supporting the operational units translating in more resources being funneled to core missions and direct services. The County’s evaluation of these two departments’ functions revealed opportunities that lent themselves to this consolidation. As a result, the Department of Solid Waste Management and the Public Works Department commenced to merge their activities on October 1, 2011, as the newly formed Public Works and Waste Management Department (the “Department”/“PWWM”). In this Report, references to Public Works and Waste Management Department, “PWWM”, the “Department”, Waste Management and “WM” represent the activities of the Waste Management Enterprise Fund only.

Since the merger, the activities of the former Miami-Dade County Department of Solid Waste Management have been carried out by the Waste Management Enterprise Fund (“Waste Management”/“WM”).

Waste Management provides solid waste collection services for unincorporated Miami-Dade County and some municipalities in addition to solid waste disposal services for all of Miami-Dade County. Under the provisions of the State of Florida 1988 Solid Waste Management Act, the County is responsible for providing sufficient solid waste disposal capacity for all of Miami-Dade County based on a defined “Level of Service Standard”, as required by the 1985 State of Florida Growth Management Act.

The financial statements present only the financial position, results of operations and the cash flows of the Waste Management Enterprise Fund, in conformity with accounting principles generally accepted in the United States of America, and are not intended to present fairly the financial position, results of operations and the cash flows of the Public Works and Waste Management Department, as a whole, or of Miami-Dade County, Florida.

Measurement Focus and Basis of Accounting – Waste Management operates as a self-supporting governmental enterprise fund of the County. An enterprise fund is used to account for operations that recover the cost of services provided from user charges. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred regardless of the related cash flow.

The accompanying financial statements combine the accounts of the Waste Collection and Disposal Systems to provide meaningful information with respect to Waste Management. All significant inter-system transactions have been eliminated.

Use of Estimates – The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect

the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition – All waste collection (including waste collection services and other operating revenues) and disposal revenues (including waste disposal services, utility service fees, electricity sales and other operating revenues) are recognized when the related services are provided.

Operating and non-operating revenues – The Department distinguishes operating revenues and expenses from non-operating items in its statement of revenues, expenses and changes in net position. In general operating revenues result from charges to customers for the use of the Department's services. Operating expenses relate to the cost of providing those services including administrative expenses, depreciation and depletion of capital assets, and closure and postclosure care for active and inactive landfills.

All other revenues and expenses that do not result from the Department's ongoing operations are considered to be non-operating. Non-operating items include but are not limited to investment earnings, interest expense, grants, and hurricane expenses, if any.

Cash and Cash Equivalents – Cash includes cash on hand, amounts in demand deposits, and positions in investment pools that can be deposited or withdrawn without notice or penalty. Cash equivalents are short-term, highly liquid securities with known market values and maturities, when acquired, of less than three months. The department maintains substantially all of its cash and investments with the County's pool of cash and investments, except for those situations in which certain agreements require separate cash and investment accounts to be maintained in accordance with legal restrictions. For additional information refer to Note 2.

Investments – The investments of the Department are part of the County's investment pool. 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 changes in fair value are recognized during the year.

Derivative Instrument Investment – The Department has entered into an interest rate swap which is being reported at fair value in the Statements of Net Position and changes in the fair value are reported as investment (interest) income in the Statements of Revenues, Expenses and Changes in Fund Net Position. The interest rate swap has terminated effective October 1, 2013. Additional information can be found in Notes 13 and 15.

Restricted Assets – Assets restricted by specific bond covenants, enabling legislation and other legal requirements are presented as restricted assets on the Statements of Net Position.

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

Capital Assets and Depreciation – Property, plant and equipment are capitalized at cost, when cost exceeds

\$1,000. Contributions received from third parties are recorded at their fair market value on the date of contribution. Expenses for maintenance, repairs and minor renewals and betterments are expensed as incurred.

Annualized depreciation expense (including depreciation on contributed assets), expressed as a percentage of depreciable property, plant and equipment was 2.85% and 2.93% for the fiscal years ended September 30, 2014 and 2013, respectively. The Department utilizes the straight-line method of depreciation over the following estimated useful lives for the assets:

<u>Assets</u>	<u>Useful Life Years</u>
Buildings and improvements	10-25
Machinery and equipment	5-10

Intangible Assets – The Department capitalizes internally generated computer software under property plant and equipment. During developmental stage the costs are capitalized under Construction in Progress asset category. Once completed, the costs are reclassified to furniture, fixtures, machinery, and equipment asset category. The Department capitalized approximately \$1.7 and \$1.15 million of such assets as of September 30, 2014 and 2013, respectively.

Loans Receivable from Other County Funds – In fiscal year 2008, the Department made a loan to the Miami-Dade County Parks Department in the amount of \$1,686,400 for the acquisition of a 33.58 acre portion of the WM-owned NW 58th Street Landfill property, which was to be repaid in ten annual installments of \$168,640. Approximately \$1.18 and \$1.01 million had been repaid as of September 30, 2014 and 2013, respectively, leaving a remaining unpaid balance of \$506 thousand and \$675 thousand as of September 30, 2014 and 2013, respectively. In fiscal year 2009, the Department made another loan in the amount of \$1,297,960 for the acquisition of a 19.81 acre portion of the WM-owned NW 58 Street Landfill to the Miami-Dade County Police Department. This loan was to be repaid in ten annual installments of \$129,796. Approximately \$779 thousand and \$649 thousand had been repaid as of September 30, 2014 and 2013, respectively. The County’s Office of Management and Budget approved a write-off of the remaining balance of this loan after recording the payment due on fiscal year 2014. As a result, the unpaid balance of \$519 thousand was written off as of September 30, 2014.

Net Position – Equity in the Department’s Statements of Net Position is displayed in three categories: 1) net investment in capital assets, (2) restricted, 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 debt proceeds. Net position is reported as restricted when there are third party limitations (statutory, enabling legislation, contractual or bond covenant) on their use. Unrestricted net position consists of all net position that does not meet the definition of either of the other two components.

Pollution Remediation Obligations – In accordance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, the Department conducts typical remediation activities such as site investigation, planning and design, cleanup and site monitoring activities. As of September 30, 2014, all remediation obligations were related to groundwater, freshwater and coastal wetlands. Therefore, the Department has included the corresponding remediation costs in the closure and postclosure care estimates affecting the liability for closure and postclosure care costs. For additional information refer to Note 11.

Interest on Indebtedness – Interest is charged to expense as incurred net of the amount of interest that is capitalized. The capitalized interest is determined by applying the Department’s weighted average interest rate on tax-exempt borrowings to the average amount of accumulated construction in progress during the period, net of any interest earned on the funds borrowed for construction of capital assets. Interest expense for the fiscal years ended September 30, 2014 and 2013 was \$4.9 and \$5.6 million, respectively. These amounts are net of capitalizable interest totaling \$1.20 and \$1.15 million in fiscal years 2014 and 2013, respectively.

New Accounting Pronouncements - In the current year, the Department adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. The objective of this Statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The impact to the financial statements presented herein related to the adoption of GASB Statement No. 65 was the reclassification as Deferred Inflows of Resources of balances in connection with deferred gains in refunding/restructuring of debt and the write-off of bond issuance costs as reflected on the paragraphs below.

Bond Premium, Discount, Deferred Gain on Debt Refunding – Premiums and discounts on bonds and notes payable are amortized using the straight-line method over the life of the related bond issues since, in the opinion of management, the results are not significantly different than those obtained by using the effective interest method of amortization. Deferred gains were reclassified from long-term debt to deferred inflows of resources in fiscal year 2014.

Restatement of Prior Year Financial Statements – Pursuant to GASB Statement No. 65, bond issuance costs should be expensed at the time of the issuance. The effect of adopting GASB No. 65 was as follows:

	<u>(In Thousands)</u>
Net Position at September 30, 2012 (as previously reported in fiscal year 2013)	\$ 196,507
Decrease in unamortized issuance cost	<u>(1,987)</u>
Net Position at September 30, 2012 (as restated)	<u>\$ 194,520</u>

The accounting changes resulted from this implementation have been applied retroactively by restating the beginning net position. The restatement impacted total assets and net investment in capital assets in fiscal year 2013 by a reduction of approximately \$2 million.

Grants from Government Agencies – The Department records grant revenues when all eligibility requirements are met under the appropriate grant terms. This normally occurs as amounts are expended and become reimbursable from the granting agency.

Pension Plan – The Department contributes on behalf of the County to the Florida Retirement System, a cost-sharing multi-employer plan. Contributions are expensed as incurred based on the number of employees charged to the Department (see Note 7).

Postemployment Benefits Other than Pensions – The Department 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 8).

Compensated Absences – The cost of accumulated vacation and sick time is recorded when earned by the employees. This liability is based on the employees’ right to receive compensation for future absences at the time of the absence, or upon termination or retirement.

2. Cash, Cash Equivalents and Investments

Deposits and Investments

The County is responsible for all treasury functions and pools all cash and investments, except for separate cash and investment accounts which are maintained under legal restrictions. The Department’s equity share of the total pooled cash and investment is included in the accompanying Statements of Net Position under the current and restricted captions “Cash and cash equivalents” or “Investments”. The Department’s cash and cash equivalents and investments at September 30, 2014, and 2013, included the following (in thousands):

	<u>2014</u>	<u>2013</u>
Unrestricted:		
Current cash and cash equivalents (1)	\$ 6,734	\$ 53
Current investments (2)	175,968	168,420
Restricted:		
Current and non-current cash and cash equivalents (1)	3,695	33
Current and non-current investments (2)	103,403	108,683
Total in pooled cash and cash equivalents and investments	<u>\$ 289,800</u>	<u>\$ 277,189</u>
Cash with fiscal agent, for debt service	\$ 112	\$ 112
Cash with fiscal agent, for landfill closure grants	12,833	15,089
Total non-pooled	<u>\$ 12,945</u>	<u>\$ 15,201</u>
Total in pooled and non-pooled cash and cash equivalents and investments	<u>\$ 302,745</u>	<u>\$ 292,390</u>

(1) For FY 2014, the County’s percentage-split between investments and cash and cash equivalents yielded 96.55% of the pool for investments and 3.45% for cash and cash equivalents.

(2) The County classifies interest bearing money market accounts as investments.

Information regarding credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for pooled cash and cash equivalents and investments can be found in the County's footnotes to the financial statements included in the separate County's Comprehensive Annual Financial Report. The County's pool is not rated and it has an average maturity of 260 days.

Included in cash and cash equivalents are funds held as cash with fiscal agent for debt service and amounts held pursuant to the Munisport Closure Grant as shown above (see Note 14). As of September 30, 2014 the total balance of Closure Grant Funds is held in money market accounts. All the Closure Grant Funds are classified as restricted assets in the financial statements herein. None of the Closure Grant Funds are part of the County's pool. The municipality managed the investment portfolios for these funds. The following is information regarding the closure grant funds.

Deposits, Investments and Custodial Credit Risk

In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under the Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral.

In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as deposits are insured or collateralized under the Florida Security for Public Deposits Act.

As required by Florida Statutes, the municipality has adopted a written investment policy, which may, from time to time, be amended by the municipality. Investments are made in accordance with provisions of the Florida Statutes and the municipality's bylaws. The city is authorized to invest in obligations of the U.S. Treasury, its agencies, instrumentalities and the State Board of Administration Investment Pool.

Interest Rate Risk

The municipality's investment policy limits the maturities on individual investments to no more than five years. The investments at September 30, 2014 met the municipality's investment policy restrictions.

Credit Risk

The municipality has an investment policy that limits investments to the highest rating by two national recognized statistical rating organizations, Standard and Poor's and Moody's Investment Services. Excess funds are sent to the Florida State Board of Administration for investment.

Concentration Credit Risk

The municipality's investment policies limit its investments to no more than 15% in any one issuer. This includes certificates of deposit, U.S. Federal Agencies, and federal instrumentalities. The maximum limit for total investments varies from 35% to 60%. The municipality does not have an issuers limit for the State Board of Administration Trust Funds. The municipality has no single investment in one issuer of 5% or more.

3. Capital Assets

Capital assets activity for each of the years ended September 30, 2014 and September 30, 2013 was as follows:

(In Thousands)

	Balance at 10/1/2013	Additions/ Reclassification	Deletions/ Reclassification	Balance at 9/30/2014
Land	\$ 22,647	\$ -	\$ -	\$ 22,647
Construction in Progress	27,854	5,362	2,182	31,034
Total Non-depreciable Assets	50,501	5,362	2,182	53,681
Building & Building Improvements				
Building Improvements	507	-	-	507
Buildings	315,858	1,586	-	317,444
Total Buildings & Improvements	316,365	1,586	-	317,951
Other Improvements (Including Landfills)	176,382	-	-	176,382
Furniture, Fixtures, Machinery & Equipment				
Machinery, Equipment & Furniture	48,739	290	239	48,790
Automotive Equipment	121,821	2,309	2,478	121,652
Other Items	1,089	-	-	1,089
Total Furniture, Fixtures, Machinery & Equipment	171,649	2,599	2,717	171,531
Total Depreciable Assets	664,396	4,185	2,717	665,864
Less Accumulated Depreciation for:				
Buildings & Building Improvements	283,505	1,927	-	285,432
Other Improvements	160,114	7,240	-	167,354
Furniture, Fixtures, Machinery & Equipment	124,531	9,836	2,571	131,796
Total Accumulated Depreciation	568,150	19,003	2,571	584,582
Total Depreciable Assets, Net	96,246	(14,818)	146	81,282
Total Capital Assets, Net	\$ 146,747	\$ (9,456)	\$ 2,328	\$ 134,963

Construction in progress additions and deletions include \$564 and \$596 thousand, respectively, for landfill closure and \$1.2 million in capitalized interest additions.

Continued

(In Thousands)

	Balance at 10/1/2012	Additions/ Reclassification	Deletions/ Reclassification	Balance at 9/30/2013
Land	\$ 22,647	\$ -	\$ -	\$ 22,647
Construction in Progress	25,381	12,965	10,492	27,854
Total Non-depreciable Assets	48,028	12,965	10,492	50,501
Building & Building Improvements				
Building Improvements	507	-	-	507
Buildings	309,974	5,884	-	315,858
Total Buildings & Improvements	310,481	5,884	-	316,365
Other Improvements (Including Landfills)	169,737	6,645	-	176,382
Furniture, Fixtures, Machinery & Equipment				
Machinery, Equipment & Furniture	53,824	341	5,426	48,739
Automotive Equipment	106,352	15,486	17	121,821
Other Items	1,089	-	-	1,089
Total Furniture, Fixtures, Machinery & Equipment	161,265	15,827	5,443	171,649
Total Depreciable Assets	641,483	28,356	5,443	664,396
Less Accumulated Depreciation for:				
Buildings & Building Improvements	281,242	2,263	-	283,505
Other Improvements	153,690	6,424	-	160,114
Furniture, Fixtures, Machinery & Equipment	113,769	10,782	20	124,531
Total Accumulated Depreciation	548,701	19,469	20	568,150
Total Depreciable Assets, Net	92,782	8,887	5,423	96,246
Total Capital Assets, Net	\$ 140,810	\$ 21,852	\$ 15,915	\$ 146,747

Construction in progress additions and deletions include \$1.5 and \$3.2 million, respectively, for landfill closure and \$1.2 million in capitalized interest additions.

4. Long-Term Debt

Long-term debt includes various bonds and loans payable which have been issued or approved by the County for the construction and improvement of the Department's waste collection and disposal infrastructure systems, and for the acquisition of certain capital assets. See Note 5 Restricted Assets, for a discussion of the accounts used in accounting for proceeds and collateral pledged as a result of the issuance of the various forms of debt.

General covenants, along with debt service requirements, are as follows:

Miami-Dade County Revenue Bonds Series 1998 – On August 19, 1998, the County issued \$60 million of Miami-Dade County Solid Waste System Revenue Bonds Series 1998 (“the Series 1998 Revenue Bonds”).

The Series 1998 Revenue Bonds are secured by the operating revenues of the Department, with principal payable annually on October 1 through the year 2018, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 3.65% to 5.1%. The required operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2014 and 2013.

The proceeds of \$60 million were used to: (1) pay the principal balance of \$50 million on the Dade County, Florida Solid Waste System Bond Anticipation Notes, Series 1997 which matured on September 1, 1998 (2) provide \$7.8 million for capital projects (additional various capital projects of the 1997 CIP Project which includes closure, new landfill cells construction, groundwater monitoring wells construction, leachate collection and treatment improvements construction and construction of transfer station improvements), and (3) pay the costs of issuance for the Series 1998 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Revenue Bonds Series 2001 – On February 28, 2001, the County issued \$40.3 million of Miami-Dade County Solid Waste System Revenue Bonds, Series 2001 (“the Series 2001 Revenue Bonds”).

The Series 2001 Revenue Bonds are secured by the operating revenues of the Department, with principal payable annually on October 1 through the year 2020, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.375% to 5.50%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2014 and 2013.

The proceeds of \$41.1 million, including the bond premium, were used to: (1) pay \$40 million of the Costs for the 1997 Project (such portion of the Costs of the 1997 Project constituting a Project for purposes of the Series 2001 Resolution which continues to fund the Capital Improvement Program (CIP), completes ongoing projects and fund new projects. These projects include North Dade Landfill Gas Extraction System and Leachate Pre-treatment, Old South Dade Landfill Closure Enhancement, Resource Recovery Cell 17 Closure and Central and Northeast Transfer Stations' compactors overhaul), and (2) pay the costs of issuance for the Series 2001 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Revenue Bonds Series 2005 – On April 21, 2005, the County issued \$73.5 million of Miami-Dade County Solid Waste System Revenue Bonds Series 2005 (“the Series 2005 Revenue Bonds”).

The Series 2005 Revenue Bonds are secured by the operating revenues of the Department, with principal payable annually on October 1 through the year 2030, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.04% to 5.25%. A portion of these bonds were sold as capital appreciation bonds (\$35 million original principal amount) and others were sold as current interest bonds (principal amount \$23.7 million). The required operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2014 and 2013.

The proceeds of \$76 million, including the bond premium, were for the purpose of (1) paying or reimbursing the County for the costs of certain solid waste disposal projects (such as closure of former Munisport Landfill located in the City of North Miami (\$31 million); closure of the former municipal landfill located in the City of Homestead (\$7.5 million); closure of Cell Three located at the South Miami-Dade Landfill (\$6.7 million); closure of former Virginia Key Landfill located in the City of Miami, Phase 1 (\$27.6 million); closure study of former Virginia Key Landfill located in the City of Miami (\$650,000); construction of groundwater remediation project at the North Miami-Dade Landfill (\$1.5 million); and (2) pay the costs of issuance for the Series 2005 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2013B Refunding – On September 26, 2013, the County issued Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2013B (“the Series 2013B Bonds”) which were allocated to the Department to partially defease the Department's share of Miami-Dade County Capital Asset Acquisition Bonds, Series 2004B (“the Series 2004B Bonds”). The difference between the total amount defeased on Series 2004B, and the total additions from Series 2013B Bonds, resulted in a deferred gain on refunding of \$148 thousand. This deferred gain on refunding will be amortized throughout the remaining life of the bond. The deferred gain on refunding was reclassified from long-term debt, due to the implementation of GASB No. 65.

The Department pays the County for its share of the annual principal due on the Series 2013B Bonds, which started on April 1, 2014 and continues through the year 2016, along with its share of the semiannual interest payable on April 1 and October 1 (which started on April 1, 2014). Interest rates on the Series 2013B Bonds ranged from 4.00% to 5.00%.

Sunshine State Series 2011A Loan Agreement (formerly Series I, 2005) – On July 7, 2005, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed \$71 million in the form of a loan from the Sunshine State Governmental Financing Commission (the “Sunshine State Commission”), for the purpose of paying or reimbursing cost of certain capital costs; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On August 16, 2005, the County, on behalf of the Department entered into such loan agreement with the Sunshine State Commission in the amount of \$10.3 million. The 2005 Sunshine State Loan was a fully amortized loan with principal due annually beginning September 1, 2006 through its scheduled maturity date September 1, 2015.

Sunshine State Loan Restructuring – The Department's share of the Sunshine State Loans Series I, 2005 were part of the Series L Loans referred to above.

The portion of Series 2011A loans corresponding to the Series I, 2005 totaled \$5.1 million. A deferred gain on restructure of \$161 thousand was recognized as a result of the loan restructuring during fiscal year 2011. This deferred gain is being amortized throughout the life of the loan. The deferred gain on restructuring was reclassified from long-term debt, due to the implementation of GASB No. 65. This loan bears interest at a 5% fixed rate pursuant to the loan restructure.

Sunshine State Series 2011A Loan Agreement (formerly Series I, 2006) – On July 6, 2006, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed \$100 million in the form of a loan from the Sunshine State Governmental Financing Commission (the “Sunshine State Commission”), for the purpose of paying or reimbursing cost of certain capital costs; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On September 7, 2006, the County, on behalf of the Department entered into such loan agreement with the Commission in the amount of \$2.1 million. The 2006 Sunshine State Loan was a fully amortized loan with principal due annually beginning September 1, 2007 through its scheduled maturity date September 1, 2016.

Sunshine State Loan Restructuring – On March 30, 2011, the Sunshine State Commission priced a new series of bonds under the Multimodal Program in the amount of \$247.6 million (the “Series 2011A Bonds”). The Series 2011A Bonds are fixed rate bonds with a final maturity of September 1, 2027. The proceeds of \$247.6 million and the original issue premium in the amount of \$8.2 were lent to the County pursuant to a loan agreement (the “Series 2011A Loan Agreement”) on April 14, 2011 and were used to defease \$227.3 million of the outstanding County’s Series L Loans and \$28.4 million of the then outstanding County’s 1986 Loans. The Series 2011A Bonds closed on April 14, 2011. The Department’s share of the Sunshine State Loans Series I, 2006 were part of the Series L Loans referred to above.

The portion of Series 2011A loans corresponding to the Series I, 2006 totaled \$1.3 million. A deferred gain on restructure of \$42 thousand was recognized as a result of the loan restructuring during fiscal year 2011. This deferred gain is being amortized through out the life of the loan. The deferred gain on restructuring was reclassified from long-term debt, due to the implementation of GASB No. 65. This loan bears interest at a 5% fixed rate pursuant to the loan restructure.

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Summary of Outstanding Bonds and Loans (In thousands):

Description	Rate	Amount Issued	Maturity Date	Balance Outstanding
Series 98 Revenue Bonds	3.65-5.1%	\$ 60,000	10/01/2018	\$ 20,545
Plus: Unamortized Premium - 97 BANS				42
Less:				
Unamortized Discount				(219)
Current Portion				(3,735)
Total Long-term Bonds Payable on Series 1998				\$ 16,633
Series 01 Revenue Bonds	4.375-5.5%	\$ 40,395	10/01/2020	\$ 32,690
Plus: Unamortized Premium				179
Less: Current Portion				(2,805)
Total Long-term Bonds Payable on Series 2001				\$ 30,064
Series 05 Revenue Bonds	4.04-5.25%	\$ 73,507	10/01/2030	\$ 56,906
Accretion for Capital Appreciation Bonds				9,926
Plus: Unamortized Premium				1,596
Less: Current Portion-Accretion				(2,582)
Less: Current Portion				(4,983)
Total Long-term Bonds Payable on Series 2005				\$ 60,863
Series 13 Capital Asset Acquisition Special Obligation Refunding Bonds	4.00-5.00%	\$ 2,945	04/01/2016	\$ 367
Plus: Unamortized Premium				31
Less: Current Portion				(185)
Total Long-term Subordinate Debt Payable on Series 2013B				\$ 213
Series 2011A Loan Agreement (formerly Series I, 2005 Sunshine State Loan)	5%	\$ 10,289	09/01/2015	\$ 788
Less: Current Portion				(788)
Total Long-term Series 2011A Loan Agreement (formerly Sunshine State Loan Payable - Series I, 2005)				\$ 0
Series 2011A Loan Agreement (formerly Series I, 2006 Sunshine State Loan)	5%	\$ 2,053	09/01/2016	\$ 441
Less: Current Portion				(181)
Total Long-term Series 2011A Loan Agreement (formerly Sunshine State Loan Payable - Series I, 2006)				\$ 260
Total Long-term Bonds & Loans Outstanding, net of current portion at 09/30/14				\$ 108,033

Pursuant to GASB Statement No. 65, gain on refunding/restructure presented as:**Deferred Inflows of Resources**

Deferred gain on refunding - Series 2013B	\$ 98
Deferred gain on loan restructure - Series I, 2005	40
Deferred gain on loan restructure - Series I, 2006	17
Total Deferred Inflows	\$ 155

Debt Service Requirements - The Department's debt service requirements to maturity (net of the current portion) current value of deferred charges and unamortized premium/discount at September 30, 2014, are as follows:

Maturing in Fiscal Year	(In Thousands)		
	Principal	Interest	Total
2015	\$ 11,708	\$ 7,153	\$ 18,861
2016	11,757	7,089	18,846
2017	11,670	6,943	18,613
2018	11,802	6,811	18,613
2019	10,155	3,003	13,158
2020-2024	29,526	8,831	38,357
2025-2029	16,145	4,241	20,386
2030-2031	7,745	412	8,157
Subtotal	110,508	44,483	154,991
Accretions to date	9,926	-	9,926
Unamortized Premium/Discount, net	1,629	-	1,629
Series 2011A Loan Agreement (formerly Sunshine State Loan Series I, 2005)	788	39	827
Series 2011A Loan Agreement (formerly Sunshine State Loan Series I, 2006)	441	35	476
Current Portion	(15,259)	-	(15,259)
Total Bonds and Loans Outstanding, net of current portion	\$ 108,033	\$ 44,557	\$ 152,590

Pursuant to GASB Statement No. 65, gain on refunding/restructure presented as:

Deferred Inflows of Resources

Deferred gain on refunding - Series 2013B	\$ 98
Deferred gain on loan restructure - Series I, 2005	40
Deferred gain on loan restructure - Series I, 2006	17
Total Deferred Inflows	\$ 155

Debt Service Requirements for Series 2011A Loan Agreement (formerly Sunshine State Loan Series I, 2006):

Maturing in Fiscal Year	(In Thousands)		
	Principal	Interest	Total
2015	\$ 181	\$ 22	\$ 203
2016	260	13	273
Total	\$ 441	\$ 35	\$ 476

Debt Service Requirements for Series 2011A Loan Agreement (formerly Sunshine State Loan Series I, 2005):

Maturing in Fiscal Year	(In Thousands)		
	Principal	Interest	Total
2015	\$ 788	\$ 39	\$ 827
Total	\$ 788	\$ 39	\$ 827

Refer to Note 12 for additional information regarding beginning balance, additions, reductions and ending balance.

5. Restricted Assets

Restricted assets represent funds that are required to be segregated in restricted accounts under the terms of various debt agreements (see Note 4) and for compliance with Chapter 24 of the Miami-Dade County Code for water supply protection, planning, and programming, including without limitation, municipal solid waste landfill closure, environmental remediation at landfill sites, and land acquisition for purposes of water supply protection (see Note 10). Assets were restricted for the following purposes as of September 30, 2014 and 2013, respectively:

Assets Restricted For:	2014	2013
	<i>(in thousands)</i>	
Construction and Equipment	\$ 31,439	\$ 31,921
Debt Service (1)	16,667	16,528
Groundwater Protection	10,480	10,041
Landfill Closure Grants (2)	12,833	15,089
Rate Stabilization	20,686	20,686
Operating Reserve	38,418	39,693
Total	\$ 130,523	\$ 133,958

(1) This amount is presented net of accrued interest payable in the corresponding Net Position section of the Statements of Net Position.

(2) This amount is presented net of related debt in the corresponding Net position section of the Statements of Net Position.

6. Risk Management

The Department, along with certain other County departments, participates in the County's self-insurance programs. The County's Risk Management Division ("RMD") administers property, workers' compensation, general and automobile liability self-insurance programs. A large portion of the group medical insurance program is also self-insured and it is managed by an independent third party administrator. In addition, the County offers one fully insured HMO program.

The property self-insurance program covers the first \$5 million of property losses for most perils. A \$200 million self insured retention per occurrence applied to named windstorm losses. Named windstorm coverage is limited to \$725 million per occurrence. Insurance coverage is maintained with independent carriers for property losses in excess of self insured retention. The County maintains no excess coverage with independent insurance carriers for its workers' compensation, general liability, and auto liability self-insurance programs. There were no changes made to insurance coverage and no claims exceeded coverage for fiscal years 2014 and 2013, respectively. The estimated liability for reported and unreported claims of the self-insurance programs administered by the 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 estimate of incurred, but not reported losses is based on historical experience and is performed by an independent actuary. The Department paid approximately \$2.4 million in premium costs to the self-insured programs for the fiscal years ended September 30, 2014 and 2013. Premiums are charged to the various County departments based on amounts necessary to provide funding for current and anticipated losses.

7. Pension Plans and Other Employee Benefits

Pension Plans

The Department, as an enterprise fund of the County, participates in the Florida Retirement System ("FRS"), a cost-sharing, multiple-employer, public employee defined benefit retirement plan, which covers substantially all of the Department's full-time and eligible part-time employees. The FRS was created in 1970 by consolidating several employee retirement systems. All eligible employees as defined by the State who were hired after 1970 and those employed prior to 1970, who elect to be enrolled, are covered by the FRS. The FRS Pension Plan is a defined benefit plan, qualified under section 401(a) of the Internal Revenue Code, with defined contribution options. Benefits under the plan vest after 6 years of service. Employees who retire at or after age 62, with six years of credited service, are entitled to an annual retirement benefit, payable monthly for life. The FRS also provides for early retirement at reduced benefits, and death and disability benefits. These benefit provisions and all other requirements are established by state statute.

The Florida Legislature created a new defined contribution program that was added to the menu of choices available to FRS members beginning in June 2002. Formally created as the Public Employee Optional Retirement Program (PEORP), the FRS Investment Plan is available as an option for all current and future FRS members, including renewed members (FRS retirees who have returned to FRS employment). The FRS Investment Plan is a defined contribution plan where the contribution amount is fixed by a set percentage determined by law and the contribution is made to an individual account in each participant's name. With a defined contribution plan, in which the monthly contribution rate is fixed, the final benefit will be the total account value (contributions plus investment earnings less expenses and losses) distributed during retirement.

The FRS funding policy for the defined benefit plan provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. Employer contribution rates are established by state law as a level percentage of payroll (Chapter 121.70 Florida Statutes). Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida legislature.

For fiscal years ended September 30, 2014, September 30, 2013 and September 30, 2012, the Department contributed 100% of the annual required contribution for pension costs. A change to the FRS became effective July 1, 2011. It required a 3% contribution of gross creditable earnings from all FRS members. The remainder was contributed by the Department. Pension costs of the Department for the years ended September 30, 2014, 2013 and 2012, amounted to approximately \$3.4, \$2.5, and \$2.2 million, respectively, representing 6.7%, 4.9%, and 4.4% of the Department's gross payroll, for the fiscal years 2014, 2013 and 2012, respectively.

Pension costs for the County, as required and defined by State statute, ranged from 7.37% to 19.82%, of gross salaries for fiscal year 2014, and 6.95% to 19.06% and 5.18% to 14.90% for fiscal years 2013 and 2012, respectively. For the fiscal years ended September 30, 2014, 2013 and 2012, the County made 100% of the required contributions.

A copy of the FRS' June 30, 2014 annual report can be obtained by writing to the Division of Retirement, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, FL 32399-1560, or by calling (850) 488-5706.

Compensated Absences

It is the County's/Department's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from County/Department service. The Department accrues vacation and sick pay benefits in the period earned. Accrued vacation, sick pay and departure incentive program payable which are included in the compensated absences line item in the accompanying Statements of Net Position, totaled approximately \$14.9 and \$15.9 million for September 30, 2014 and 2013, respectively.

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, allows them to defer a portion of their salary to future years. The County's direct involvement in the Plan is limited to remitting the amounts withheld from employees to the Plan's administrator. The deferred compensation plan is not available to employees until termination, retirement, death or an unforeseeable emergency. The deferred compensation plan is not included in the County's financial statements.

8. Postemployment Benefits Other Than Pensions

Waste Management as an enterprise fund of the County participates in the County's Postemployment Benefits Plan.

In accordance with Governmental Accounting Standards Board Statement 45 (GASB 45) for other postemployment benefits (OPEB), the County accrues the cost of the retiree health subsidy and OPEB during the period of employees' active employment as the benefits are being earned. The unfunded actuarial accrued liability is disclosed in the following notes to the financial statements, in order to accurately present the total future cost of OPEB and the financial impact on the County.

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

Eligibility: To be eligible to receive retiree medical and dental benefits, participants must be eligible for retirement benefits under the Florida Retirement System (FRS) or the Public Health Trust of Miami-Dade County, Florida, Defined Benefit Retirement Plan 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)
 - Those hired after July 1, 2011 are eligible at age 65 with 8 years of service
 - 33 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)
- Eligibility for Reduced Pension Benefits under FRS
 - 6 years of service (no age requirement)
 - Those hired after July 1, 2011 are eligible at age 60 with 8 years of service
 - 30 years of service (no age requirement)

Benefits: A number of plan changes to the pre-Medicare retiree plans were made effective January 1, 2015. The valuation reflects the impact of these changes. Eligible pre-Medicare retirees receive health care coverage through one of three self-funded medical plans.

- AvMed POS
- AvMed HMO High
- AvMed HMO Select

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

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

Number of Covered Participants for the overall County:

	<u>County</u>
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	<u>35,207</u>

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, 2013 to September 30, 2014. No assets have been segregated and restricted to provide postretirement benefits. For fiscal year 2014, the County contributed \$30,319,000 to the plan.

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 below. The County subsidy is assumed to remain flat.

Pre Medicare Premium Equivalent Rates

AvMed HMO High	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$653.81	\$204.36	\$449.45
Retiree + Spouse	\$1,372.28	\$360.38	\$1,011.90
Retiree + Child(ren)	\$1,271.08	\$339.47	\$931.61
Retiree + Family	\$1,673.58	\$418.43	\$1,255.15

AvMed POS	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$1,264.08	\$177.80	\$1,086.28
Retiree + Spouse	\$2,406.54	\$302.75	\$2,103.79
Retiree + Child(ren)	\$2,205.45	\$175.12	\$2,030.33
Retiree + Family	\$3,266.55	\$711.37	\$2,555.18

AvMed Select	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$608.03	\$204.36	\$403.67
Retiree + Spouse	\$1,276.23	\$360.38	\$915.85
Retiree + Child(ren)	\$1,182.09	\$339.47	\$842.62
Retiree + Family	\$1,556.43	\$418.43	\$1,138.00

Medicare Retiree Premium Equivalent Rates

Med Supp High	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$795.40	\$233.58	\$561.82
Retiree + Spouse 65+	\$1,362.67	\$260.15	\$1,102.52

Med Supp Low	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$710.31	\$208.59	\$501.72
Retiree + Spouse 65+	\$1,216.93	\$232.33	\$984.60

Med Supp High No Rx	Full Premium	County Subsidy	Retiree Contribution
Retiree Only	\$345.73	\$101.53	\$244.20
Retiree + Spouse 65+	\$592.32	\$113.08	\$479.24

Annual OPEB Cost and Net OPEB Obligation. The County's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The Department's annual OPEB cost (allocated by the County based on the number of covered employees from the Department in proportion to the County's total eligible employees) for the fiscal years ended 2014 and 2013, respectively, and the related information for the plan are as follows (dollar amounts in thousands):

	2014	2013
Annual required contribution	\$ 961	\$ 1,213
Interest on net OPEB obligation	86	68
Adjustment to annual required contribution	(95)	(73)
Annual OPEB cost	952	1,208
Contributions made	855	805
Increase in net OPEB obligation	97	403
Net OPEB obligation—beginning of year	1,952	1,549
Net OPEB obligation—end of year	\$ 2,049	\$ 1,952

The Department recorded the net OPEB obligation of \$2,049 thousand and \$1,952 thousand, as other long-term liabilities, for fiscal years ended 2014 and 2013, respectively. This represents 4.97% and 3.6% of the County's total OPEB liability for the fiscal years ending 2014 and 2013, respectively. The Department's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years ended 2014, 2013 and 2012 are as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/2014	\$952	89.8%	\$2,049
09/30/2013	\$1,208	66.6%	\$1,952
09/30/2012	\$1,159	75.4%	\$1,549

Funded Status and Funding Progress. The funding status and funding progress was not determined separately for the Department. The schedule below shows the balance of the actuarial accrued liability (AAL) for the over-all County, all of which was unfunded as of September 30, 2014 (dollar amounts in thousands).

Schedule of Funding Progress for the Retiree Health Plan

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)
10/1/2013*	\$0	\$400,103	\$400,103	0%	\$1,919,888	21%
10/1/2012	\$0	\$424,244	\$424,244	0%	\$2,145,780	20%

*Rollovered forward from 10/1/2012 valuation.

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

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

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

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

Actuarial valuation date	10/01/2013
Actuarial cost method	Projected unit credit, benefits attributed from date of hire to expected retirement age
Amortization method	Level percentage of payroll, closed, over 30 years
Remaining amortization period	24 years
Actuarial assumptions:	
Discount rate	4.4%
Inflation rate	3.5%
Investment return	4.4%
Payroll growth assumption	3.0%
Health CPI	3.0%
Health care cost trend period	Grades down over six years by 0.5% per year
Health care cost trend rates	8% initial to 5% ultimate
Mortality table	RP 2014 applied on a gender-specific basis

The inflation rate assumption is consistent with the Consumer Price Index (CPI) increase at 3.5% each year. The discount rate used for the valuation was determined based on the long term investment yield on the investments used to finance the payment of benefits. For this valuation it is assumed that postemployment benefits are paid from general assets which generally consist of short-term investments.

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 years of age 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 policy is that its 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.

9. Related Party Transactions

The Department provides waste collection and waste disposal services to other County departments as part of the normal course of business, based on regular retail rates. The Department recognized \$5.6 and \$5.1 million in revenues for fiscal years ended 2014 and 2013, respectively. These revenues represent total services rendered and rental of an administration building to other County departments.

Various departments within the County provide goods, administrative services, public safety, facility rental, fleet management, and various other services to the Department. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties.

The following represents the major providers of these services and their respective charges, which are included in the accompanying Statements of Revenues, Expenses and Changes in Fund Net Position, for the years ended September 30, 2014 and 2013, as follows (in thousands):

	2014	2013
General County Support Charge	\$ 6,393	\$ 8,005
GSA-Risk Management	2,427	2,373
GSA-Fleet Management & Other	38,313	36,974
Information Technology Dept.	4,174	3,023
Other County Departments	399	489
Total	\$ 51,706	\$ 50,864

10. Closure and Postclosure Care

At September 30, 2014 and 2013, the Department's total liability for landfill closure and postclosure care costs was \$79.4 million and \$88.7 million, respectively. For the fiscal year ended September 30, 2014, \$71 million relates to active landfills and \$8.4 million relates to inactive landfills. For the fiscal year ended September 30, 2013, \$68.5 million relates to active landfills and \$20.2 million relates to inactive landfills.

This liability arises from the fact that current County, State and Federal laws and regulations require the County to place final covers on landfill cells as they are closed, and perform certain maintenance and monitoring functions at the landfill cell sites for thirty years after closure. These laws and regulations also require the County, on an annual basis, to disclose the extent of its financial responsibility for the costs involved, which are referred to as "closure and postclosure care" costs. The County has filed the corresponding reports to comply with these requirements as of September 30, 2014.

The County accounts for and discloses closure and postclosure care costs in accordance with GASB Statement No.18 *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs* (the "Statement"). The

Statement requires, among other matters: (1) that the liability for closure and postclosure care costs be estimated based on applicable federal, state or local regulations that were in existence as of the date of the Statements of Net Position (2) that the cost estimates be reevaluated and adjusted on an annual basis for changes due to inflation or deflation, or for changes due to advancements in technology (3) that a portion of these estimated closure and postclosure costs be recognized in each operating period that the landfill is active, based on the amount of waste received during the period (included in the capacity used to date), even though the majority of the costs will not be paid until after the landfill cells are closed, and (4) that changes in the estimated costs for closure and postclosure care which occur after the landfill stops accepting waste be recognized entirely in the period of the change.

Expenses for closure and postclosure care are funded from the proceeds of bonds, of which the principal and interest are subsequently repaid from Utility Service Fees assessed on all countywide water and wastewater users, in accordance with Chapter 24 of the Dade County Code (the “Code”). Under the Code, funds collected from this fee can be used for solid waste landfill closure and postclosure care costs that are the financial responsibility of the County, for environmental remediation at landfill sites, and for land acquired to protect groundwater. The Department’s Statements of Net Position include \$10.5 million and \$10 million in restricted net position for groundwater protection as of September 30, 2014 and 2013, respectively.

Closure and Postclosure Care for Active Landfills

Active landfills consist of the North Dade Landfill (ND), the South Dade Landfill (SD), and the Resources Recovery Ashfill (RR). The change in the closure and postclosure care liability for these landfills for fiscal years ended 2014 and 2013 are summarized as follows (in millions):

	<u>ND</u>	<u>SD</u>	<u>RR</u>	<u>Total</u>
Balance, 10/01/2013	\$ 32.3	\$ 26.1	\$ 10.1	\$ 68.5
Amortization (credit)	0.9	1.4	0.4	2.7
Other Reductions	-	-	(0.2)	(0.2)
Balance, 09/30/2014	<u>\$ 33.2</u>	<u>\$ 27.5</u>	<u>\$ 10.3</u>	<u>\$ 71.0</u>
	<u>ND</u>	<u>SD</u>	<u>RR</u>	<u>Total</u>
Balance, 10/01/2012	\$ 32.3	\$ 27.0	\$ 12.2	\$ 71.5
Amortization (credit)	-	0.7	(2.0)	(1.3)
Other Reductions	-	(1.6)	(0.1)	(1.7)
Balance, 09/30/2013	<u>\$ 32.3</u>	<u>\$ 26.1</u>	<u>\$ 10.1</u>	<u>\$ 68.5</u>

The liability balance of \$71 million as of September 30, 2014, represents an increase of \$2.5 million when compared to the preceding year. This increase resulted from the effects of an increase to expense of \$2.7 million in the current period to adjust the recorded liability to the amount required to be recognized based on the current estimates for closure and postclosure care costs and reductions of approximately \$200 thousand for amounts paid or due to vendors actually performing closure and postclosure work during the current period.

There were no unrecognized costs as of September 30, 2014. Unrecognized costs are recognized on a current basis as the existing estimated capacity of 5.8 million tons at September 30, 2014 is used. This existing estimated capacity is expected to last until 2022 based on current waste flows.

Closure and Postclosure Care for Inactive Landfills

Inactive landfills consist of the Main Landfill at 58th Street (Main), the Ojus Landfill (Ojus), the Old South Dade Landfill (OSD) and Olinda Park Closure Enhancement (Olinda).

The bond indenture specifically excludes current period expenses related to the assumption of liabilities for inactive landfills from the definition of operating expenses for purposes of determining the Department’s net revenue coverage ratio (see Note 4).

The change in the closure and postclosure care liability related to inactive landfills for fiscal years ended 2014 and 2013 are summarized as follows (in millions):

	Main	Ojus	OSD	Olinda	Total
Balance, 10/01/2013	\$ 6.8	\$ 0.8	\$ 13.2	\$ (0.6)	\$ 20.2
Expense (Credit)	0.1	-	(11.4)	0.3	(11.0)
Other Reductions	(0.1)	-	(0.3)	(0.4)	(0.8)
Balance, 09/30/2014	<u>\$ 6.8</u>	<u>\$ 0.8</u>	<u>\$ 1.5</u>	<u>\$ (0.7)</u>	<u>\$ 8.4</u>
	Main	Ojus	OSD	Olinda	Total
Balance, 10/01/2012	\$ 7.2	\$ 0.8	\$ 13.7	\$ 1.1	\$ 22.8
Expense (Credit)	0.1	-	0.2	(0.2)	0.1
Other Reductions	(0.5)	-	(0.7)	(1.5)	(2.7)
Balance, 09/30/2013	<u>\$ 6.8</u>	<u>\$ 0.8</u>	<u>\$ 13.2</u>	<u>\$ (0.6)</u>	<u>\$ 20.2</u>

The liability balance of the inactive landfills for fiscal years ended 2014 and 2013 is \$8.4 and \$20.2 million, respectively. When compared to the preceding year, the liability balance decreased by \$11.8 million reflecting the combined effects of (1) a credit to expense (instead of amortization expense) of \$11 million to adjust the recorded liability to the amount required to be recognized based on the current estimates for postclosure care costs (2) reductions of approximately \$800 thousand for amounts paid or due to vendors actually performing closure and postclosure work during the current period.

Refer to Note 12 for additional information regarding beginning balance, additions, reductions, and ending balance of liability for closure and postclosure care costs.

11. Pollution Remediation Obligations

The Department conducts typical remediation activities such as site investigation, planning and design, cleanup and site monitoring activities. The Department has the knowledge and expertise to estimate the remediation obligations outlined herein based on prior experience in identifying and funding similar remediation activities.

Generally, remediation activities are conducted if a landfill is not meeting water quality standards at its compliance point or boundary and/or there is potential exposure of people or the environment to contaminants in soils. Federal and State laws would trigger remedial action when water quality and/or soil are impacted. In the

instance where a site (former dump) has impacted soils and an exposure route is possible, at the federal level, the Resource Conservation and Recovery Act (RCRA) is the operative regulation.

As of September 30, 2014, the Department had identified 5 events leading to remediation obligations. These related to ammonia-nitrogen contamination found in the groundwater at the 58th Street Landfill, North Dade Landfill, Old South Dade Landfill, Resource Recovery Landfill and South Dade Landfill. The Department has included the corresponding remediation costs in connection with these events in the closure and postclosure care estimates impacting the liability for closure and postclosure care costs balance (\$71 million) as of September 30, 2014 (see Note 10).

Remediation obligation estimates are subject to change over time. Costs may vary due to price fluctuations, changes in technology, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to the estimates. Prospective recoveries from responsible parties could reduce the Department's obligation. Capital assets may be created when pollution remediation outlays are made under certain specific circumstances.

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12. Changes in Long-term Liabilities for Fiscal Years 2014 and 2013 are as follows:

	(In Thousands)				Due Within One Year
	Beginning Balance at 10/1/2013	Additions	Reductions	Ending Balance at 9/30/2014	
Bonds and loans payable:					
Revenue Bonds & County Special Obligation Bonds	\$ 122,291	\$ (32) (c)	\$ (11,751)	\$ 110,508	\$ 14,290 (a)
Accretion on Series 2005 Capital Appreciation Bonds	10,971	1,264	(2,309) (b)	9,926	-
Loans payable	2,562	-	(1,333)	1,229	969 (a)
Less deferred amounts:					
For issuance Bond Discount-Series 1998	(272)	-	53	(219)	-
Add unamortized bond premium					
1997 BANS	52	-	(10)	42	-
Series 2001	210	-	(31)	179	-
Series 2005	1,696	-	(100)	1,596	-
County SOB Series 2013B (Subordinate Debt)	46	-	(15)	31	-
Total	137,556	1,232	(15,496)	123,292	15,259
Other liabilities:					
Compensated absences and Departure Incentive Program	15,851	3,542	(4,499)	14,894	3,425
Liability for landfill closure/postclosure care costs	88,759	-	(9,319)	79,440	1,821
Unearned Revenue	56	-	(4)	52 (d)	-
Other Postemployment Benefits	1,952	-	97	2,049	-
Total long-term liabilities (including current portion)	\$ 244,174 (e)	\$ 4,774	\$ (29,221)	\$ 219,727	\$ 20,505

Pursuant to GASB Statement No. 65, gain on refunding/restructure presented as:

Deferred Inflows of Resources

Deferred gain on refunding	\$ 115	\$ 32	\$ (49)	\$ 98
Deferred gain on loan restructure	105	-	(48)	57
Total Deferred Inflows	\$ 220	\$ 32	\$ (97)	\$ 155

(a) See current portion of bonds & loans payable fiscal year ended 9/30/2014.

(b) Adjustment to accretion FY 2014.

(c) This deduction of \$32 thousand in Series 2004B principal balance resulted from a change in Series 2004B debt amortization, causing a corresponding increase in the gain on refunding.

(d) See Statements of Net Position as of 9/30/2014, total \$52.

(e) The deferred gain on refunding/restructure with 10/01/13 balance of \$220 thousand and 9/30/14 balance of \$155 thousand, respectively, are presented as deferred inflows @ 9/30/14, pursuant to GASB Statement No. 65.

	(In Thousands)				Due Within One Year
	Beginning Balance at 10/1/2012	Additions	Reductions	Ending Balance at 9/30/2013	
Bonds and loans payable:					
Revenue Bonds & County Special Obligation Bonds	\$ 136,840	\$ 406	(a) \$ (14,955)	\$ 122,291	\$ 13,049 (b)
Accretion on Series 2005 Capital Appreciation Bonds	13,164	-	(2,193)	10,971	-
Loans payable	3,712	-	(1,150)	2,562	1,332 (b)
Less deferred amounts:					
For issuance Bond Discount-Series 1998	(326)	-	54	(272)	-
Deferred gain on refunding	-	115	-	115 (c)	-
Deferred gain on loan restructure	154	-	(49)	105	-
Add unamortized bond premium					
1997 BANS	63	-	(11)	52	-
Series 2001	240	-	(30)	210	-
Series 2005	1,795	-	(99)	1,696	-
County SOB Series 2002A (Subordinate Debt)	14	-	(14)	-	-
County SOB Series 2004B (Subordinate Debt)	14	-	(14)	-	-
County SOB Series 2013B (Subordinate Debt)	-	46	-	46 (a)	-
Total	155,670	567	(18,461)	137,776	14,381
Other liabilities:					
Compensated absences and Departure Incentive Program	15,154	3,892	(3,195)	15,851	3,713
Liability for landfill closure/postclosure care costs	94,251	-	(5,492)	88,759	2,166
Arbitrage Liability	195	-	(195)	-	-
Unearned Revenue	60	-	(4)	56 (d)	-
Other Postemployment Benefits	1,549	403	-	1,952	-
Total long-term liabilities (including current portion)	\$ 266,879	\$ 4,862	\$ (27,347)	\$ 244,394	\$ 20,260

(a) Capital Asset Acquisition Special Obligation Refunding Bonds-Series 2013B issued on 9/26/2013.

(b) See current portion of bonds & loans payable fiscal year ended 9/30/2013.

(c) Represents Gain on County SOB Series 2004B refunding to be amortized in future periods.

(d) See Statements of Net Position as of 9/30/2013, total \$56.

13. Resources Recovery Facility

The County entered into an agreement for the operation of the County owned resource recovery facility (the “Facility”). The Fourth Amended and Restated Operations and Management Agreement (the “O&M Agreement”, “Agreement”) was executed on July 27, 2012 (but is effective as of October 1, 2009) by and between the County and Covanta Dade Renewable Energy Ltd., a Florida limited partnership, for the purpose of amending and restarting in its entirety the Third Amended and Restated Operations and Management Agreement dated as of September 1, 1996 between the County and the Company. The Agreement expires on October 31, 2023. The term of the Agreement can be automatically extended for up to four additional five-year renewal terms that would expire on October 31, 2043. Solid waste is delivered to the Facility from the County’s transfer stations and directly from municipal customers and private haulers. The garbage and trash are processed into refuse derived fuel and then burned in four boilers that produce steam to turn two turbine generators to produce electricity.

Payments made to Covanta under Amended Agreement are primarily for tipping fees on the waste processed through the Facility, subject to certain delivery and processing guarantees. Covanta is also paid a 50% share of the revenues from the sale of electricity generated by the plant and purchased by Florida Power & Light, Rainbow Energy Marketing Corp. and Duke Energy. Accordingly, these payments are treated as an operations and maintenance expense.

In order to finance ongoing plant enhancements over the years, the County issued various debt instruments on behalf of the Company, which were refunded from the proceeds of the \$182.7 million Dade County, Florida Resource Recovery Facility Refunding Revenue Bonds issued in 1996 (the “Series 1996 Bonds”). The Series 1996 Bonds were a debt obligation of Covanta, and were, therefore, not reflected in the accompanying financial statements. The Series 1996 Bonds matured October 1, 2013.

The County has guaranteed to deliver 240,000 tons per year (TPY) in Recyclable Trash to Covanta. In addition, the County has guaranteed 732,000 TPY in On-Site Waste. This On-Site Waste Guaranteed Tonnage is to be fulfilled with garbage. The sum of the Annual On-Site Waste Guaranteed Tonnage and the Annual Recyclable Trash Guaranteed Tonnage shall not be less than 972,000 tons per annual period, unless the solid waste shall not be deemed to be available to the County for delivery to the Facility if such solid waste is unavailable for circumstances beyond the County’s control and not due to actions taken by the County.

For fiscal years ended 2014 and 2013, the County recorded expenses of \$52.2 and \$59.4 million, respectively, in tipping fees to the Operator. The rates charged for tipping fees as of September 30, 2014 were \$47.41 per ton for on-site waste processing other than tires and \$85.48 per ton for clean shredded tires. These rates are adjusted annually for the consumer price index. Fuel and other by-products not returned to County facilities from the Recyclable Trash received a credit of \$1.97 per ton as a recycle credit fee.

Concurrent with the issuance of the Series 1996 Bonds, the County entered into an interest rate swap agreement for purposes of converting the fixed interest payments on the Series 1996 Bonds into variable rate payments. The swap agreement terminated in October 1, 2013.

In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), the fair value of the interest rate swap entered into concurrently with the issuance of the Series 1996 Bonds has been included in the Statements of Net Position as a derivative instrument investment as of September 30, 2014 and 2013, respectively (see Note 15).

In the event of termination of the O&M Agreement, the County must find a successor operator. The final actual tipping fees for fiscal year 2014 totaled \$52.2 million, as required by the Agreement.

14. Commitments and Contingencies

Contract Disposal

During fiscal year 2014, the Department maintained a long-term waste disposal contract with a private regional disposal facility provider, Waste Management Inc. of Florida (“Waste Management”). The Waste Management contract is effective until September 30, 2015, with two additional five-year renewal options. Under the terms of the contract, the County must deliver or direct to be delivered, a minimum of 100,000 tons of waste per year to a landfill located in the Town of Medley, Florida. The County may dispose of a combined total of up to 500,000 tons of waste per year at that site or the Central Sanitary Landfill located in Pompano Beach, Florida.

The contract fixed the disposal fee paid by the County at \$24.50 per ton thru October 1, 1999, annual adjustments thereafter are based on increases in the consumer price index (CPI). The disposal fee paid by the County for the first 100,000 tons in fiscal years 2014 and 2013 was \$34.87 and \$34.23 per ton, respectively. As of September 30, 2014, the County was in compliance with this contract. The County paid disposal fees of \$7.3 million and \$7.4 million for fiscal years 2014 and 2013, respectively.

Closure Grant Agreements

Munisport Closure Grant – On March 26, 2004, the County and the City of North Miami, Florida (the “City”) entered into an agreement (the “Agreement”). Under the Agreement, the County agreed to provide certain funds to the City for the cost of financing the remediation and closure of the City’s Munisport Landfill Site (“Munisport”). Therefore, in fiscal year 2005, the Department transferred \$31.2 million to an interest bearing escrow account for the purposes set forth in the Agreement.

The terms of the Agreement prescribe reimbursement to the City from the escrow account based on invoices or draw requests for eligible costs. Because of the cost-reimbursement nature of the Agreement, the Department recognizes closure grant expenses as the City incurs and presents documentation for reimbursement of eligible reimbursable costs.

During Fiscal Year 2014, \$2.3 million of reimbursable costs were incurred by the City, leaving a remaining balance of approximately \$12.8 million in the escrow account (after recognizing approximately \$46 thousand in interest income for fiscal year 2014) at September 30, 2014. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department’s financial statements.

During Fiscal Year 2013, \$4.2 million of reimbursable costs were incurred by the City, leaving a remaining balance of approximately \$15 million in the escrow account (after recognizing approximately \$54 thousand in

interest income for fiscal year 2013) at September 30, 2013. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department's financial statements.

Homestead Closure Grant – On November 20, 2006, the County and the City of Homestead, Florida (“Homestead”) entered into a landfill closure grant agreement (the “Agreement”). The Agreement superseded all prior grant agreements between the County and Homestead for landfill closure. Upon the execution of a solid waste disposal services extension agreement by Homestead, which will be valid through October 1, 2025, the County and Homestead created and the County funded an escrow account in the amount of \$7.5 million for the purposes of (1) construction, operation, remediation and closure of the Landfill required by the Miami-Dade Department of Environmental Resources Management (DERM); and (2) payment of all or any part of the principal and interest on any short or long term indebtedness owed by Homestead for construction, operation, remediation and closure of the Landfill required pursuant to item (1) above. On January 22, 2007, the Department transferred \$7.5 million to an interest bearing escrow account for the purposes set forth in the Agreement.

The terms of the Agreement prescribed reimbursement to Homestead from the escrow account based on invoices or draw requests for eligible costs. Because of the cost-reimbursement nature of the Agreement, the Department recognized closure grant expenses as Homestead incurred and presented documentation for reimbursement of eligible reimbursable costs. The closure project was completed and the grant funds exhausted in fiscal year 2013.

Litigation

The Department is subject to legal proceedings, which occur in the normal course of operations. In the opinion of the Department's legal counsel, the ultimate resolution of these legal proceedings are not likely to have a material, adverse impact on the financial position of the Department.

Construction

The Department has contractual commitments of approximately \$6.2 million for construction projects at September 30, 2014.

Consent Orders

During fiscal year 2014, there were no violations of the National Electric Reliability Corporation (NERC) standards, which are administered by the Florida Reliability Coordinating Council (FRCC), involving the Resources Recovery Facility (RRF).

There were no incidents resulting in enforcement actions by the primary environmental regulatory agencies, specifically the United States Environmental Protection Agency (USEPA), the Florida Department of Environmental Protection (FDEP), or the local agency, Regulatory and Economic Resources Department (RER). Additionally, there were no violations noted by other environmental regulatory agencies having jurisdiction over the Department's solid waste facilities during fiscal year 2014.

Significant environmental programs such as the operation of landfill gas control systems, groundwater remediation systems, groundwater monitoring, wetlands monitoring, exotics control, and maintenance of the restored coastal and freshwater wetlands associated with the South Dade Landfill, Old South Dade Landfill, 58th Street Landfill and the Resources Recovery Ashfill continued in the fiscal year 2014. The Department made timely

submittal of all required monitoring reports to federal, state, and environmental regulatory agencies during fiscal year 2014.

15. Derivative Instruments

The Department was a party to an interest rate swap agreement that ended on October 1, 2013 (see Note 13). This swap agreement was related to Resource Recovery Facility Refunding Revenue Bonds issued by the County in 1996. The Department recognized a \$45 and \$558 thousand decline in the fair value of the swap for fiscal years ended 2014 and 2013, respectively, (reported as reductions in investment/interest income) resulting in a fair value recognition of \$0 balance as of September 30, 2014 (the interest rate swap terminated effective October 1, 2013) and \$45 thousand in investment in derivative instruments as of September 30, 2013.

In accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), information reflecting the fair value balance and notional amount of the derivative instrument outstanding, classification type, and the change in fair value of such derivative instrument for the fiscal years ended 2014 and 2013 are as follows:

Investment Derivative Instrument	Changes in Fair Value		Fair Value at September 30, 2014	
	Classification	Amount (In \$000's)	Classification	Amount (In \$000's)
The Department Pays-variable rate (BMA + Constant 1) (3) The Counterparty pays-fixed rate (5.5%) Interest Rate Swap	Investment revenue/(loss) (included in interest income)	(\$45)	Investment in Derivative Instruments	\$0

Investment Derivative Instrument	Changes in Fair Value		Fair Value at September 30, 2013	
	Classification	Amount (In \$000's)	Classification	Amount (In \$000's)
The Department Pays-variable rate (BMA + Constant 1) (3) The Counterparty pays-fixed rate (5.5%) Interest Rate Swap	Investment revenue/(loss) (included in interest income)	(\$558)	Investment in Derivative Instruments	\$45

Notional Amount as of September 30, 2013 (In \$000's)	Effective Date	End Date	Counterparty	Counterparty Ratings as of 9/30/13	Associated Bond Series
\$10,830	9/10/1996	10/1/2013	GBDP, L. P. (1)	Guarantor AA, WR, AA- (2)	Resource Recovery Facility Refunding Revenue Bonds, Series 1996

1) The swap is guaranteed by General Re-Insurance.

2) General Re-Insurance's ratings - by S&P, Moody's (WR = withdrawn) and Fitch, respectively.

3) BMA - Bond Market Association (BMA) Index, formerly PSA.

Required Supplementary Information

**Schedule of Funding Progress
 For the Miami-Dade County Retiree Health Plan
 Other Postemployment Benefits
 (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)
10/1/2013*	\$0	\$400,103	\$400,103	0%	\$1,919,888	21%
10/1/2012	\$0	\$424,244	\$424,244	0%	\$2,145,780	20%
10/1/2011	\$0	\$418,581	\$418,581	0%	\$2,155,921	19%

*Rollover forward from 10/1/2012 valuation.

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Supplemental Schedules Supplementary Financial Information

The following section includes the financial statements of the Solid Waste Disposal and Solid Waste Collection Systems. These systems' financial statements, identified as Supplemental Schedules, are furnished solely as supplementary information and are not required by accounting principles generally accepted in the United States of America.



Disposal System

Supplemental Schedules of Net Position

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,194	\$ 42
Investments	146,364	130,567
Accounts receivable, net	8,474	9,320
Loans receivable from other County funds	4,115	4,244
Total Unrestricted Current Assets	164,147	144,173
Current Restricted Assets		
Cash and cash equivalents	6,059	5,258
Accounts receivable	10,480	10,041
Total Restricted Current Assets	16,539	15,299
Total Current Assets	180,686	159,472
NON-CURRENT ASSETS		
Derivative Instrument Investment	-	45
Restricted Assets		
Cash and cash equivalents	10,465	9,864
Investments	103,286	108,539
Total Restricted Non-Current Assets	113,751	118,403
Capital Assets, net	104,003	110,620
Total Capital Assets, net	104,003	110,620
Other Assets		
Loans receivable from other County funds	10,005	14,639
Other	1,789	1,878
Total Other Assets	11,794	16,517
Total Non-Current Assets	229,548	245,585
Total Disposal Assets	\$ 410,234	\$ 405,057

Continued

See accompanying independent auditor's report.

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Liabilities		
CURRENT LIABILITIES		
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	\$ 5,824	\$ 10,666
Due to other County funds	1,496	1,392
Compensated absences	1,201	1,351
Other current liabilities	191	367
Liability for closure and postclosure care costs	1,821	2,166
Total Payable from Unrestricted Assets	10,533	15,942
Payable from Restricted Assets		
Accounts payable	101	68
Accrued interest payable	2,333	2,480
Bonds & loans payable	14,105	12,751
Total Payable from Restricted Assets	16,539	15,299
Total Current Liabilities	27,072	31,241
Long-Term Liabilities		
Long-term portion of bonds and loans payable, net of unamortized premiums and discounts	107,560	121,532
Liability for closure & postclosure care costs	77,619	86,593
Compensated absences	4,024	4,417
Other long-term liabilities	52	56
Other postemployment benefits	1,065	1,015
Total Long-Term Liabilities	190,320	213,613
Total Disposal Liabilities	217,392	244,854
Total Net Position (as restated)	\$ 192,842	\$ 160,203

Loans receivable from other County funds balance (current \$3,946 and long term \$9,668) will be eliminated in the combined Statement of Net Position presentation.

See accompanying independent auditor's report.

Disposal System

Supplemental Schedules of Revenues, Expenses and Changes in Fund Net Position

	For the Fiscal Years Ended September 30,	
	2014	2013
	<i>(In thousands)</i>	
Operating Revenues		
Solid waste disposal services	\$ 64,342	\$ 58,758
Utility service fees	24,290	22,490
Electricity sales	14,079	31,453
Other operating revenues	14,028	13,903
Total Disposal Operating Revenues	116,739	126,604
Operating Expenses		
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills	21,664	18,086
Waste-to-energy	63,465	80,874
Transfer operations	22,784	20,733
Recycling	668	662
Facility maintenance	2,755	2,378
Enforcement and environmental compliance	2,089	2,290
General and administrative	14,725	17,110
Subtotal	128,150	142,133
Depreciation	11,924	11,576
Closure and Postclosure Care Costs for Inactive Landfills	(11,003)	192
Total Disposal Operating Expenses	129,071	153,901
Disposal Operating Loss	(12,332)	(27,297)
Non-Operating Revenues (Expenses)		
Interest income	656	(535)
Interest expense	(4,729)	(5,334)
Closure grants	(2,863)	(4,308)
Other Income (expense), net	87	3,622
Total Disposal Non-Operating Expenses, Net	(6,849)	(6,555)
Contributions	737	2,684
Change in Net Position Before Elimination	(18,444)	(31,168)
Elimination*	51,083	47,315
Change in Net Position After Elimination	\$ 32,639	\$ 16,147

*Impact to Net Position by the elimination of tipping fees received from the Waste Collection System.

See accompanying independent auditor's report.

Waste Collection System

Supplemental Schedules of Net Position

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,540	\$ 11
Investments	29,604	37,853
Accounts receivable, net	3,889	4,331
Due from other governments	141	148
Total Unrestricted Current Assets	35,174	42,343
Current Restricted Assets		
Cash and cash equivalents	116	112
Investments	117	144
Total Restricted Current Assets	233	256
Total Current Assets	35,407	42,599
NON-CURRENT ASSETS		
Capital Assets, net	30,960	36,127
Total Capital Assets, net	30,960	36,127
Total Non-Current Assets	30,960	36,127
Total Collection Assets	\$ 66,367	\$ 78,726

Continued

See accompanying independent auditor's report.

Waste Collection System

Supplemental Schedules of Net Position

	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Liabilities		
CURRENT LIABILITIES		
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	\$ 2,704	\$ 2,916
Due to other County funds	4,310	4,078
Compensated absences	2,224	2,362
Other current liabilities	338	266
Total Payable from Unrestricted Assets	9,576	9,622
Payable from Restricted Assets		
Accrued interest payable	36	15
Bonds and loans payable	1,154	1,630
Total Payable from Restricted Assets	1,190	1,645
Total Current Liabilities	10,766	11,267
Long-Term Liabilities		
Long-term portion of bonds and loans payable, net of unamortized premiums and discounts	473	1,863
Compensated absences	7,445	7,721
Due to other County funds	9,668	13,614
Other postemployment benefits	984	937
Total Long-Term Liabilities	18,570	24,135
Total Collection Liabilities	29,336	35,402
Deferred Inflows of Resources		
Deferred gain on refunding	155	-
Total Collection Liabilities and Deferred Inflows	29,491	35,402
Total Net Position (as restated)	\$ 36,876	\$ 43,324

Due to other County funds balance (current \$3,946 and long term \$9,668) will be eliminated in the combined Statement of Net Position presentation.

See accompanying independent auditor's report.

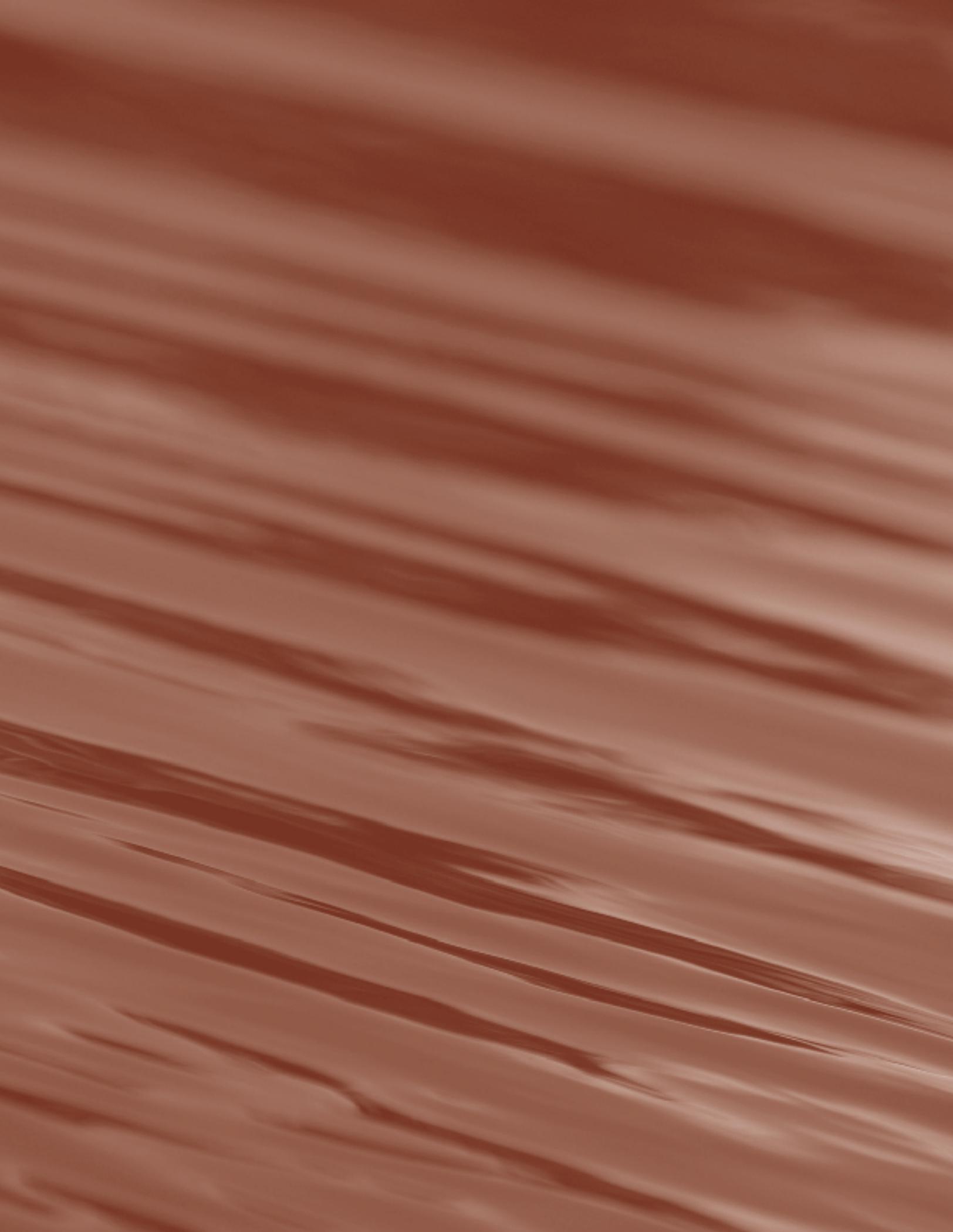
Waste Collection System

Supplemental Schedules of Revenues, Expenses and Changes in Fund Net Position

	For the Fiscal Years Ended	
	September 30,	
	2014	2013
	<i>(In thousands)</i>	
Operating Revenues		
Solid waste collection services	\$ 143,703	\$ 135,376
Other operating revenues	955	876
Total Collection Operating Revenues	144,658	136,252
Operating Expenses		
Garbage collection	41,151	39,607
Trash collection	25,002	22,701
Recycling	8,693	8,676
Litter control	907	1,010
Enforcement and environmental compliance	3,676	3,539
General and administrative	10,919	14,196
Subtotal	90,348	89,729
Depreciation	7,079	7,893
Total Collection Operating Expenses	97,427	97,622
Collection Operating Income	47,231	38,630
Non-Operating Revenues (Expenses)		
Interest income	96	(4)
Interest expense	(208)	(264)
Other income (expense), net	(2,484)	313
Total Collection Non-Operating Revenues (Expenses), Net	(2,596)	45
Contributions (as restated)	-	1,500
Change in Net Position Before Elimination	44,635	40,175
Elimination*	(51,083)	(47,315)
Change in Net Position After Elimination	\$ (6,448)	\$ (7,140)

*Impact to Net Position by the elimination of tipping fees paid to the Disposal System.

See accompanying independent auditor's report.



Statistical Section

(UNAUDITED)

FINANCIAL TRENDS

This schedule contains trend information to assist the reader understand how the Department's financial performance and financial condition have changed over time (see Table I).

REVENUE CAPACITY

These schedules contain information to assist the reader assess the factors affecting the Department's ability to generate its most significant revenues by revenue type and source (see Tables IIIA, IIIB, V, VI, VII and XIV).

DEBT CAPACITY

This schedule presents information to help assist the reader assess the Department's current debt burden and the Department's ability to issue additional debt (see Table XII).

DEMOGRAPHIC AND ECONOMIC INDICATORS

This schedule presents information to assist the reader understand the socioeconomic environment in which the Department operates (see Table IX).

OPERATING INFORMATION

This schedule contains information about the Department's resources and operations to assist the reader understand the interaction of the activities it performs, the services it provides and the financial information presented herein (see Table XV).

MISCELLANEOUS INFORMATION

These schedules contain additional statistical information to the reader of these financial statements (see Tables II, IVA, IVB, VIII, X, XI and XIII).

TABLE I**Schedule of Revenues, Expenses & Changes in Fund Net Position
and Schedule of Net Position (Unaudited)***Last Ten Years (In Thousands)*

OPERATING REVENUE	FY 2005	FY 2006	FY 2007
Tipping Fees	\$74,407	\$95,530	\$73,097
Medley Surcharge	841	974	902
Electrical Revenue	17,504	23,123	23,704
Utility Service Fee	16,657	17,665	17,852
Disposal Facility Fee	8,955	10,965	11,874
Collections Revenue	125,184	128,179	142,193
Other Operating Revenue	4,167	4,704	4,804
Total Operating Revenues	247,715	281,140	274,426
OPERATING & MAINTENANCE EXPENSES			
Landfill Operations	21,299	27,294	20,502
Transfer Operations	24,601	26,864	27,416
Waste-to-Energy	64,191	67,368	67,491
Garbage Collections	35,213	38,042	37,492
Trash Collections	16,113	19,849	16,208
Recycling	11,188	11,404	12,246
Other Operating	31,826	32,213	31,791
Subtotal	204,431	223,034	213,146
Operating Income Before Depreciation & Other	43,284	58,106	61,280
Depreciation	30,010	29,708	31,443
Closure and postclosure costs for inactive landfills	746	1,649	955
Operating Income (Loss)	12,528	26,749	28,882
NON-OPERATING REVENUE (EXPENSE)			
Interest Income (7)	3,084	7,291	11,757
Interest Expense	(8,743)	(12,207)	(11,044)
Operating Grants	-	-	-
Other (1)/(2)/(3)/(4)	(13,635)	(10,119)	16,660
Non-Operating Income (Expense), Net	(19,294)	(15,035)	17,373
Income (Loss) Before Transfers & Capital Contributions	(6,766)	11,714	46,255
Transfers In (Out) (5)	-	-	-
CAPITAL CONTRIBUTIONS (6)	-	-	-
Changes in Fund Net Position	(\$6,766)	\$11,714	\$46,255
NET POSITION			
Net investment in capital assets	\$51,983	\$40,991	\$56,871
Restricted	101,847	103,423	114,505
Unrestricted (Deficit)	(41,222)	(20,092)	(799)
Total Net Position	\$112,608	\$124,322	\$170,577

Source: Miami-Dade County's Public Works And Waste Management Department

Notes:

- (1) For fiscal year 2005 this figure includes among others, hurricane expenses of approximately \$5.2 million and closure grant of approximately \$6.5 million.
- (2) For fiscal year 2006 this figure includes among others, hurricane expenses of approximately \$8.2 million and closure grant of approximately \$1.5 million.
- (3) For fiscal year 2007 this figure includes among others, hurricane reimbursements of approximately \$18 million and closure grant of approximately \$1.4 million.
- (4) This figure includes closure grant in FY 2008 of approximately \$1 million; FY 2009 is \$5.6 million; FY 2010 is \$1.9 million; FY 2011 is \$766 thousand; FY 2012 is \$5.5 million; FY 2013 is \$4.3 million; FY 2014 is \$2.9 million.

See accompanying independent auditor's report.

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
\$64,929	\$59,521	\$56,577	\$55,659	\$56,963	\$57,848	\$63,375
688	596	525	638	786	910	967
28,000	27,911	26,461	31,469	30,703	31,453	14,079
18,067	19,559	20,650	22,500	21,692	22,490	24,290
11,955	12,026	11,634	10,789	10,535	11,029	11,505
143,497	142,090	149,900	142,305	141,983	135,376	143,703
3,123	3,425	3,385	3,584	3,495	3,750	3,478
<u>270,259</u>	<u>265,128</u>	<u>269,132</u>	<u>266,944</u>	<u>266,157</u>	<u>262,856</u>	<u>261,397</u>
22,746	16,438	19,420	14,029	17,383	18,086	21,664
28,635	26,395	19,006	20,142	21,024	20,733	22,784
72,893	81,002	65,444	79,873	80,264	80,874	63,465
38,688	37,734	36,141	38,361	38,963	39,607	41,151
17,462	16,834	21,912	22,986	22,653	22,701	25,002
25,250	16,250	8,570	9,060	9,283	9,338	9,361
35,516	37,086	41,823	35,748	33,515	40,523	35,071
<u>241,190</u>	<u>231,739</u>	<u>212,316</u>	<u>220,199</u>	<u>223,085</u>	<u>231,862</u>	<u>218,498</u>
29,069	33,389	56,816	46,745	43,072	30,994	42,899
35,284	32,487	29,567	26,682	22,991	19,469	19,003
2,803	(7,211)	45	1,975	(1,983)	192	(11,003)
<u>(9,018)</u>	<u>8,113</u>	<u>27,204</u>	<u>18,088</u>	<u>22,064</u>	<u>11,333</u>	<u>34,899</u>
8,971	4,820	1,504	139	(206)	(539)	752
(10,166)	(9,348)	(8,381)	(9,254)	(8,810)	(5,598)	(4,937)
-	-	-	-	-	-	-
(1,430)	(5,627)	(2,307)	(267)	(6,610)	(373)	(5,260)
<u>(2,625)</u>	<u>(10,155)</u>	<u>(9,184)</u>	<u>(9,382)</u>	<u>(15,626)</u>	<u>(6,510)</u>	<u>(9,445)</u>
(11,643)	(2,042)	18,020	8,706	6,438	4,823	25,454
2,582	2,239	-	(2,307)	-	-	-
216	739	-	-	-	4,184	737
<u>(\$8,845)</u>	<u>\$936</u>	<u>\$18,020</u>	<u>\$6,399</u>	<u>\$6,438</u>	<u>\$9,007</u>	<u>\$26,191</u>
\$39,864	\$39,343	\$60,846	\$55,208	\$38,425	\$57,900	\$55,687
118,935	114,755	84,136	84,099	81,709	84,453	83,882
2,933	11,552	38,688	50,762	76,373	63,161	90,149
<u>\$161,732</u>	<u>\$165,650</u>	<u>\$183,670</u>	<u>\$190,069</u>	<u>\$196,507</u>	<u>\$205,514</u>	<u>\$229,718</u>

- (5) Transfers In are related to the gain for the sale of 58th ST Landfill to Parks Department in FY 2008 and Miami-Dade Police Department in FY 2009.
- (6) For FY08, FY09, FY13 and FY14 capital contributions consist of GOB reimbursement for construction of Cell 5. FY 2013 Hybrid Truck Grant for \$1.5 million has been reclassified from Non-Operating Income (as reflected in FY 2013 presentation) to Contributions in the FY 2014 presentation, which combined with GOB/Cell 5 of \$2.7 million = \$4.2 million.
- (7) Interest Income presented in FY 2010 - FY 2014 are net of earnings or losses from SWAP activity.

TABLE II
Solid Waste Stream Components Explained* (Unaudited)

Garbage	Trash	Construction and Demolition Debris (C&D)	Agricultural Waste
Source:			
Household and businesses.	Household and businesses.	Construction and demolition projects.	Farming.
Waste types:			
Paper, food waste, glass containers, meal cans, plastics, disposable diapers, aviation ash and recycling residue.	Paper, wood, yard trash, textiles, glass, plastics, metals, furniture and other large bulky waste items.	Concrete, brick, wood, metals, glass, and roofing materials	Spoiled or undesirable fruits and vegetables.
Characteristics:			
Contains waste materials that rot, smell, produce liquids, and dissolve in water. Has significant potential to contaminate ground and surface waters. If landfilled it should contain only minute amounts of yard trash.	Contains only minute amounts of food waste. Has lesser potential than garbage to contaminate ground and surface waters.	Generally inert material that does not degrade easily or dissolve in water.	These materials are high in organic content and degrade quickly.
Typical Management Methods:			
Recycling, Class I (lined) landfill or incinerator.	Recycling, Class III landfill (which may not require a liner), Class I lined landfill if yard trash is eliminated, or incinerator.	Recycling, C&D unlined landfill, Class III landfill, Class I landfill.	Typically spread on crop fields to increase organic content of soils.

IMPORTANT NOTE: If a particular waste stream component is mixed with a waste stream component that requires a more stringent method of disposal, the entire waste mix must be disposed of using the more stringent methods. For example: if garbage is mixed with trash the entire mix must be disposed of as garbage. Garbage disposal requirements are more stringent than those for trash alone.

* The above information is introductory in nature and is not intended as an exhaustive analysis.

** This category includes household hazardous waste which is exempt from regulation under RCRA due to small quantities generated by households. Such waste may be lawfully placed in a Class I landfill.

Special Waste	Bio-Medical Waste	Hazardous Waste
Source:		
Environmental clean-up utilities, governments and businesses.	Hospitals, clinics, doctor's offices, and medical research facilities.	Businesses, academic research facilities, and households.**
Waste types:		
Contaminated soil, sewage sludge, tires, sterilized medical waste, asbestos, and dead animals.	Dressing, sharps, body tissues, disposable glass or plastic containers, etc.	Corrosive, reactive, and toxic chemicals classified as hazardous wastes under the Resource Conservation and Recovery Act (RCRA)
Characteristics:		
Materials that require special handling due to their unique composition or concentration. Immediate cover is often required.	Materials with a high potential for spread of disease. Must be separated from other wastes.	Materials with a high potential to contaminate the environment. Human or animal contact with these materials is very dangerous. These materials are often highly flammable, toxic and/or corrosives.
Typical Management Methods:		
Class I landfill.	Medical waste incinerator. Ash or sterilized medical waste must be disposed of in a Class I landfill.	Fuel blending for reuse, chemical neutralization, hazardous waste incinerator, or hazardous waste depending on material type.

TABLE IIIA
Disposal System (Unaudited)*Tonnage*

REVENUE TONS	FY 2005	FY 2006	FY 2007	FY 2008
Clean Yard Trash	36,454	37,464	28,512	22,617
Garbage	1,058,295	1,122,638	1,144,741	1,172,158
Trash (1)	673,696	849,707	660,917	576,408
Storm Related Waste	228,023	501,063	-	-
White Goods (7)	-	-	-	32
C & D	1	21	6	26
Whole Tires (2)	24,027	27,397	15,859	9,471
Special Waste (3)	5,875	3,936	2,864	3,505
Reduced Fee Cover Material	16,620	170,681	605,812	39,739
Non Profit Tonnage	-	-	-	-
Total Revenue Tons	<u>2,042,991</u>	<u>2,712,907</u>	<u>2,458,711</u>	<u>1,823,956</u>
Ojus/OSD Waste	-	-	-	-
Resources Recovery Plant Demolition & Stormwater Drainage & Cleanout material	-	-	-	-
Closure debris from RR ashfill to ND	-	-	-	-
WM furniture to ND	-	-	-	-
Resources Recovery Capital Expenses	-	-	-	-
Total Tons	<u>2,042,991</u>	<u>2,712,907</u>	<u>2,458,711</u>	<u>1,823,956</u>
Equivalent Revenue Tons (4)	<u>2,029,552</u>	<u>2,574,040</u>	<u>1,960,985</u>	<u>1,791,122</u>
NET DISPOSED TONS:				
South Dade Landfill	740,783	873,997	537,675	486,491
North Dade Landfill	344,439	582,782	254,285	203,310
Resources Recovery Net Incinerated	495,477	533,633	534,934	570,064
Resources Recovery Ashfill	140,800	158,057	164,439	173,854
Contract Disposal:				
To Waste Management	114,487	247,894	187,258	183,810
To Wheelabrator	-	-	-	-
Total Net Ton's Disposed	<u>1,835,986</u>	<u>2,396,363</u>	<u>1,678,591</u>	<u>1,617,529</u>

(1) Trash includes oversize tires to North Dade Landfill.

(2) Whole tires are accepted at Resources Recovery only.

(3) Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.

(4) Equivalent Revenue Tons figures reflect the tons necessary to generate the gross revenue received at \$52.25 (FY 2005) - \$64.85 (FY 2014) per ton.

(5) Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.

(6) For fiscal years starting with FY05, this figure includes biomass and primary fines to North Dade.

(7) Represents White Goods delivered by customer directly to disposal site.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
17,036	13,165	11,368	9,261	7,926	9,978
1,060,515	1,058,725	1,038,068	1,052,932	1,049,649	1,106,235
493,571	473,275	445,178	442,723	448,180	501,340
-	-	-	-	-	-
38	10	8	27	-	-
-	3	32	10	1	3
7,698	5,688	4,141	2,923	4,430	4,171
2,814	2,110	1,584	1,358	1,507	1,270
59,921	6,553	62,086	-	67,734	24,538
4,170	3,210	3,475	3,086	2,859	3,220
<u>1,645,763</u>	<u>1,562,739</u>	<u>1,565,940</u>	<u>1,512,320</u>	<u>1,582,286</u>	<u>1,650,755</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,645,763</u>	<u>1,562,739</u>	<u>1,565,940</u>	<u>1,512,320</u>	<u>1,582,286</u>	<u>1,650,755</u>
<u>1,593,673</u>	<u>1,555,679</u>	<u>1,512,414</u>	<u>1,509,234</u>	<u>1,522,335</u>	<u>1,626,781</u>
321,500	371,126	268,850	319,859	286,324	376,421
172,498	185,632	121,087	137,483	85,851	131,823
750,480	545,019	718,994	866,543	708,530	831,692
160,349	151,992	188,732	135,630	167,224	164,573
147,221	210,172	183,568	106,476	242,124	219,172
-	-	-	-	-	-
<u>1,552,048</u>	<u>1,463,941</u>	<u>1,481,231</u>	<u>1,565,991</u>	<u>1,490,053</u>	<u>1,723,681</u>

TABLE IIIA
Disposal System (Unaudited)*Tonnage (continued)*

	FY 2005	FY 2006	FY 2007	FY 2008
FACILITY RECYCLING				
Clean Yard Trash	-	-	-	-
Tires to Vendors	-	-	154	95
Metal to Vendors	30,319	29,924	43,873	41,872
White Goods to Vendor	-	-	-	32
Unders to Test	-	-	-	-
Ash for Testing	-	-	-	-
RTI Biomass Fuel (5)/(6)	178,290	97,042	108,128	100,285
RTI Fines Recycling	-	-	-	-
RTI On-Site Biomass	-	-	-	-
RTI On-Site Fines Recycling	-	-	8,613	8,011
Agripost	-	-	-	-
Cow Project	-	-	-	-
Total Facility Recycling	<u>208,609</u>	<u>126,966</u>	<u>160,768</u>	<u>150,295</u>
RESOURCES RECOVERY PUT OR PAY	<u>1,122,880</u>	<u>1,241,000</u>	<u>1,083,478</u>	<u>1,134,708</u>
TRANSFER STATION				
Central	183,042	214,439	201,156	164,036
West	299,472	304,329	279,726	264,633
Northeast	219,444	247,797	226,760	221,052
Total Transfer Station	<u>701,958</u>	<u>766,565</u>	<u>707,642</u>	<u>649,721</u>
Non Contractual Diversion	<u>699,000</u>	<u>583,508</u>	<u>517,767</u>	<u>551,101</u>

(1) Trash includes oversize tires to North Dade Landfill.

(2) Whole tires are accepted at Resources Recovery only.

(3) Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.

(4) Equivalent Revenue Tons figures reflect the tons necessary to generate the gross revenue received at \$52.25 (FY 2005) - \$64.85 (FY 2014) per ton.

(5) Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.

(6) For fiscal years starting with FY05, this figure includes biomass and primary fines to North Dade.

(7) Represents White Goods delivered by customer directly to disposal site.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
-	-	-	-	-	-
-	-	-	-	-	-
22,934	17,638	19,806	22,058	21,962	23,361
38	10	8	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
86,802	66,253	47,853	71,734	85,311	76,454
22,685	44,167	28,536	20,000	30,608	34,021
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>132,459</u>	<u>128,068</u>	<u>96,203</u>	<u>113,792</u>	<u>137,881</u>	<u>133,836</u>
<u>1,188,866</u>	<u>1,093,752</u>	<u>1,156,794</u>	<u>1,234,101</u>	<u>1,182,152</u>	<u>1,232,299</u>
158,701	130,474	106,074	137,067	145,835	146,948
238,806	233,320	229,024	236,569	223,021	235,131
196,375	189,486	185,697	171,230	168,853	192,952
<u>593,882</u>	<u>553,280</u>	<u>520,795</u>	<u>544,866</u>	<u>537,709</u>	<u>575,031</u>
<u>551,101</u>	<u>523,987</u>	<u>537,684</u>	<u>534,468</u>	<u>580,628</u>	<u>423,346</u>

TABLE III B
Disposal System (Unaudited)

Revenue Tons Source

TONNAGE BY SOURCE	FY 2005	FY 2006	FY 2007	FY 2008
Municipalities:				
Bal Harbour Village (4)	6,069	6,056	5,340	5,225
Town of Bay Harbor Islands (4)	289	258	263	290
Village of Biscayne Park (4)	2,612	2,552	1,745	1,740
City of Coral Gables (4)	27,516	21,199	13,459	11,611
Florida City	-	32	8	-
Golden Beach	240	559	134	77
City of Hialeah (4)	91,956	91,021	85,162	83,257
Hialeah Gardens	1,987	2,250	1,147	907
City of Homestead (4)	44,900	59,443	50,378	50,151
City of Miami (4)	181,402	236,939	151,956	137,122
City of Miami Beach (4)	5,648	6,008	6,529	5,988
Village of Miami Shores (4)	13,393	13,980	12,834	12,066
City of Miami Springs (4)	10,648	5,719	4,540	4,630
City of North Bay Village (4)	4,983	4,780	4,140	4,635
City of North Miami (4)	30,332	36,856	27,091	25,635
City of North Miami Beach (4)	42,192	52,998	41,274	37,572
City of Opa-Locka (4)	235	658	1,357	949
City of South Miami (4)	14,735	17,008	9,699	10,024
Town of Surfside (4)	5,225	5,140	5,040	5,006
City of Sweetwater (4)/(5)	3,075	3,056	2,581	2,378
Virginia Gardens	-	-	-	-
City of West Miami (4)	3,695	3,492	3,007	3,066
Total Municipalities	491,132	570,004	427,684	402,329

(1) Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at \$52.25 (FY 2005) - \$64.85 (FY 2014) per ton.

(2) In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.

(3) Formally reported as BFI.

(4) Municipalities that entered into a long-term agreement.

(5) Starting on March 1, 2012, tonnage brought into the Disposal System under the account of the private hauler servicing the City.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
4,229	4,227	4,396	1,546	191	144
227	283	298	79	57	59
2,153	2,479	2,349	2,385	2,462	2,462
10,679	12,160	10,423	9,902	9,646	9,797
-	-	-	-	-	-
156	96	10	74	36	22
77,395	76,244	70,835	67,293	69,430	72,281
947	401	12	134	89	76
46,166	46,155	43,325	44,356	45,359	48,379
126,332	128,971	142,670	152,199	143,117	142,088
4,415	5,925	3,567	3,970	3,594	3,110
11,413	11,919	11,124	6,789	5,049	5,012
4,010	4,544	4,325	3,906	3,645	3,692
4,509	4,531	4,402	4,680	4,642	4,578
23,800	21,980	22,158	9,167	-	-
34,700	34,857	32,578	33,924	34,640	36,289
883	1,175	1,152	1,449	931	1,519
9,547	7,711	6,801	9,661	10,120	10,318
4,589	4,591	4,572	4,524	4,452	4,693
2,692	3,555	3,391	1,022	-	-
-	-	-	-	-	-
2,615	2,641	2,712	2,777	2,738	2,909
<u>371,457</u>	<u>374,445</u>	<u>371,100</u>	<u>359,837</u>	<u>340,198</u>	<u>347,428</u>

TABLE III B
Disposal System (Unaudited)

Revenue Tons Source (continued)

TONNAGE BY SOURCE	FY 2005	FY 2006	FY 2007	FY 2008
Permitted Haulers				
BFI/WSI (3)	230,868	231,104	220,569	221,288
WMI	88,152	92,869	105,851	98,581
Other Permitted Haulers	139,328	253,578	246,071	230,271
Total Permitted Haulers	458,348	577,551	572,491	550,140
SW Collections				
Permitted Landscapers (2)	35,857	37,385	28,455	22,483
SW County-wide Lot Clearing	2,989	1,571	1,980	403
Other Governmental	66,833	121,232	57,707	63,937
MRF and Namco Recycling Residue	-	-	-	-
Subtotal Full Fee Revenue Tons	2,026,371	2,542,226	1,852,899	1,784,217
Reduced Fee Cover Material	16,620	170,681	605,812	39,739
Non Profit Tonnage	-	-	-	-
Total Revenue Tons	2,042,991	2,712,907	2,458,711	1,823,956
SW Construction Tons	-	-	-	-
Closure debris from RR ashfill to ND	-	-	-	-
WM furniture to ND (no fee)	-	-	-	-
Resources Recovery Plant Demolition & Stormwater Drainage & Cleanout material	-	-	-	-
Total Tons	<u>2,042,991</u>	<u>2,712,907</u>	<u>2,458,711</u>	<u>1,823,956</u>
Equivalent Revenue Tons (1)	<u>2,029,552</u>	<u>2,574,040</u>	<u>1,960,985</u>	<u>1,791,122</u>

(1) Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at \$52.25 (FY 2005) - \$64.85 (FY 2014) per ton.

(2) In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.

(3) Formally reported as BFI.

(4) Municipalities that entered into a long-term agreement.

(5) Starting on March 1, 2012, tonnage brought into the Disposal System under the account of the private hauler servicing the City.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
197,549	179,885	219,261	220,847	221,598	255,090
101,282	141,155	96,887	92,545	98,189	86,471
<u>153,332</u>	<u>110,972</u>	<u>108,308</u>	<u>121,434</u>	<u>119,181</u>	<u>140,500</u>
<u>452,163</u>	<u>432,012</u>	<u>424,456</u>	<u>434,826</u>	<u>438,968</u>	<u>482,061</u>
676,676	668,218	640,895	658,463	675,430	716,454
17,003	13,150	11,368	9,261	7,925	9,979
-	-	-	-	-	-
64,373	65,151	52,560	46,847	49,172	67,075
-	-	-	-	-	-
<u>1,581,672</u>	<u>1,552,976</u>	<u>1,500,379</u>	<u>1,509,234</u>	<u>1,511,693</u>	<u>1,622,997</u>
59,921	6,553	62,086	-	67,734	24,538
<u>4,170</u>	<u>3,210</u>	<u>3,475</u>	<u>3,086</u>	<u>2,859</u>	<u>3,220</u>
<u>1,645,763</u>	<u>1,562,739</u>	<u>1,565,940</u>	<u>1,512,320</u>	<u>1,582,286</u>	<u>1,650,755</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,645,763</u>	<u>1,562,739</u>	<u>1,565,940</u>	<u>1,512,320</u>	<u>1,582,286</u>	<u>1,650,755</u>
<u>1,593,673</u>	<u>1,555,679</u>	<u>1,512,414</u>	<u>1,509,234</u>	<u>1,522,335</u>	<u>1,626,781</u>

TABLE IV A
Collection System (Unaudited)

<i>Tonnage by Type</i>	FY 2005	FY 2006	FY 2007	FY 2008
GARBAGE	<u>465,989</u>	<u>480,600</u>	<u>483,349</u>	<u>492,947</u>
TRASH				
Bulky Waste	97,327	128,440	76,373	66,825
Clean Yard Trash	1,693	1,389	2	-
Total Bulky Waste	<u>99,020</u>	<u>129,829</u>	<u>76,375</u>	<u>66,825</u>
ILLEGAL DUMPING				
Illegal Dumped Waste	1,738	2,841	3,144	2,312
Illegal Tires	274	340	347	211
Total Illegal Dumping	<u>2,012</u>	<u>3,181</u>	<u>3,491</u>	<u>2,523</u>
NEIGHBORHOOD TRASH & RECYCLING CENTERS				
Trash (Household) (1)	148,782	136,656	177,323	160,226
Other Trash- Landscapers	26,569	17,792	14,757	13,849
Clean Yard Trash	-	-	120	-
Tires	757	766	859	854
Other Waste	52	29	40	264
Total Neighborhood T&R Center	<u>176,160</u>	<u>155,243</u>	<u>193,099</u>	<u>175,193</u>
GOVERNMENT ACCOUNTS				
Trash	6,486	5,883	6,510	5,795
Whole Tires	28	142	232	71
Total Trash Government Accounts	<u>6,514</u>	<u>6,025</u>	<u>6,742</u>	<u>5,866</u>
BI-WEEKLY YARD TRASH				
LOT CLEARING (CAT3)	1,185	-	-	-
ADOPT-A-SPOT	-	-	-	-
SPECIAL CLEANUPS	17	-	-	2
OVERSIZED VEHICLES FR T&R CENTERS	563	534	240	274
SW LITTER PROGRAM	1,064	1,163	1,268	1,280
CHRISTMAS TREES	-	-	18	15
DEMOLITION TONNAGE	-	-	-	-
PERMITTED LANDSCAPERS (2)	-	-	-	-
TOTAL TRASH	<u>286,535</u>	<u>295,975</u>	<u>281,233</u>	<u>251,978</u>
TOTAL TRASH AND GARBAGE	<u>752,524</u>	<u>776,575</u>	<u>764,582</u>	<u>744,925</u>

(1) Prior to FY 2004 these figures included Household & Non-household trash.

(2) From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.

(3) Starting in FY 2010, other paper includes mixed paper other than newspaper.

(4) Steel cans were not specifically listed by contractor in FY 2010.

(5) Starting in FY 2010, tonnage includes tons processed residue.

(6) The methodology to calculate landscaper tonnage changed for FY 2010 and FY 2011. The old method was reinstated in FY 2012 and it will be used in future periods.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<u>442,814</u>	<u>451,647</u>	<u>445,410</u>	<u>455,247</u>	<u>460,985</u>	<u>478,514</u>
67,457	72,331	73,840	72,474	83,753	103,961
-	-	-	-	-	-
<u>67,457</u>	<u>72,331</u>	<u>73,840</u>	<u>72,474</u>	<u>83,753</u>	<u>103,961</u>
1,980	442	381	2,024	2,140	1,993
185	-	-	256	340	285
<u>2,165</u>	<u>442</u>	<u>381</u>	<u>2,280</u>	<u>2,480</u>	<u>2,278</u>
143,840	137,822	115,232	114,681	115,168	120,368
12,279	100 (6)	- (6)	8,750	6,976	6,022
-	-	-	-	-	-
994	781	943	574	653	601
323	-	724	107	103	4
<u>157,436</u>	<u>138,703</u>	<u>116,899</u>	<u>124,112</u>	<u>122,900</u>	<u>126,995</u>
5,358	4,010	3,692	3,461	4,215	4,080
15	-	-	5	8	9
<u>5,373</u>	<u>4,010</u>	<u>3,692</u>	<u>3,466</u>	<u>4,223</u>	<u>4,089</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
223	-	-	301	311	-
1,208	965	673	578	643	608
-	120	-	5	135	9
-	-	-	-	-	-
-	-	-	-	-	-
<u>233,862</u>	<u>216,571</u>	<u>195,485</u>	<u>203,216</u>	<u>214,445</u>	<u>237,940</u>
<u>676,676</u>	<u>668,218</u>	<u>640,895</u>	<u>658,463</u>	<u>675,430</u>	<u>716,454</u>

TABLE IV A
Collection System (Unaudited)

<i>Tonnage by Type (continued)</i>	FY 2005	FY 2006	FY 2007	FY 2008
STORM RELATED TONNAGE				
Garbage	2,462	2,808	-	-
Trash (curbside)	18,069	38,121	-	-
HURRICANE DEBRIS				
Roadway Clearance	173,798	127,731	-	-
Trash & Recycling Centers	23,949	51,405	-	-
Litter Program	72	78	-	-
Oversized Vehicles from T&R Centers	16	111	-	-
Government Accounts	322	316	-	-
Stage Rejects	-	43,325	-	-
Sage Mulch	-	194,013	-	-
TOTAL STORM RE/ TONNAGE & HURRICANE DEBRIS	<u>218,688</u>	<u>457,908</u>	<u>-</u>	<u>-</u>
TOTAL GARBAGE, TRASH & STORM RE/TONNAGE & HURRICANE DEBRIS	<u>971,212</u>	<u>1,234,483</u>	<u>764,582</u>	<u>744,925</u>
RECYCLED CLEAN YARD TRASH	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RECYCLABLES (T&R CENTERS)				
Phone Books	-	-	-	-
Newspaper/Cardboard	-	-	-	-
Glass	-	-	-	-
Aluminum	-	-	-	-
Plastic Bottles	-	-	-	-
White Goods	6,060	6,799	6,426	3,423
Ferrous Metal	-	-	-	-
TOTAL T&R RECYCLABLES	<u>6,060</u>	<u>6,799</u>	<u>6,426</u>	<u>3,423</u>
CURBSIDE RECYCLABLES				
Phone Books	-	-	-	-
Newspaper/Cardboard	19,451	18,995	17,098	14,611
Other Paper (3)	-	-	-	-
Glass Bottles	10,346	9,831	8,549	8,531
Aluminum	275	288	202	243
Plastic Bottles & Other Plastics	3,893	3,649	3,327	2,958
Steel Cans (4)	1,227	1,124	988	895
Batteries	-	-	-	-
Septic & Gable Containers	120	130	138	149
Other (5)	-	-	-	-
TOTAL CURBSIDE RECYCLABLES	<u>35,312</u>	<u>34,017</u>	<u>30,302</u>	<u>27,387</u>

(1) Prior to FY 2004 these figures included Household & Non-household trash.

(2) From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.

(3) Starting in FY 2010, other paper includes mixed paper other than newspaper.

See accompanying independent auditor's report.

TABLE IV B
Collection System (Unaudited)*Tonnage by Facility*

	FY 2005	FY 2006	FY 2007	FY 2008
COLLECTIONS DISPOSAL				
Transfer Station				
Garbage (3)	314,743	311,735	321,858	318,075
Storm Related Tonnage	13,168	12,504	-	-
Trash	84,383	96,181	89,161	86,703
Total Transfer Station	412,294	420,420	411,019	404,778
South Dade Landfill				
Garbage (3)	116,409	117,623	121,998	143,138
Storm Related Tonnage	158,188	235,653	-	-
Trash	94,368	148,586	132,164	114,788
Clean Yard Trash	-	-	-	-
Total South Dade Landfill	368,965	501,862	254,162	257,926
North Dade Landfill				
Trash	66,779	59,499	53,141	45,066
Storm Related Tonnage	41,217	185,275	-	-
Clean Yard Trash	-	-	-	-
Total North Dade Landfill	107,996	244,774	53,141	45,066
Resource Recovery				
Garbage (3)	34,837	51,242	39,493	31,750
Storm Related Tonnage	6,115	6,475	-	-
Trash	40,793	9,530	6,767	5,405
Clean Yard Trash	-	-	-	-
Total Resource Recovery	81,745	67,247	46,260	37,155

Note: 2005 fee: \$52.25/\$68.90 per ton, 2006 fee: \$53.65/\$70.75 per ton, 2007 fee: \$56.05/\$73.90 per ton, 2008 fee: \$57.56/\$75.89 per ton, 2009 fee: \$60.43/\$79.68 per ton, 2010 fee: \$59.77/\$78.80 per ton, 2011 fee: \$60.30/\$79.50 per ton, 2012 fee: \$62.59/\$82.52 per ton, 2013 fee: \$63.65/\$83.92 per ton, 2014 fee: \$64.85/\$85.51 per ton.

(1) The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2 million.

(2) The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2.4 million.

(3) Starting FY2008 includes Bus Stops Tonnage.

(4) The City of Sweetwater separated from the Department's Collection System effective March 1, 2012.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
290,870	289,605	290,138	285,589	266,440	271,362
-	-	-	-	-	-
76,958	69,727	59,224	64,911	75,883	91,703
<u>367,828</u>	<u>359,332</u>	<u>349,362</u>	<u>350,500</u>	<u>342,323</u>	<u>363,065</u>
120,726	124,568	125,979	130,592	135,204	145,739
-	-	-	-	-	-
107,463	96,121	82,057	84,543	84,334	91,158
-	41	922	-	-	-
<u>228,189</u>	<u>220,730</u>	<u>208,958</u>	<u>215,135</u>	<u>219,538</u>	<u>236,897</u>
40,822	38,612	36,942	37,799	37,000	37,446
-	-	-	-	-	-
-	47	331	-	-	-
<u>40,822</u>	<u>38,659</u>	<u>37,273</u>	<u>37,799</u>	<u>37,000</u>	<u>37,446</u>
31,218	37,474	29,294	39,066	59,341	61,413
-	-	-	-	-	-
8,619	11,997	15,954	15,963	17,228	17,633
-	26	55	-	-	-
<u>39,837</u>	<u>49,497</u>	<u>45,303</u>	<u>55,029</u>	<u>76,569</u>	<u>79,046</u>

TABLE IV B
Collection System (Unaudited)*Tonnage by Facility (continued)*

	FY 2005	FY 2006	FY 2007	FY 2008
Medley Landfill				
Garbage	-	-	-	-
Storm Related Tonnage	-	-	-	-
Trash	212	180	-	-
Total Medley Landfill	212	180	-	-

SUMMARY

Collections Disposal

Garbage (3)	465,989	480,600	483,349	492,963
Storm Related Tonnage	218,688	439,907	-	-
Trash	286,535	313,976	281,233	251,962
Clean Yard Trash	-	-	-	-
Total Collections Disposal	971,212	1,234,483	764,582	744,925

DISPOSAL FEE SUMMARY

GARBAGE DIVISION	\$27,636,798	\$29,074,940	\$30,467,061	\$32,033,808
TRASH DIVISION	\$15,969,195	\$16,277,750	\$17,010,785	\$15,613,760
Total Collections	\$43,605,993	\$45,352,690	\$47,477,846	\$47,647,568

Sweetwater Tonnage & Disposal Fee
Summary (4)

Disposal Fee (Trash Division)	\$191,768	\$196,341	\$168,729	\$164,856
Total Disposal Fees paid by Collection	\$43,797,761 (1)	\$45,549,031 (2)	\$47,646,575	\$47,812,424

Note: 2005 fee: \$52.25/\$68.90 per ton, 2006 fee: \$53.65/\$70.75 per ton, 2007 fee: \$56.05/\$73.90 per ton, 2008 fee: \$57.56/\$75.89 per ton, 2009 fee: \$60.43/\$79.68 per ton, 2010 fee: \$59.77/\$78.80 per ton, 2011 fee: \$60.30/\$79.50 per ton, 2012 fee: \$62.59/\$82.52 per ton, 2013 fee: \$63.65/\$83.92 per ton, 2014 fee: \$64.85/\$85.51 per ton.

(1) The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2 million.

(2) The eliminating figures herein exclude hurricane disposal costs elimination of approximately \$2.4 million.

(3) Starting FY2008 includes Bus Stops Tonnage.

(4) The City of Sweetwater separated from the Department's Collection System effective March 1, 2012.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
442,814	451,647	445,410	455,247	460,985	478,514
-	-	-	-	-	-
233,862	216,571	195,485	203,216	214,445	237,940
-	-	-	-	-	-
<u>676,676</u>	<u>668,218</u>	<u>640,895</u>	<u>658,463</u>	<u>675,430</u>	<u>716,454</u>
\$30,404,367	\$30,403,199	\$30,301,477	\$32,014,175	\$32,679,334	\$34,488,313
<u>\$14,953,209</u>	<u>\$13,812,946</u>	<u>\$12,532,962</u>	<u>\$13,547,338</u>	<u>\$14,635,132</u>	<u>\$16,594,724</u>
\$45,357,576	\$44,216,145	\$42,834,439	\$45,561,513	\$47,314,466	\$51,083,037
<u>\$190,814</u>	<u>\$254,489</u>	<u>\$244,908</u>	<u>\$76,903</u>	-	-
<u>\$45,548,390</u>	<u>\$44,470,634</u>	<u>\$43,079,347</u>	<u>\$45,638,416</u>	<u>\$47,314,466</u>	<u>\$51,083,037</u>

TABLE V
Collection System (Unaudited)

Customer Statistics

	FY 2005	FY 2006	FY 2007	FY 2008
HOUSEHOLDS (5):				
Units as of October 1st	302,313	309,907	319,064	321,438
Units as of September 30th	309,907	319,064	321,438	323,128
Billed by Tax	306,037	311,897	318,341	322,352
Billed October 1st	731	919	842	765
Net Growth	7,594	9,157	2,374	1,690
Average Annual Number of Units	306,713	314,647	318,972	322,534
HOUSEHOLD/COMMERCIAL (6):				
Units as of October 1 (1)	3,673	3,711	3,706	3,722
Billed by Tax	2,832	2,894	2,975	2,877
Billed During the Year	841	857	857	912
Average Annual Number of Units	3,685	3,732	3,715	3,758
CITY OF MIAMI HUD				
Households (5)	104	104	104	104
Household/commercial (6)/(7)	857	857	857	857
COMMERCIAL:				
Units as of October 1	880	876	889	907
Average Annual Units	870	880	888	915
Rollaway (Dumpsters) (4)	29	29	29	30
RECYCLING:				
Outside Department Service Area - Households (2)	3,189	2,797	2,584	2,512
Participating Municipalities Households (4)	23,293	23,096	22,017	21,837
LANDSCAPE PERMITS				
Permits	848	708	510	475
Trucks	1,259	933	694	610
Fee Per Unit (Collection's Service) Fee (Including Recycling)	\$399	\$399	\$439	\$439
Waste Collected by Department as % of Total Tipped (3)	47.85%	47.96%	38.99%	41.59%

(1) Change in method beginning fiscal year 1995 from number of waste units of living units billed.

(2) Reduction after fiscal 1996 due to expanded take-in areas.

(3) Total equivalent revenue tons used.

(4) Represents average for the period from FY 2010 on.

(5) Households include residential dumpsters and City of Miami HUD households.

(6) Household/Commercial include City of Miami HUD Commercial.

(7) Reflects a reduction in the number of units serviced in FY 2011.

(8) Reflects the figures net of Sweetwater separation from Collection System effective March 1, 2012.

(9) FY14 Recycling units= 322,405.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
323,128	323,812	324,521	324,866	323,456	325,324
323,812	324,521	324,866	323,456	325,324	327,369
323,403	324,072	324,332	322,827	324,591	326,642
125	174	228	307	455	387
684	709	345	(1,410) (8)	1,868	1,970
<u>323,471</u>	<u>324,092</u>	<u>324,768</u>	<u>324,040</u>	<u>324,384</u>	<u>326,396</u> (9)
3,735	3,775	3,775	3,722	3,656	3,469
2,898	2,954	2,974	2,750	2,774	2,805
877	861	609	593	580	557
<u>3,782</u>	<u>3,800</u>	<u>3,585</u>	<u>3,731</u>	<u>3,659</u>	<u>3,490</u>
104	104	64	23	0	75
857	857	610	576	575	553
970	1,014	1,014	1,048	1,047	1,049
992	1,004	1,021	1,049	1,043	1,046
28	28	22	27	30	26
2,417	1,905	1,847	1,828	1,805	1,766
20,824	19,608	26,908	28,031	27,891	27,811
532	329	337	328	308	269
727	482	420	356	307	375
\$439	\$439	\$439	\$439	\$439	\$439
42.46%	42.95%	42.38%	43.63%	44.37%	44.04%

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TABLE VI
Revenue by Type (Unaudited)

<u>TYPE</u>	<u>DESCRIPTION</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>
		<i>(In thousands)</i>		
Collections Revenue	Received for curbside collection of garbage and trash. Customers as household units at September 30, 2014, 2013 and 2012 were 327,369, 325,324, and 323,456, respectively. PWWM provides solid waste collection service to unincorporated Miami-Dade County residential units (single-family, townhomes, cluster homes, etc.). In November 1995, the City of Aventura entered into an interlocal agreement authorizing the County to provide waste collection services on an interim basis. PWWM continues to provide these services to the City of Aventura although the original agreement is no longer in effect; however, the number of units served is minimal (approximately 200 units). PWWM serves the Village of Pinecrest, Sunny Isles Beach, the Town of Miami Lakes, the Village of Palmetto Bay, the City of Miami Gardens, the City of Doral and the Town of Cutler Bay; all these pursuant to Ordinance 96-30. The City of Sweetwater separated from Collection System effective March 1, 2012.	\$ 141,983	\$ 135,376	\$ 143,703
Tipping Fees	The County charges tipping fees for use of its disposal facilities. Municipalities with long term interlocal agreements received disposal services at a disposal fee of \$64.85, \$63.65, and \$62.59 per ton during fiscal years 2014, 2013 and 2012, respectively. These fees are subject to annual increases based on Consumer Price Index (CPI). There were 18 cities with interlocal agreements (see Table III B) as of September 30, 2014. Private haulers with long term contracts for disposal also received the \$64.85 tipping fee per ton; at September 30, 2014, 26 private haulers were receiving the lower fee. County agencies also received the \$64.85 tipping fee. For waste delivered to one of the County's regional transfer stations the additional charge was \$12.75 per ton during fiscal year 2014. The non-contractual rate was \$85.51 per ton during fiscal year 2014.	56,963	57,848	63,375
Medley Surcharge	The Department receives a surcharge on each ton of waste disposed at the Medley Landfill by Waste Management, pursuant to the agreement approved by the Board of County Commissioners on July 21, 1998.	786	910	967
Electrical Revenue	The Department receives electrical revenue from the sale of electricity produced at the Resources Recovery waste-to-energy facility.	30,703	31,453	14,079
Utility Service Fee	Revenues directed to the PWWM based on 3 1/2% out of the 7 1/2% surcharge on water and waste water bills countywide. By code limited to closure, postclosure care and other groundwater protection programs.	21,692	22,490	24,290
Disposal Facility Fee	Since fiscal year 1996, private haulers have been assessed a fee based on a percentage of their gross receipts from their customers located in unincorporated Miami-Dade County. The fee has been 15% in fiscal years 2012, 2013 and 2014. The fee is used to ensure capacity in operations.	10,535	11,029	11,505
Other Operating Revenue	Includes office rental income, parking facilities revenue, code enforcement fines, permit fees and other miscellaneous income.	3,495	3,750	3,478
Total		<u>\$ 266,157</u>	<u>\$ 262,856</u>	<u>\$ 261,397</u>

TABLE VII
Resources Recovery (Unaudited)

Electrical Revenues

	FY 2005	FY 2006	FY 2007	FY 2008
Total Electrical Revenue	<u>\$17,503,843</u>	<u>\$23,123,631</u>	<u>\$23,703,597</u>	<u>\$28,000,596</u>
Deducted Expenses:				
Electricity Costs	\$346,003	\$256,610	\$239,025	\$268,509
Other Related Costs	\$1,428,529	\$1,557,725	\$1,552,486	\$1,703,885
Net Miami-Dade County Revenue	\$8,037,657	\$10,782,953	\$11,075,556	\$13,193,356*
Net Montenay Power Corporate Revenue	\$7,691,654	\$10,526,343	\$10,836,530	\$12,924,847
KWH Produced	233,258,000	293,247,000	291,314,000	312,174,000

*Includes additional \$90,000 overpayment.

(1) Excludes approximately \$143,400 in settlement of Transmission Charges.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<u>\$27,911,369</u>	<u>\$26,460,826</u>	<u>\$31,469,008</u>	<u>\$30,703,074</u>	<u>\$31,453,171</u>	<u>\$14,079,050</u>
\$258,561	\$282,340	\$253,100	\$255,176	\$283,759	\$321,050
\$1,557,901	\$1,600,684	\$1,950,010	\$1,751,902 (1)	\$1,734,552	\$367,337
\$13,176,734	\$12,430,071	\$14,759,500	\$14,475,585	\$14,859,310	\$6,855,856
\$12,918,173	\$12,147,731	\$14,506,398	\$14,220,411	\$14,575,550	\$6,534,807
304,098,000	276,123,000	339,009,000	332,019,000	315,785,000	290,433,000

TABLE VIII

Home Chemical Collection Program (Unaudited)

	FY 2005	FY 2006	FY 2007	FY 2008
PARTICIPANTS				
Florida International University - North (4)	123	-	-	-
Miami Dade Community College - North	-	-	-	-
Miami Dade Community College - South	-	-	-	-
South Dade Government Center	227	-	-	-
Biscayne Greyhound Track	-	-	-	-
Homestead	-	32	39	2
Joe Robbie Stadium	-	-	-	-
Miami Gardens	-	-	-	-
Permanent Center	2,170	2,317	3,001	3,092
Total Participants	<u>2,520</u>	<u>2,349</u>	<u>3,040</u>	<u>3,094</u>
POUNDS COLLECTED				
Florida International University - North (4)	12,601	-	-	-
Miami Dade Community College - North	-	-	-	-
Miami Dade Community College - South	-	-	-	-
South Dade Government Center	23,335	-	-	-
Biscayne Greyhound Track	-	-	-	-
Homestead	-	1,974	3,218	700
Joe Robbie Stadium	-	-	-	-
Miami Gardens	-	-	-	-
Permanent Center **	277,722	279,493	370,052	345,346
Total Pounds Collected (3)	<u>313,658</u>	<u>281,467</u>	<u>373,270</u>	<u>346,046</u>
TOTAL VENDOR DISPOSAL COST				
Florida International University - North (4)	\$14,383	-	-	-
Miami Dade Community College - North	-	-	-	-
Miami Dade Community College - South	-	-	-	-
South Dade Government Center	\$23,170	-	-	-
Biscayne Greyhound Track	-	-	-	-
Homestead	-	\$9,682	\$10,794	\$7,822
Joe Robbie Stadium	-	-	-	-
Miami Gardens	-	-	-	-
Permanent Center	\$210,654	\$128,542	\$217,778	\$235,111
Total Cost	<u>\$248,207</u>	<u>\$138,224</u>	<u>\$228,572</u>	<u>\$242,933</u>
Average Cost Per Pound	\$0.79	\$0.49	\$0.61	\$0.70
Average Cost Per Participant	\$98	\$59	\$75	\$79

Area specific programs were discontinued in fiscal year 1995 in favor of a permanent drop-off site.

** Includes used oil dropped off at T&R Centers

(1) Reinstated mobile events for unincorporated areas in 1999.

(2) Permanent Center includes used oil collection.

(3) Conversion for used oil is 8 pounds per gallon. The figure might include pounds of hazardous waste.

(4) Florida International Univ. (North Campus) selected as new "North" site in FY2002.

(5) This table excludes figures for latex paint and e-waste.

(6) FY2010 Program earned \$14,666 for sale of used oil making the net disposal cost \$145,052.

See accompanying independent auditor's report.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	19	-	-	-	-
<u>3,864</u>	<u>4,175</u>	<u>3,755</u>	<u>3,809</u>	<u>3,758</u>	<u>4,292</u>
<u><u>3,864</u></u>	<u><u>4,194</u></u>	<u><u>3,755</u></u>	<u><u>3,809</u></u>	<u><u>3,758</u></u>	<u><u>4,292</u></u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	2,491	-	-	-	-
<u>323,708</u>	<u>364,724</u>	<u>349,732</u>	<u>378,062</u>	<u>367,408</u>	<u>343,020</u>
<u><u>323,708</u></u>	<u><u>367,215</u></u>	<u><u>349,732</u></u>	<u><u>378,062</u></u>	<u><u>367,408</u></u>	<u><u>343,020</u></u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	\$10,168	-	-	-	-
<u>\$160,932</u>	<u>\$149,550</u>	<u>\$123,780</u>	<u>\$128,928</u>	<u>\$151,204</u>	<u>\$180,437</u>
<u><u>\$160,932</u></u>	<u><u>\$159,718 (6)</u></u>	<u><u>\$123,780 (7)</u></u>	<u><u>\$128,928 (8)</u></u>	<u><u>\$151,204 (9)</u></u>	<u><u>\$180,437 (10)</u></u>
\$0.50	\$0.43	\$0.56	\$0.34	\$0.41	\$0.53
\$42	\$38	\$33	\$34	\$40	\$42

- (7) FY2011 Program earned \$17,553 for sale of used oil making the net disposal cost \$114,321. The total sale of used oil per FAMIS in FY 2011 is \$21,497.
- (8) FY2012 Program earned \$19,121 for sale of used oil making the net disposal cost \$109,807. The total sale of used oil per FAMIS in FY 2012 is \$17,644.
- (9) FY2013 Program earned \$18,764 for sale of used oil making the net disposal cost \$151,204. The total sale of used oil per FAMIS in FY 2013 is \$19,838.
- (10) FY2014 Program earned \$1,428 for sale of used oil making the net disposal cost \$180,437. The total sale of used oil per FAMIS in FY 2014 is \$1,116.

See accompanying independent auditor's report.

TABLE IX**Demographic and Economic Indicators (Unaudited)***Selected years 2005-2014*

	FY 2005	FY 2006	FY 2007	FY 2008
Population (1)	2,402,105	2,431,819	2,461,577	2,499,701
Increase/(Decrease)	29,687	29,714	29,758	38,124
Annual percentage change	1.3%	1.2%	1.2%	1.5%
Personal Income (in \$000's) (2)	\$74,533,598	\$80,112,340	\$85,978,571	\$88,954,732
Per Capita Personal Income	\$31,447	\$32,943	\$34,928	\$35,586
Unemployment Rate (1)	4.3%	3.9%	3.5%	5.3%

N/A - Information is not available as of the date of the Transmittal Letter herein.

Source: (1) Miami-Dade County, Department of Regulatory and Economic Resources, Planning Division, Research Section.

(2) U.S. Department of Commerce, Economics and Statistics Administration, Bureau of Economic Analysis/Regional Economic Information System.

PRINCIPAL EMPLOYERS**Current Year and Period - Nine Years Prior**

2014				2005			
Employer	Employees	Rank	Percentage of Total County Employment (1)	Employer	Employees	Rank	Percentage of Total County Employment (1)
Miami-Dade County Public Schools	33,477	1	2.57%	Miami-Dade County Public Schools	48,417	1	4.35%
Miami-Dade County	25,502	2	1.96%	Miami-Dade County	32,265	2	2.90%
Federal Government	19,200	3	1.48%	Federal Government	20,100	3	1.81%
State of Florida	17,100	4	1.31%	State of Florida	18,900	4	1.70%
University of Miami, Inc.	12,818	5	0.99%	University of Miami, Inc.	9,079	7	0.82%
Baptist Health Systems of South Florida	11,353	6	0.87%	Baptist Health Systems of South Florida	10,300	6	0.92%
American Airlines	11,031	7	0.85%	American Airlines	9,000	8	0.81%
Jackson Memorial Hospital	9,797	8	0.75%	Jackson Memorial Hospital	11,700	5	1.05%
Publix Super Market	4,604	9	0.35%	Publix Super Market	-	-	-
City of Miami	3,997	10	0.31%	City of Miami	-	-	-
Florida International University	-	-	-	Florida International University	5,000	10	0.45%
Miami-Dade Community College	-	-	-	Miami-Dade Community College	7,500	9	0.67%
United Parcel Service	-	-	-	United Parcel Service	5,000	10	0.45%
	<u>148,879</u>		<u>11.45%</u>		<u>177,261</u>		<u>15.92%</u>

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

(1) Based on Civilian Labor Force for FY05 1,113,560 and FY14 1,300,476.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
2,531,769	2,563,885	2,516,515	2,551,255	2,582,228	2,586,290
32,068	32,116	(47,370)	34,740	30,973	4,062
1.3%	1.3%	(1.8%)	1.4%	1.2%	0.2%
\$90,915,774	\$92,227,399	\$96,657,710	\$100,688,604	\$104,373,301	N/A
\$35,910	\$35,972	\$38,409	\$39,466	\$40,420	N/A
8.9%	12.0%	12.7%	9.7%	8.9%	N/A

TABLE X
Solid Waste Locations and Service Area Boundaries

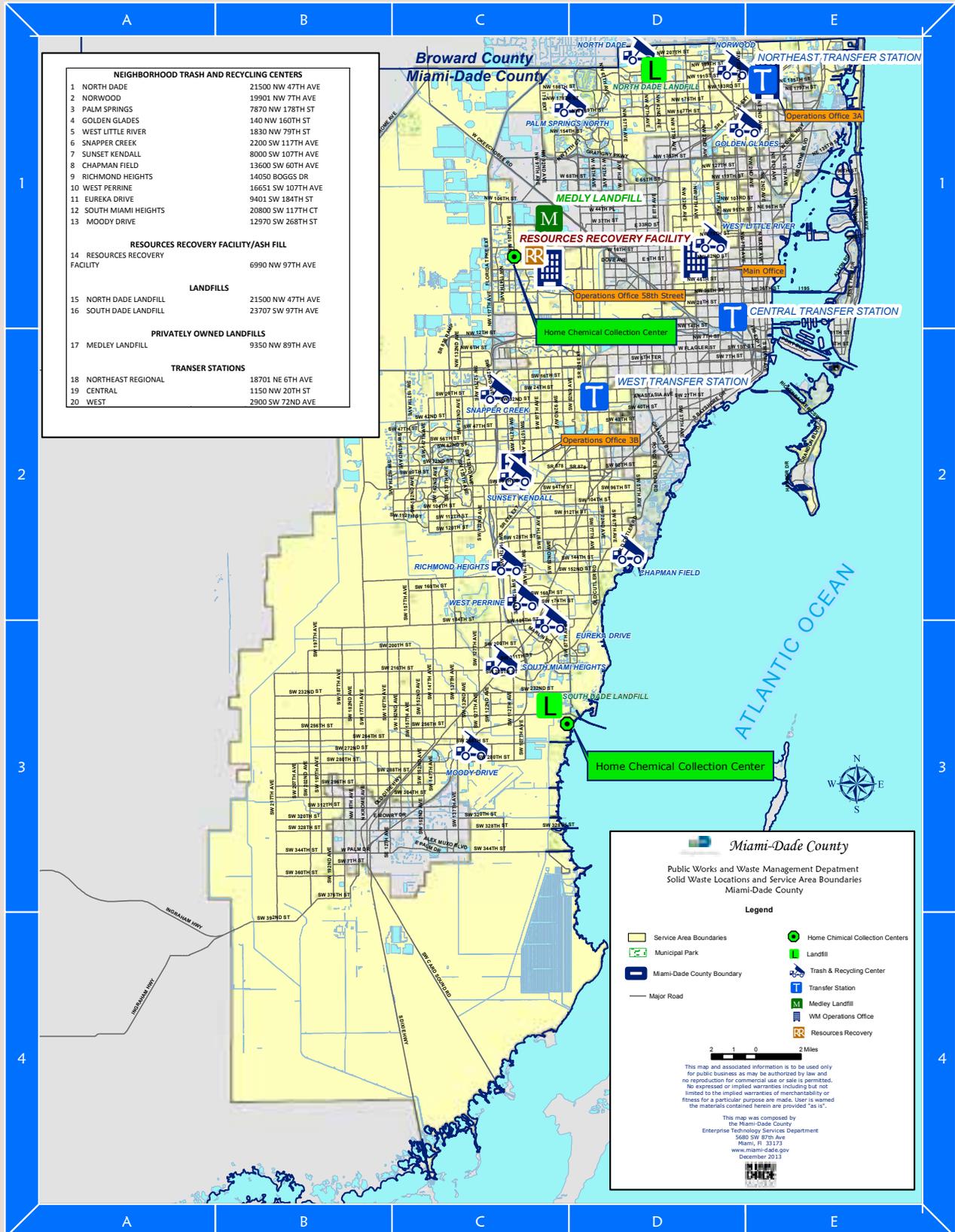


TABLE XI
Insurance in Force (Unaudited)

Type of Coverage and Insurance Company	Policy Period	Details of Coverage	Limit of Liability
Crime Policy: Fidelity & Deposit Co. of Maryland	08/19/14-8/19/15	Employees Dishonesty	\$1,000,000
Accidental Death: Hartford Life Insurance Company	01/01/14-01/01/15	Accidental Death and Dismemberment	\$ 25,000
Property Insurance: Various companies	04/15/14-04/15/15	Real & Personal Property	various
Automobile Liability:	Continuous	Self-insured	\$ 200,000 per person \$ 300,000 per occurrence pursuant to F.S. 768.28 (certain claims may not fall within the parameters of F.S. 768.28)
General Liability:	Continuous	Self-insured	\$ 200,000 per person \$ 300,000 per occurrence pursuant to F.S. 768.28 (certain claims may not fall within the parameters of F.S. 768.28)
Workers' Compensation	Continuous	Self-insured	Statutory coverage pursuant to F.S. 440

TABLE XII**Schedule of Debt Service Coverage and Outstanding Debt Ratio (Unaudited)***Last Ten Years (in thousands)*

	FY 2005	FY 2006	FY 2007	FY 2008
FIRST TIER TEST				
Adjusted net operating revenues (1)/(3)	\$44,766	\$60,949	\$68,117	\$36,067
Debt service requirements (1a)/(2)	\$18,966	\$20,092	\$20,115	\$20,084
Actual Coverage (3)	2.36	3.03	3.39	1.80
Required coverage	1.20	1.20	1.20	1.20
Refunding Bonds Balance, Net	\$54,866	\$47,105	\$38,840	\$30,034
Equivalent Revenue Tons	2,030	2,574	1,961	1,791
Outstanding Debt Ratio	<u>27.0</u>	<u>18.3</u>	<u>19.8</u>	<u>16.8</u>
Revenue Bonds Balance, Net	\$163,670	\$163,375	\$162,366	\$161,314
Equivalent Revenue Tons	2,030	2,574	1,961	1,791
Outstanding Debt Ratio	<u>80.6</u>	<u>63.5</u>	<u>82.8</u>	<u>90.1</u>
Capital Asset Acquisition Bonds, Net	\$21,657	\$19,283	\$16,865	\$14,394
House Hold Units	307	315	319	323
Outstanding Debt Ratio	<u>70.5</u>	<u>61.2</u>	<u>52.9</u>	<u>44.6</u>
Sunshine State Loans, Net	\$10,289	\$11,313	\$10,116	\$8,911
House Hold Units	307	315	319	323
Outstanding Debt Ratio	<u>33.5</u>	<u>35.9</u>	<u>31.7</u>	<u>27.6</u>
(In full \$s)				
Total Debt for the Waste Management Enterprise Fund in full dollars	\$250,482,000	\$241,076,000	\$228,187,000	\$214,653,000
Total Debt for the Waste Management Enterprise Fund in full dollars	\$250,482,000	\$241,076,000	\$228,187,000	\$214,653,000
Population of Miami-Dade County (4)	2,402,105	2,431,819	2,461,577	2,499,701
Outstanding Debt Ratio	<u>104.3</u>	<u>99.1</u>	<u>92.7</u>	<u>85.9</u>
Total Debt for the Waste Management Enterprise Fund in full dollars	\$250,482,000	\$241,076,000	\$228,187,000	\$214,653,000
Personal Income of Miami-Dade County (5)	\$74,533,598	\$80,112,340	\$85,978,571	\$88,954,732
Outstanding Debt Ratio	<u>3.4</u>	<u>3.0</u>	<u>2.7</u>	<u>2.4</u>

N/A - Information is not available as of the date of the Transmittal Letter herein.

* In this presentation all debt figures are reflected net of unamortized premium/discount/deferred charges for the corresponding period being reported.

- (1) Adjusted net operating revenues include: Operating revenues plus intergovernmental revenue used in the calculation of debt service coverage, less operating expenses (prior to depreciation and expense for assumption of liability of closure and postclosure care costs for inactive landfills) plus certain interest income defined as revenues by debt instruments.
- (1a) Figures for debt service requirements are reflected on an accrual basis herein while the figures on the footnotes to the financial statements represent future requirements on a cash/maturity basis.

FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
\$36,526	\$58,775	\$47,748	\$43,297	\$30,734	\$43,441
\$20,098	\$20,113	\$18,749	\$18,749	\$18,756	\$18,771
1.82	2.92	2.55	2.31	1.64	2.31
1.20	1.20	1.20	1.20	1.20	1.20
\$20,704	\$10,800	\$0	\$0	\$0	\$0
1,594	1,556	0	0	0	0
13.0	6.9	0.0	0.0	0.0	0.0
\$160,225	\$159,095	\$157,902	\$148,066	\$134,283	\$121,665
1,594	1,556	1,512	1,509	1,522	1,627
100.5	102.2	104.4	98.1	88.2	74.8
\$11,856	\$9,246	\$6,558	\$3,738	\$826	\$398
323	324	325	324	324	326
36.7	28.5	20.2	11.5	2.5	1.2
\$7,698	\$6,477	\$5,228	\$3,866	\$2,667	\$1,229
323	324	325	324	324	326
23.8	20.0	16.1	11.9	8.2	3.8
(In full \$s)					
\$200,483,000	\$185,618,000	\$169,688,000	\$155,670,000	\$137,776,000	\$123,292,000
\$200,483,000	\$185,618,000	\$169,688,000	\$155,670,000	\$137,776,000	\$123,292,000
2,531,769	2,563,885	2,516,515	2,551,255	2,582,228	2,586,290
79.2	72.4	67.4	61.0	53.4	47.7
\$200,483,000	\$185,618,000	\$169,688,000	\$155,670,000	\$137,776,000	\$123,292,000
\$90,915,774	\$92,227,399	\$96,657,710	\$100,688,604	\$104,373,301	N/A
2.2	2.0	1.8	1.5	1.3	N/A

- (2) The debt service requirement herein for FY 2005 and every fiscal year thereafter, equals the amount reflected on Series 2005 OS (page 40) converted to the accrual basis.
- (3) The debt service coverage calculation herein excludes investment income or loss in connection with the recognition of investment in derivative instruments pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" GASB 53, see Note 15 to the financial statements.
- (4) Source: Miami-Dade County, Department of Regulatory and Economic Resources, Planning Division, Research Section.
- (5) Source: U.S. Department of Commerce, Economics and Statistics Administration, Bureau of Economic Analysis/Regional Economic Information System.
- (6) In FY 2014, deferred gains on refunding were reclassified to Deferred Inflows of Resources pursuant to GASB Statement No. 65.

TABLE XIII

Schedule of Major Contracts and Agreements - Operating (Unaudited)

	Fees/Rates Effective October 1,			Expenses Recorded (in millions)																														
	2012	2013	2014	2012	2013	2014																												
Agreement for the management and operation of the County-owned Resources Recovery Facility:																																		
<ul style="list-style-type: none"> On July 17, 2012, the Miami-Dade County Board of County Commissioners approved resolution No. R-639-12 authorizing execution of the Fourth Amended and Restated Operations and Management Agreement by and between Miami-Dade County (the "County") and Covanta Dade Renewable Energy Ltd (the "O&M Agreement"); the terms of the O&M Agreement are effective as of October 1, 2009. 																																		
Annual Recyclable Trash Guaranteed Tonnage = 240,000 Tons Per Year (TPY)																																		
Annual On-Site Waste Guaranteed Tonnage = 732,000 TPY																																		
<ul style="list-style-type: none"> Tipping Fees (main categories) /rates per ton: <table border="0" style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 60%;">TPY up to 732,000 tons.</td> <td style="width: 10%;">\$47.94</td> <td style="width: 10%;">\$47.41</td> <td style="width: 10%;">\$48.50</td> <td colspan="3"></td> </tr> <tr> <td>TPY in excess of 732,000 (732,001 tons - 966,000 tons).</td> <td>\$40.61</td> <td>\$40.16</td> <td>\$41.08</td> <td colspan="3"></td> </tr> <tr> <td>Above 966,000 TPY for each ton of Recyclable Trash up to a maximum of 76,000 TPY delivered after receipt of 966,000 TPY.</td> <td>\$33.14</td> <td>\$32.78</td> <td>\$33.53</td> <td colspan="3"></td> </tr> <tr> <td>All other waste.</td> <td>\$29.63</td> <td>\$29.30</td> <td>\$29.97</td> <td colspan="3"></td> </tr> </table> 							TPY up to 732,000 tons.	\$47.94	\$47.41	\$48.50				TPY in excess of 732,000 (732,001 tons - 966,000 tons).	\$40.61	\$40.16	\$41.08				Above 966,000 TPY for each ton of Recyclable Trash up to a maximum of 76,000 TPY delivered after receipt of 966,000 TPY.	\$33.14	\$32.78	\$33.53				All other waste.	\$29.63	\$29.30	\$29.97			
TPY up to 732,000 tons.	\$47.94	\$47.41	\$48.50																															
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Above 966,000 TPY for each ton of Recyclable Trash up to a maximum of 76,000 TPY delivered after receipt of 966,000 TPY.	\$33.14	\$32.78	\$33.53																															
All other waste.	\$29.63	\$29.30	\$29.97																															
<ul style="list-style-type: none"> Expenses recorded for Capital Tipping Fees, Oper. & Management Tipping Fees. 				\$60.8	\$59.4	\$52.2																												
Agreement with Waste Management Inc. of Florida for waste delivery to the Waste Management Landfill located in Medley, Florida:																																		
<ul style="list-style-type: none"> Twenty year term contract which ends in 2015, with 2 additional 5-year renewal options. The County to deliver between 100,000 and 120,000 tons per year. Guaranteed capacity to the County up to 500,000 per tons per year (including alternate landfill). Fees/rates per ton billed to the County: <table border="0" style="width: 100%; margin-left: 20px;"> <tr> <td style="width: 60%;">First 100,000 tons delivered.</td> <td style="width: 10%;">\$34.23</td> <td style="width: 10%;">\$34.87</td> <td style="width: 10%;">\$35.66</td> <td colspan="3"></td> </tr> <tr> <td>First 20,000 tons delivered in excess of 100,000.</td> <td>\$27.96</td> <td>\$28.48</td> <td>\$29.12</td> <td colspan="3"></td> </tr> <tr> <td>First 20,000 tons delivered in excess of 120,000.</td> <td>\$26.53</td> <td>\$27.02</td> <td>\$27.63</td> <td colspan="3"></td> </tr> </table> Fee increases limited to CPI and change-in-law. County receives surcharge for all non-PWWM waste delivered to Medley. 							First 100,000 tons delivered.	\$34.23	\$34.87	\$35.66				First 20,000 tons delivered in excess of 100,000.	\$27.96	\$28.48	\$29.12				First 20,000 tons delivered in excess of 120,000.	\$26.53	\$27.02	\$27.63										
First 100,000 tons delivered.	\$34.23	\$34.87	\$35.66																															
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First 20,000 tons delivered in excess of 120,000.	\$26.53	\$27.02	\$27.63																															
<ul style="list-style-type: none"> Expenses recorded 				\$3.5	\$7.4	\$7.3																												

	Fees/Rates Effective October 1,			Expenses Recorded (in millions)																																												
	2012	2013	2014	2012	2013	2014																																										
Agreement with Progressive Waste Solutions of Florida, Inc. and World Waste Recycling, Inc.																																																
<ul style="list-style-type: none"> On May 31, 2013, Waste Services of Florida, Inc. changed its name to Progressive Waste Solutions of Florida, Inc. In March 2008, the County entered into agreements for curbside collection and hauling of recyclable items with Progressive Waste Solutions of Florida, Inc. formerly known as Waste Services of Florida, Inc. and World Waste Recycling, Inc. formerly known as World Waste Services, Inc. Under the new program, residential curbside recycling was converted from dual stream to single stream collection. In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented to the assignment of all rights and obligations under the Curbside Collection Service of Recyclable Materials Contract from BFI / Allied Waste South Florida to Waste Services of Florida, Inc. Contract as amended on 10/95 ended in 2006. The County and the Contractor agreed on a month to month extension from June 2006 through December 2006. In January 2007 the County and the contractor agreed on a six month extension. The County reserved the right to renew for six additional one month periods. In June 2007 the County exercised the right to renew for six additional one month periods. The one month period extensions ended December 31, 2008. Fees/rates per household billed to the County. Fee increases limited to CPI <table border="0" style="margin-left: 20px;"> <tr> <td colspan="7">World Waste Recycling, Inc.</td> </tr> <tr> <td>Single stream service (Zone 1 & 2)</td> <td>\$2.01</td> <td>\$2.01</td> <td>\$2.05</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Single stream service (Miami Beach)</td> <td>\$2.87</td> <td>\$2.87</td> <td>\$2.93</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Manual Service</td> <td>\$2.95</td> <td>\$2.95</td> <td>\$3.01</td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="7">Waste Services of Florida, Inc.</td> </tr> <tr> <td>Single stream service (Zone 3)</td> <td>\$2.06</td> <td>\$2.06</td> <td>\$2.10</td> <td></td> <td></td> <td></td> </tr> </table> 							World Waste Recycling, Inc.							Single stream service (Zone 1 & 2)	\$2.01	\$2.01	\$2.05				Single stream service (Miami Beach)	\$2.87	\$2.87	\$2.93				Manual Service	\$2.95	\$2.95	\$3.01				Waste Services of Florida, Inc.							Single stream service (Zone 3)	\$2.06	\$2.06	\$2.10			
World Waste Recycling, Inc.																																																
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Waste Services of Florida, Inc.																																																
Single stream service (Zone 3)	\$2.06	\$2.06	\$2.10																																													
• Expenses recorded				\$8.5	\$8.6	\$8.7																																										

TABLE XIV

Schedule of Major Disposal Delivery Agreements (Unaudited)

	Fees/Rates Effective October 1,		
	2012	2013	2014
Interlocal (long-term disposal delivery) agreements with 18 municipalities in the County:			
<ul style="list-style-type: none"> • 20-year term contracts, which end in 2015 (except Homestead, Miami, North Miami, Sweetwater and West Miami). • The County guarantees to meet level-of-service standard for disposal capacity (concurrency). • Municipalities agree to deliver all tonnage collected and to direct contracted/franchise haulers. 			
• Tipping Fees/rates per ton:*	\$63.65	\$64.85	\$66.34
• Transfer Fees/rates per ton:	\$12.52	\$12.75	\$13.04
• Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Services, Inc. ("WSI"):			
<ul style="list-style-type: none"> • In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented the assignment of all rights and obligations under the Commitment to use the County Solid Waste Management System for Municipal Solid Waste Disposal Contract. • Pursuant to amendment adopted by the Board of County Commissioners on July 26, 2001, the contract term is through 2015, with two 5-year mutual options to renew. Prior to the amendment, 20-year term contract to 2015, with 10-year termination provision in 2005. • In consideration for the term extension, 220,000 tons per year delivery requirement (plus additional 10,000 tons per year for 5 consecutive years, beginning October 1, 2001). Prior to the amendment, 300,000 tons per year delivery requirement or all tons collected. • Hauler will deliver at least 75,000 tons of its commitment to County transfer stations at additional transfer fee per ton. Prior to the amendment this requirement was for 100,000 tons. 			
• Tipping Fees/rates per ton:	\$63.65	\$64.85	\$66.34
• Transfer Fees/rates per ton:	\$12.52	\$12.75	\$13.04
• Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Management:			
<ul style="list-style-type: none"> • 20-year term contract to 2015, with two 5-year mutual options to renew. • 91,000 tons per year delivery requirement or all tons collected. (88,400 tons if County delivers less than 120,000 tons annually to Medley Landfill (see Table 13 in this report)). 			
• Tipping Fees/rates per ton:	\$63.65	\$64.85	\$66.34
• Transfer Fees/rates per ton:	\$12.52	\$12.75	\$13.04
• Fee increases limited by CPI and change-in-law.			
• Non-contractual rate in October 1, 2012 \$83.92; October 1, 2013 \$85.51; October 1, 2014 \$87.47.			

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TABLE XV
Operating Information (Unaudited)

Last Ten Years

	FY 2005	FY 2006	FY 2007
Number of Employees:			
Disposal System	311	315	302
Collection System	745	699	681
	<u>1,056</u>	<u>1,014</u>	<u>983</u>
Administration			
Total			
Operating Indicators:			
Disposal System:			
Equivalent Revenue Tons	<u>2,029,552</u>	<u>2,574,040</u>	<u>1,960,985</u>
Collection System:			
Residential:			
Average Annual Number of Units	<u>306,713</u>	<u>314,647</u>	<u>318,972</u>
Commercial Units:			
Household/Commercial Average Annual Number of Units	<u>3,685</u>	<u>3,732</u>	<u>3,715</u>
Commercial Average Annual Number of Units	<u>870</u>	<u>880</u>	<u>888</u>
Capital Assets Information:			
Disposal System:			
Active Landfills	3	3	3
Transfer Stations	3	3	3
Waste-to-Energy Plant	1	1	1
Collection System:			
Division Sites	3	3	3
Trash and Recycling Centers (T&R Centers)	13	13	13

(1) Includes one overage.

(2) Represents employees engaged in Waste Management Collection and Disposal Activities only.

(3) Administration employees support both Public Works and Waste Management functions.

FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
307	318	265	257	249	258	268
645	639	693	683 (1)	583	583	553
<u>952</u>	<u>957</u>	<u>958</u>	<u>940</u>	832 (2)	841 (2)	821 (2)
				121 (3)	100 (3)	104 (3)
				<u>953</u>	<u>941</u>	<u>925</u>
<u>1,791,122</u>	<u>1,593,673</u>	<u>1,555,679</u>	<u>1,512,414</u>	<u>1,509,234</u>	<u>1,522,335</u>	<u>1,626,781</u>
<u>322,534</u>	<u>323,471</u>	<u>324,092</u>	<u>324,768</u>	<u>324,040</u>	<u>324,384</u>	<u>326,396</u>
<u>3,758</u>	<u>3,782</u>	<u>3,800</u>	<u>3,585</u>	<u>3,731</u>	<u>3,659</u>	<u>3,490</u>
<u>915</u>	<u>992</u>	<u>1,004</u>	<u>1,021</u>	<u>1,049</u>	<u>1,043</u>	<u>1,046</u>
3	3	3	3	3	3	3
3	3	3	3	3	3	3
1	1	1	1	1	1	1
3	3	3	4	4	4	4
13	13	13	13	13	13	13

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