

FIVE-YEAR FORECAST FOR MAJOR PROPRIETARY FUNCTIONS

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

Miami-Dade Aviation Department

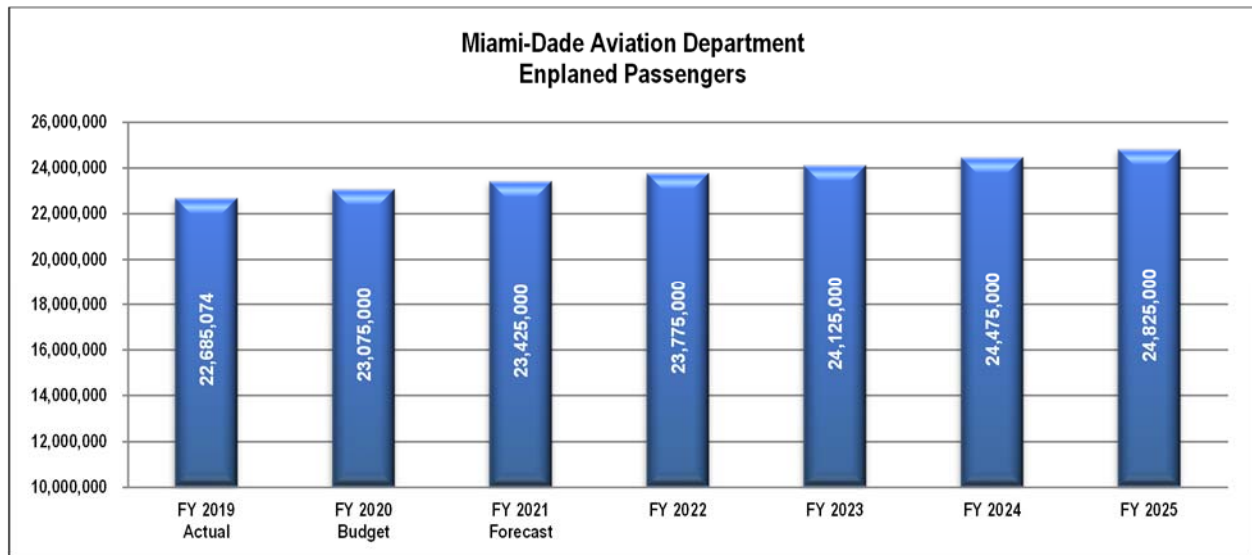
The Miami-Dade Aviation Department (MDAD) operates a system of airports for Miami-Dade County which consists of Miami International Airport (MIA) and four general aviation and training airports: Opa-locka Executive Airport, Miami Executive Airport (previously Kendall-Tamiami Executive Airport), Homestead General Aviation Airport and Dade-Collier Training & Transition Airport. The Airport System is considered a primary economic engine for Miami-Dade County, as well as for South Florida. More than 36,000 people are employed in the Miami-Dade County System of Airports, 1,432 of whom are County employees.

Enplaned Passengers

In FY 2019-20, a diverse group of airlines will provide scheduled passenger service at the Airport including eight U.S. airlines and 52 foreign-flag carriers. It is forecasted that during FY 2019-20, 23.1 million enplaned passengers will transit through MIA, representing a 1.8 percent increase over FY 2018-19 when 22.7 million enplaned passengers are projected to move through MIA. Domestic enplaned passenger traffic is projected to increase 2.9 percent in FY 2019-20 to 12.017 million from the figure of 11.680 million passengers in FY 2018-19. Domestic traffic is projected at 51 percent of MIA total passengers while international traffic is projected at 49 percent or 11.004 million enplaned passengers.

In international air travel, MIA's geographical location, close proximity to a cruise port, and cultural ties provide a solid foundation for travel to and from Latin America, handling 41 percent of the South American market, 20 percent of the Central America market and 22 percent of the Caribbean market. With 49 percent of total passenger traffic being international, MIA ranks third in the USA for international passenger traffic and maintains one of the highest international-to-domestic passenger ratios of any U.S. airport.

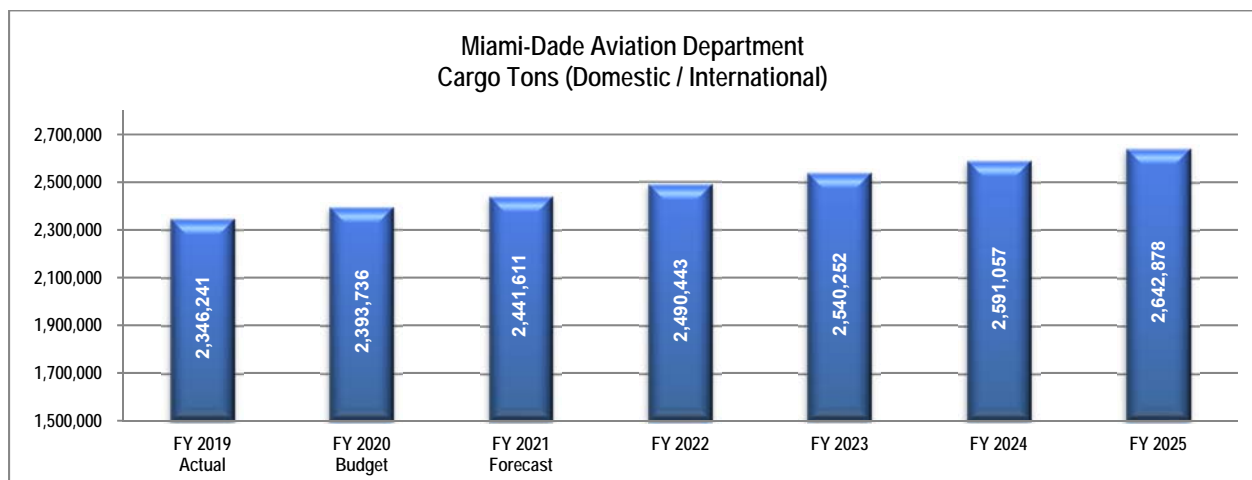
FY 2019-20 Adopted Budget and Multi-Year Capital Plan



Cargo

In international trade, MIA is the major air cargo trans-shipment point between Latin America and the Caribbean, and other global markets primarily in the USA and Europe, ranking number one in the USA for international freight. During FY 2018-19, 2.346 million tons of cargo (freight plus mail) will move through MIA, representing one percent decrease over the prior year's tonnage of 2.369 million. Cargo tonnage is projected to increase by less than one percent in FY 2019-20 to 2.394 million tons and maintain a two percent growth rate thereafter. International tonnage, representing 84 percent of total tonnage is projected to be 2.01 million tons in FY 2019-20 and domestic tonnage is projected at 384,000 tons. It is projected that these amounts will grow proportionally at a two percent growth annual factor.

MIA's total air trade is valued at \$60.5 billion annually, or 92 percent of the dollar value of Florida's total air imports and exports, and 39 percent of the State's total (air and sea) trade with the world. As the center for hemispheric air trade, MIA now handles 79 percent of all air imports and 77 percent of all air exports between the United States and the Latin American/Caribbean region. MIA is the USA's leading airport in the handling of perishable products, handling 63 percent of all perishable import products, 89 percent of all cut-flower imports, 49 percent of all fish imports and 63 percent of all fruit and vegetable imports.



Capital Improvement Program (CIP) Financial Update

In 2019, the Aviation Department unveiled its proposed future CIP Program that ranges between \$4 billion and \$5 billion. The Board of County Commissioners approved this future CIP Program on June 4, 2019.

This CIP Program will fund five sub-programs that will be built during the period of 5-15 years through 2035 and beyond. To create these sub-programs, an in-depth assessment was conducted of the County's Airport System (including general aviation airports) by the Aviation Department staff that considered factors such as demand for growth, operational needs (airside, landside, cargo and terminal) and funding capacity. Based on the results of the evaluation, the Aviation Department combined MIA's previous capital program, referred to as the Terminal Optimization Program (TOP), with a series of additional projects to develop the proposed CIP Program.

This CIP Program has been structured to facilitate the "phasing in" and "phasing out" of capital projects in order to adjust to emerging airline needs or changing conditions and to allow for the utilization of MIA during construction. Furthermore, it provides a path for responding to MIA's present and future growth needs. The CIP projects will be constructed through the implementation of the following five sub-programs: North Terminal (Gate Optimization Project, D60 Redevelopment), Central Terminal (Central Terminal Redevelopment, Concourse F Modernization, Concourse G Demolition and Apron), South Terminal (South Terminal Expansion, Apron Expansion), Cargo (Taxiway R, Fuel Tender, Ramp Expansion, Building 702 Extension and Apron, Fumigation Facility) and Miscellaneous (Roadway and Bridge Improvements, Bus Maintenance Facility, North Terminal GSE, South Terminal GSE and Auto Fueling Station, Park 6 Garage and New On-Airport Hotels). Additionally, a series of other capital projects will be constructed to improve and develop the general aviation airports.

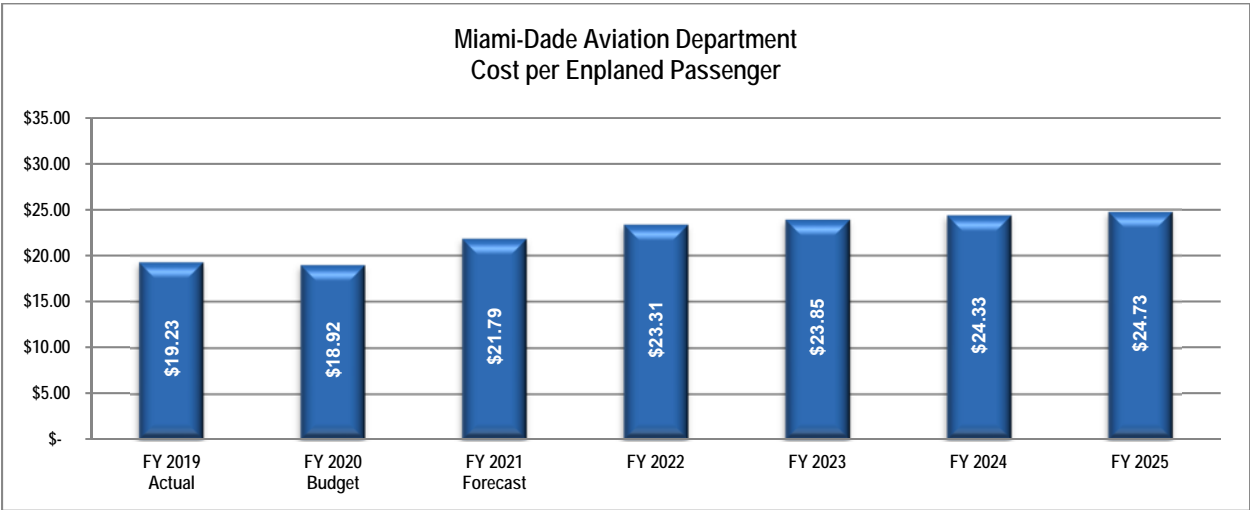
MIA's current TOP includes \$1.57 billion as approved through a Majority-In-Interest (MII) review process (by a majority of the 11 Signatory Airlines that represent the MIA Signatory Airlines as members of the Miami Airport Affairs Committee). Additionally, there are approximately \$114 million in capital projects planned for FY 2020 that do not require an MII review. Some of the TOP projects already completed or in progress include: Concourse E renovations; revamped Automated People Mover connecting Lower Concourse E with Satellite E; renovated Federal Inspection Services facility in Concourse E; rehabilitation of Taxiways R, S and T; new automated checked baggage inspection system; airport-wide passenger loading bridge replacements; new employee parking garage; existing parking garages structural repairs; state-of-the-art Airport Operations Center; and many other projects that will improve aesthetics, meet current life-safety and security requirements, and address maintenance needs.

Overall, including the five sub-programs previously mentioned, the Department's capital program will be comprised of the following fifteen subprograms: MIA Central Base Apron and Utilities, Concourse E, South Terminal, Miscellaneous Projects, Passenger Boarding Bridges, Central Terminal, North Terminal, Terminal Wide, Concourse G Projects, Concourse H Projects, Airside Projects, Landside Projects, Cargo Projects, General Aviation Airport Projects and Reserve Maintenance Fund Projects.

To keep these capital costs affordable, the Department's goal is to remain under a \$25 airline cost per enplaned passenger target through FY 2024-25. This goal has become a target that was internally adopted by the Department to not only keep MIA's costs affordable to the air carriers serving MIA but also keep the Airport competitive with other airports.

Future funding for the Department's capital program consists of Aviation Revenue Bonds, Commercial Paper, Federal and State Grants and Passenger Facility Charges. The Department maximizes the uses of the grants as an equity funding source in order to lessen the amount of Aviation Revenue Bonds (debt) required to fund the capital projects.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

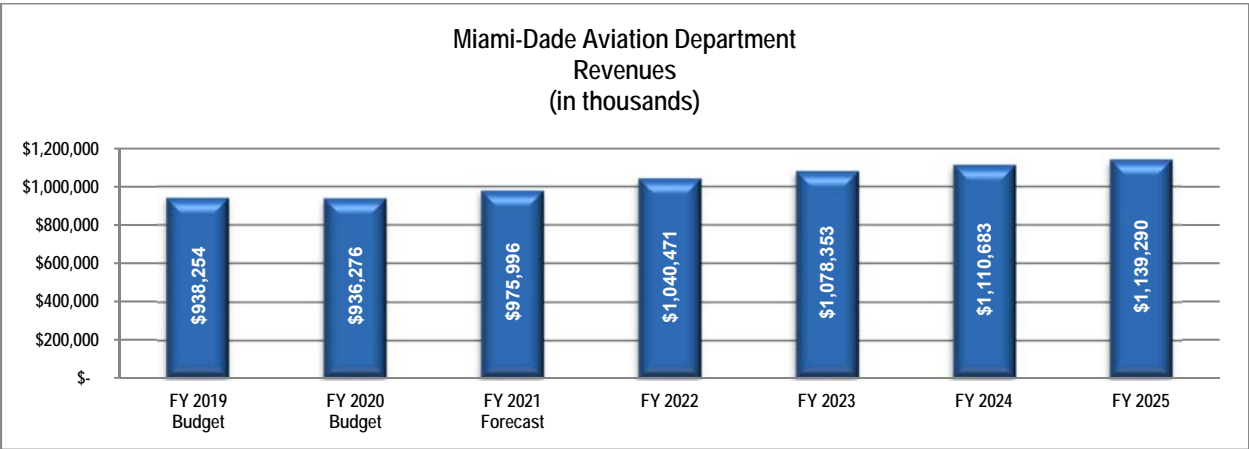


Economic Outlook

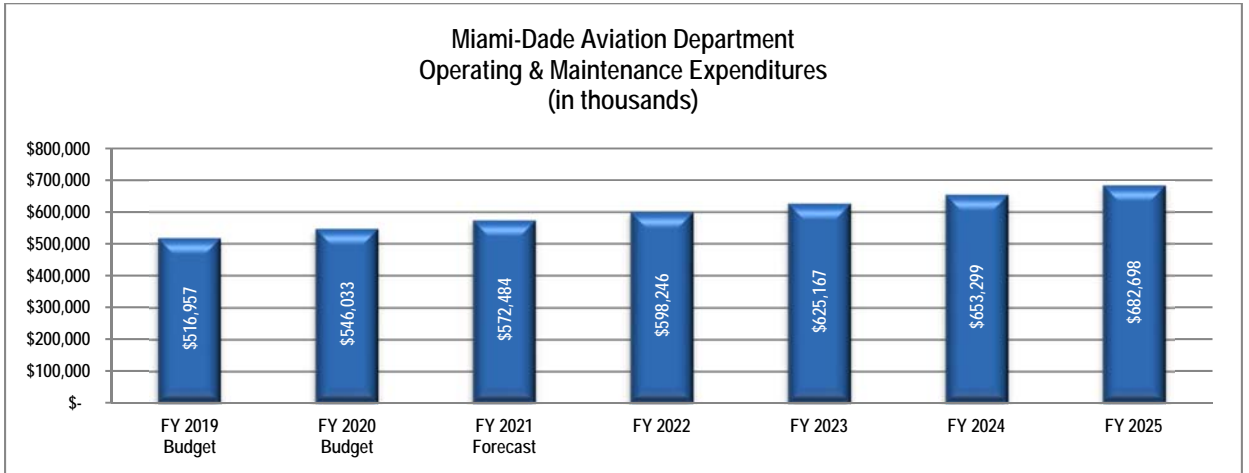
MDAD recognizes sound management and financial investment strategies as a priority outcome. Currently, the Department's bonds are rated A by Standard & Poor's, A by Fitch Ratings and AA- by KBRA (Kroll Bond Rating Agency). All of the rating agencies cite MIA's role as the nation's largest international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

In order to maintain strong bond ratings, the Airport must demonstrate the ability to generate positive future net revenues. The generation of net revenues is heavily dependent on the volume of commercial flights, the number of passengers and the amount of cargo processed at the Airport, all three of which are dependent upon a wide range of factors including: (1) local, national and international economic conditions, including international trade volume, (2) regulation of the airline industry, (3) passenger reaction to disruptions and delays arising from security concerns, (4) airline operating and capital expenses, including security, labor and fuel costs, (5) environmental regulations, (6) the capacity of the national air traffic control system, (7) currency values, (8) hurricanes, and (9) world-wide infectious diseases. With the exception of 2017 due to operational impacts of hurricanes Matthew and Irma, MIA has experienced continued growth in enplaned passengers each year since 2009 and is forecasting growth rates between 1.2 percent and 1.5 percent per year through fiscal year 2025. These growth rates are supported by MIA's plans for facility improvements and continued efforts to lure new carriers to MIA while encouraging existing carriers to expand their route networks by promoting the Air Service Incentive Program.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

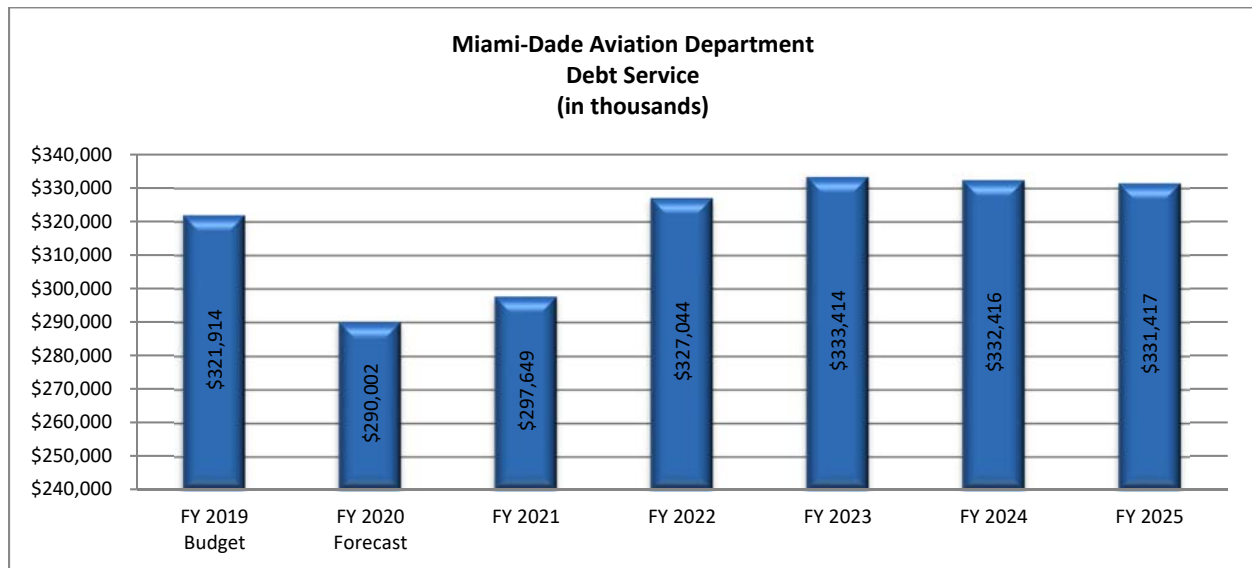


MDAD’s revenue forecast is based on a residual revenue model. Unlike traditional fee for service models, MDAD calculates the landing fee rate based on expenses that are not covered by direct fees for services provided.



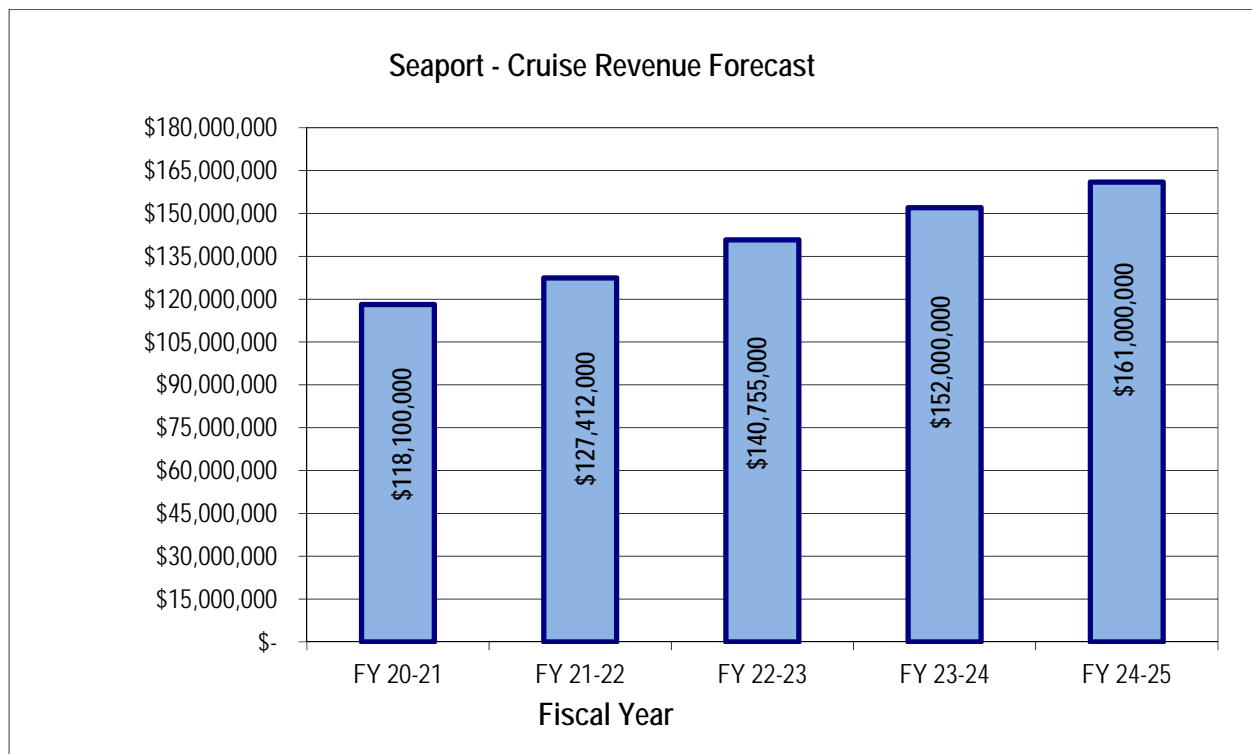
MDAD’s operating and maintenance expenditures include expenditures associated with running MIA, as well as four general aviation airports. This amount excludes depreciation and transfers to debt service accounts, improvement fund and maintenance reserve accounts, as well as a mandated operating cash reserve.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

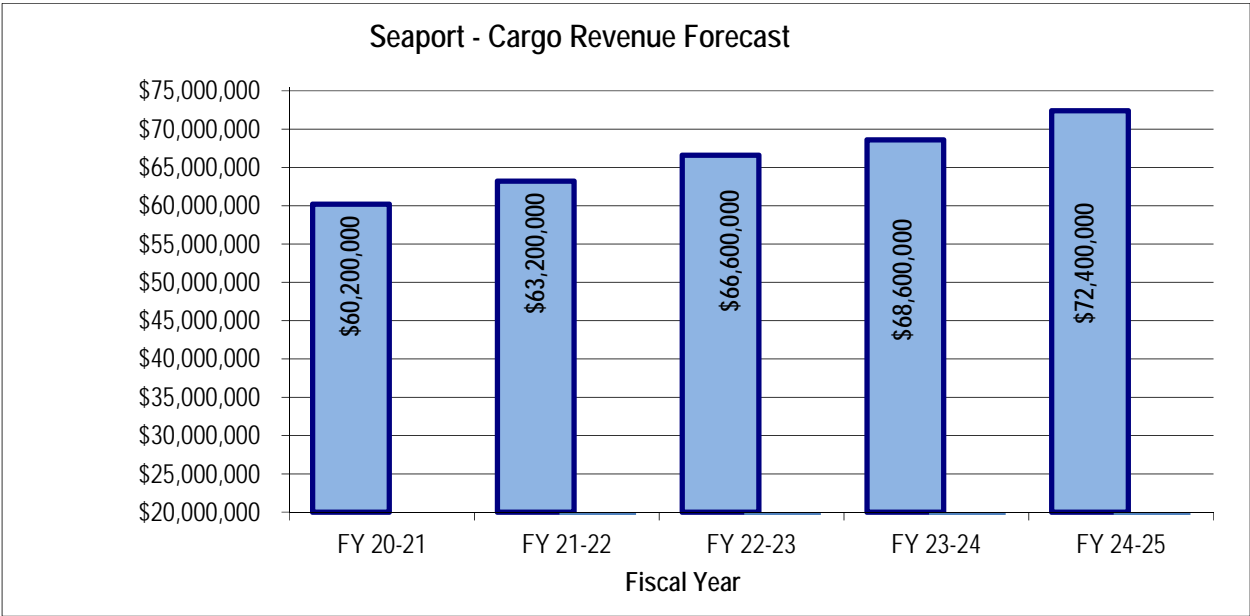


Seaport

The Dante B. Fascell Port of Miami (PortMiami or Seaport) processed 5.6 million passengers in FY 2017-18 and is projected to process approximately 6.8 million in FY 2018-19. The volume of cargo throughput in FY 2017-18 was 1.08 million Twenty-foot Equivalent Unit (TEUs), an increase of 5.8 percent over FY 2016-17. The TEUs and passengers in FY 17-18 were both records for the Seaport. Multi-year agreements with both cruise and shipping lines will support operations and facility expansion and improvements over the next five years. The following charts illustrate cruise and cargo revenues for the period of this forecast:



FY 2019-20 Adopted Budget and Multi-Year Capital Plan

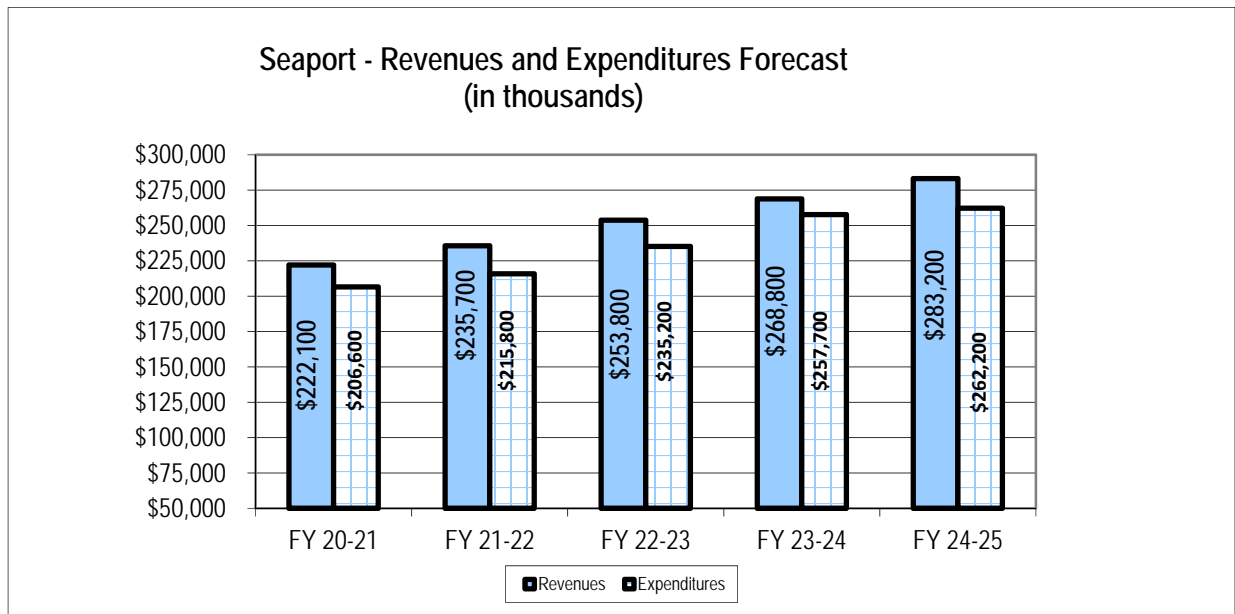


Capital Improvement Plan (CIP)

The major thrust of PortMiami’s CIP relates to cruise operations with New Terminal B, A and AA as well as upgrades to Cruise Terminal F. Terminal F upgrades allow operations to additional/larger vessels. Cruise Terminals B and C are being developed/upgraded for additional Norwegian Cruise Lines operations; new Terminal AA and AAA are estimated to accommodate the cruise industry’s new generation of cruise vessels including MSC cruises’ mega ships, and new Terminal V will support expanding operations of Virgin Voyages, the unique Palm Grove designed facility will break ground Fall 2019 and is slated for completion by November 2021 in time for the arrival of the line’s first ship *Scarlet Lady*. Other projects include enhancements to the container yards, new gantry cranes, cargo gate modifications and other Port-wide infrastructure improvements.

Additional debt scenarios are under consideration, including a combination of short-term commercial paper being issued in FY 2018-19 and FY 2019-20 and long-term debt issues.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan



Financial Outlook

Revenues include cruise, cargo, rentals, parking, ferry operations, and other miscellaneous items including harbor fees and ground transportation, as well as Secondary Gas Tax revenue beginning in FY 2016-17, as part of the state support for the Port Tunnel. Expenditures include salary, fringes, other operating, and debt service. Carryover amounts are not included in this exercise.

For the purposes of this five-year financial outlook, the cruise line revenue forecast is based on anticipated cruise lines' itineraries through FY 2019-20. Future estimates are that the Port will grow from 6.8 million passengers in FY 2018-19 to over 9 million in FY 2024-25. A three percent tariff increase is budgeted annually. Cargo revenue (including dockage/wharfage, crane and applicable rentals) is expected to increase an average of five to six percent annually with other revenues being adjusted as necessary.

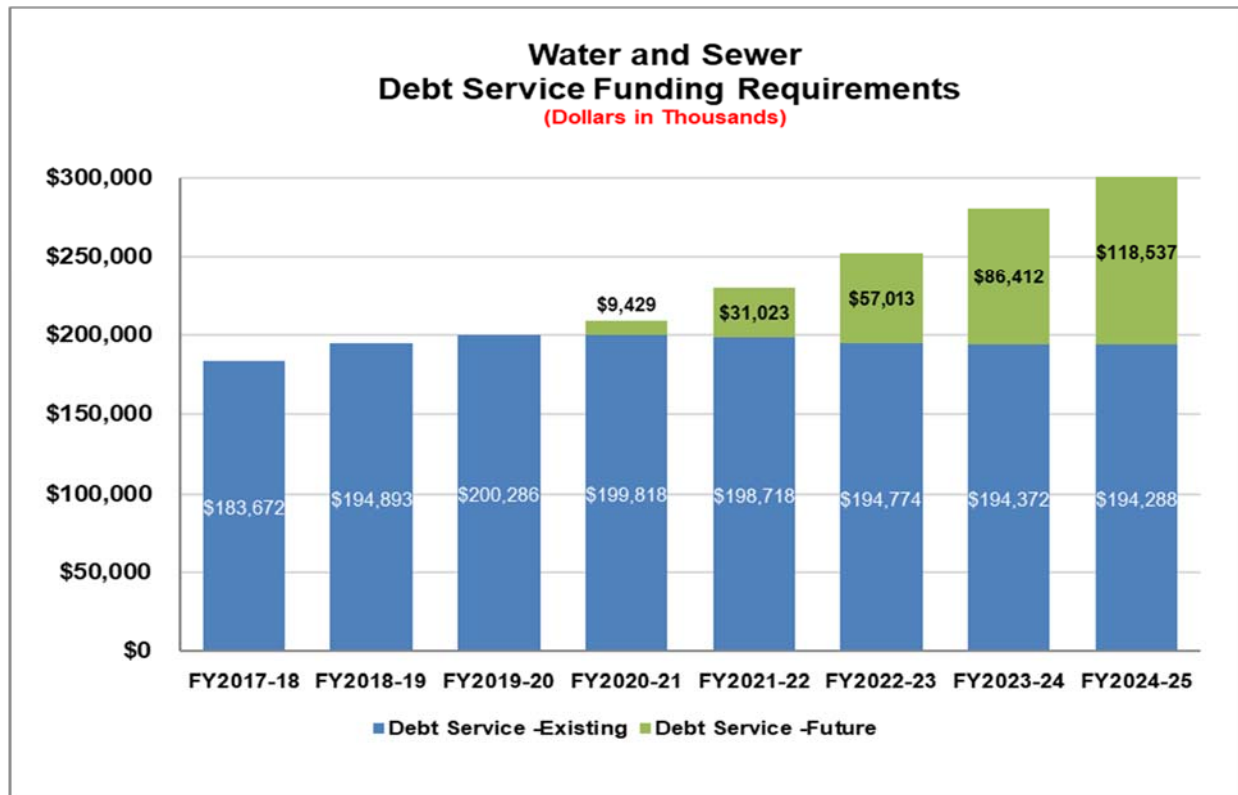
Expenditures assume a growth rate of four percent for salary and fringes in per year through FY 2024-25. Other operating expense increases are assumed at three percent year over year, in addition to various increases in debt service payments as the Port continues to fund its CIP. The Sunshine State loans effective interest rate is assumed at 2.5 percent for FY 2018-19, growing to 4.5 percent by FY 2024-25. A two months operating cash reserve is funded.

PortMiami is actively examining alternative revenue options, refinancing opportunities and expenditure adjustments that may significantly affect the assumptions used to develop this five-year plan.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

Water and Sewer

There are two main drivers of the Multi-Year Capital Improvement Plan. The first, the State of Florida Ocean Outfall Statute (FS 403.086(9)), includes related projects estimated at \$2.2 billion from FY 2019-20 through FY 2025-26 when the projects must be operational. Secondly, the Environmental Protection Agency (EPA) consent decree addresses regulatory violations resulting from failing infrastructure. All projects addressing consent decree issues are currently included in the multi-year capital plan. In FY 2019-20, consent related capital projects are estimated at \$1.8 billion. The entire multi-year capital plan for the Water and Sewer Department totals \$7.524 billion and will require future debt issuances.



In addition to the two requirements noted above, the Water and Sewer Department's Multi-Year Capital Plan includes the testing and replacement as needed of all large diameter concrete water and sewer pipes, the substantial overhaul of all the water and wastewater plants and the installation of redundant water supply mains and storage tanks to ensure continuous delivery of water even when pipe failures occur and completion of water supply projects required in the State Water Use Permit to meet service demands in the future. The following table shows the cash flows for both the water and wastewater systems.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

WATER AND SEWER CASH FLOWS								
(Dollars In Thousands)	<div> Retail Revenue Increase 7% Retail Revenue Increase 8% Retail Revenue Increase 7% Retail Revenue Increase 7% Retail Revenue Increase 9% </div>							
	FY 2017-18 Actual	FY 2018-19 Projected	FY 2019-20 Adopted	FY 2020-21 Future	FY 2021-22 Future	FY 2022-23 Future	FY 2023-24 Future	FY 2024-25 Future
Water and Wastewater Operations								
Revenues								
Retail Water	\$ 268,275	\$ 276,925	\$ 302,479	\$ 322,140	\$ 346,300	\$ 368,810	\$ 394,626	\$ 430,143
Wholesale Water	39,310	36,463	30,120	38,001	38,762	39,538	40,329	41,135
Retail Wastewater	295,564	319,401	317,918	338,583	363,976	387,635	414,769	452,098
Wholesale Wastewater	78,425	82,168	76,268	81,920	84,377	86,908	89,516	92,201
Other Operating Revenue	30,275	30,672	32,322	32,484	32,646	32,809	32,973	33,138
Total Operating Revenues	\$ 711,849	\$ 745,629	\$ 759,107	\$ 813,128	\$ 866,061	\$ 915,700	\$ 972,213	\$ 1,048,715
Expenses								
Water Operating and Maintenance	\$ 174,372	\$ 199,878	\$ 202,166	\$ 209,698	\$ 217,444	\$ 225,375	\$ 233,312	\$ 241,783
Wastewater Operating and Maintenance	248,936	244,296	278,196	288,490	299,085	309,945	320,794	332,330
Total Operating Expenses	\$ 423,308	\$ 444,173	\$ 480,362	\$ 498,188	\$ 516,529	\$ 535,320	\$ 554,106	\$ 574,113
Non-Operating								
Other Non-Operating Transfers	\$ 12,042	\$ 17,542	\$ 168	\$18,006	\$27,380	\$32,202	\$41,421	\$62,369
Interest Income	(9,566)	(13,396)	(14,150)	(14,779)	(15,078)	(16,125)	(16,638)	(18,158)
Debt Service - Existing (net of SWAP receipts)	183,672	194,893	200,286	199,818	198,718	194,774	194,372	194,288
Debt Service - Future	0	0	0	9,429	31,023	57,013	86,412	118,537
Capital Transfers	102,393	102,417	92,441	102,466	107,490	112,515	112,540	117,566
Total Non-Operating Expenses	\$ 288,541	\$ 301,456	\$278,745	\$ 314,940	\$ 349,532	\$ 380,380	\$ 418,108	\$ 474,602

The FY 2018-19 Projected amount is pending cash management year-end adjustments

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

WATER AND SEWER DEBT RATIOS								
	Year-End							
	Actual FY 2017-18	Estimate FY 2018-19	Adopted FY 2019-20	Future FY 2020-21	Future FY 2021-22	Future FY 2022-23	Future FY 2023-24	Future FY 2024-25
Proposed Retail Revenue Increases				7%	8%	7%	7%	9%
Required Primary Debt Service Coverage Ratio	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Actual/Projected Primary Debt Service Coverage Ratio	1.81	1.82	1.60	1.72	1.71	1.66	1.63	1.65
Required State Revolving Loan Debt Service Coverage Ratio	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Actual/Projected State Revolving Loan Debt Service Coverage Ratio	5.85	6.31	3.82	5.31	5.99	7.36	7.79	9.48
(Dollars In Thousands)								
Rate Stabilization Fund	\$30,534	\$30,534	\$30,534	\$30,534	\$30,534	\$30,534	\$30,534	\$30,534
General Reserve Fund	\$65,676	\$75,676	\$72,525	\$91,368	\$115,691	\$144,762	\$183,052	\$242,088
Total Flexible Cash Reserves	\$96,210	\$106,210	\$103,059	\$121,902	\$146,225	\$175,296	\$213,586	\$272,622
Reserves Required By Bond Ordinance	\$74,199	\$78,099	\$80,060	\$83,031	\$86,088	\$89,220	\$92,351	\$95,685

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

Solid Waste - Collection and Disposal Operations

The Department of Solid Waste Management (DSWM) collects garbage and trash from approximately 340,000 residential customers in the Waste Collection Service Area (WCSA), which includes UMSA and nine municipalities. Twice-per-week automated garbage collection, twice-per-year trash and bulky waste collection and access to 13 Trash and Recycling Centers is provided in the WCSA. The residential recycling collection program serves approximately 350,000 households in the WCSA including nine municipalities through inter-local agreements. DSWM is responsible for disposal of garbage and trash countywide and operates three regional transfer stations, three active landfills and the Resources Recovery facility, along with contracting to utilize private landfills as necessary to maintain landfill capacity.

Projections for collection and disposal activity assume minimal growth in households and in tonnage. Collections from the WCSA represent 37 percent of the total tons disposed for geographic Miami-Dade County, which is estimated to be 1.726 million tons in the FY 2019-20 Adopted Budget. The FY 2019-20 tons are estimated to be one percent higher than the prior year. In addition to collection and disposal operations, revenues generated by fees and charges are used to support the operating landfills, closure of landfills and remediation of closed landfills, ongoing monitoring and equipment through both pay-as-you-go projects and issuance of debt.

The table shown below illustrates the cash flows for both the collection and disposal funds. The current five-year forecast for the Solid Waste Enterprise Fund (System) includes an approved increase of \$20 to the annual residential curbside collection fee to \$484 from \$464. The disposal charges reflect a Consumer Price Index (CPI) increase of 1.3 percent, increasing the contract rate from \$62.67 to \$63.38 per ton, based on the June CPI South All Urban Consumers issued by the United States Bureau of Labor Statistics. It is anticipated that the approved collection fees and continued adjustment of disposal charges based on CPI will sustain existing services through FY 2022-23.

As a result of Hurricane Irma in September 2017, the Department undertook pre-storm hurricane protective measures and, shortly after the storm, began its hurricane recovery efforts with debris removal throughout the WCSA and along County rights-of-way, spending approximately \$160 million. Currently, the Department is pursuing Federal Emergency Management Agency (FEMA) reimbursements to offset approximately 90 percent of the total costs. The Adopted Budget does not include the remaining balance after all expected reimbursements from both FEMA and the State, which will require a one-time adjustment to offset final expenses to be reimbursed.

Collection and Disposal Operations	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
	Actuals	Future	Future	Future	Future	Future
Revenues						
Collection Fees and Charges	168,391	172,884	176,655	179,285	177,784	174,138
Disposal Fees and Charges	406,660	386,057	384,667	386,896	375,720	382,368
Total Operating Revenues	\$575,051	\$558,941	\$561,322	\$566,181	\$553,503	\$556,506
Expenses						
Collection Operating and Maintenance	155,725	155,445	156,128	159,699	161,097	164,774
Disposal Operating and Maintenance	144,103	146,739	146,533	149,901	152,702	155,521
Total Operating Expenses	\$299,828	\$302,184	\$302,661	\$309,600	\$313,799	\$320,295
Collection Debt Service and Capital	6,190	8,313	9,616	11,024	12,624	13,893
Disposal Debt Service and Capital	37,255	33,987	25,498	39,660	23,198	43,099
Total Non-Operating Expenses	\$43,445	\$42,301	\$35,115	\$50,685	\$35,823	\$56,992
Collection Year End Cash Flow	6,475	9,126	10,911	8,561	4,063	(4,529)
Disposal Year End Cash Flow	225,302	205,330	212,636	197,336	199,820	183,748
Total Non-Operating Expenses	\$231,777	\$214,456	\$223,547	\$205,897	\$203,882	\$179,219

Regional Transportation

The People's Transportation Plan (PTP) half-cent surtax was authorized in November of 2002. The combined PTP and Department of Transportation and Public Works (DTPW) Five Year plan is updated annually, adjusted for actual revenue performance, debt issuances, changes in employee salaries and benefits due to collective bargaining, and other operating expenditures variations. The PTP proforma includes the General Fund subsidy, PTP Surtax, fares, state and federal grants and other local revenues. For the first time this year, PTP Surtax revenue being used to support transit operations is less than the total cost of voter-approved PTP operating expenditures, such as the Golden and Patriot Passport program, Metrorail Orange-Line, and fare-free Metromover services. That means the General Fund Maintenance of Effort is subsidizing the PTP activities (\$5 million in FY 2019-20). The table on page 118 summarizes the revenue and expenditure projections for the next five years.

In FY 2019-20, PTP Surtax funding of \$321.762 million (includes PTP Surtax at 100 percent of estimated value, prior year carryover, and interest earning revenues) will be used for the following: DTPW transit services and operations (\$84 million, a reduction of \$11.126 million from the FY 2018-19 allocation), Citizens' Independent Transportation Trust (CITT) board support and oversight of PTP funds (\$2.866 million), municipalities to operate and create local roadway and transportation services (\$67.009 million), roadway and neighborhood pay-as-you-go projects (\$2.674 million), transfer to PTP Capital Expansion Reserve fund (\$11.768 million) debt service and bus lease financing requirements (\$115.396 million) and a transfer to fund planned Strategic Miami Area Rapid Transit Plan (SMART) expenses from available PTP funds (\$38.049 million) net of the Transportation Planning Organization (TPO) Federal Surface Transportation Urban Area (SU) grant fund (\$15.771 million). Additionally, PTP debt proceeds will be used for planned PTP capital activities including \$258.621 million in transit projects, \$33.924 million in roadway projects and \$184.403 million in bus replacement financing.

PTP Revenue and Expenses

After growing at a compounded annual growth rate of 4.1 percent over five years between FY 2012-13 to FY 2017-18, PTP Surtax revenue is projected to grow by three percent in FY 2018-19, generating \$282.861 million. Starting in FY 2019-20, PTP Surtax revenue is expected to grow at an annual rate of three percent to \$291.347 million; this growth rate is anticipated to continue over the next five years.

The PTP expenditures over the next five years include contributions to municipalities at approximately 23 percent of the gross PTP Surtax revenue and funding of on-going CITT administration which grows at 2.5 percent from the FY 2019-20 budget of \$2.866 million. DTPW public works pay-as-you-go expenses grow at three percent from the FY 2019-20 budget of \$2.674 million. The PTP Capital Expansion Reserve fund will support the South Dade Transitway corridor project, the PD&E expenses for the SMART Plan for DTPW and TPO, and the Golden Glades Bike and Pedestrian Connector (\$39.149 million).

Included as part of the five-year plan expenditures, the PTP will continue to meet its current debt service obligations for transit projects (\$371.833 million in total) and public works projects (\$121.781 million in total over the next five years). Also planned over the next five years, additional future debt service payments for future bond proceeds to continue PTP capital projects (\$160.488 million in total). These future debt service expenditures assume capitalized interest for two years beginning with the 2018 issuance and each issuance thereafter. In addition, the five-year plan anticipates financing expenses funded by the PTP Surtax for the replacement of the aging Metrobus fleet (\$172.094 million in total).

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

Finally, after meeting the commitments and obligations above, the PTP Surtax will only support a portion of the PTP-authorized activities in DTPW transit service operation and maintenance over the next three years. It is anticipated that PTP Surtax support will decrease year over year until FY 2021-22, when no PTP Surtax revenue is funding operations, as planned debt service obligations increase and contributions begin for future SMART plan capital projects.

DTPW Operations and Capital

The General Fund contributions in the Pro-Forma have been adjusted from the 2019 Adopted Pro-Forma. As it pertains to revenues for DTPW operations, the plan assumes a series of extraordinary adjustments above the General Fund Maintenance of Effort (MOE) of 3.5 percent beginning in FY 2020-21 (\$113.773 million over five years).

Transit Fare revenues continue to experience significant losses (32 percent from the current year projection to FY 2013-14). Transit Fares receipts are assumed to have bottomed out in FY 2018-19 at \$80.593 million and are anticipated to grow at 0.5 percent starting in FY 2019-20. Included as part of the revenue forecast, a Transit Fare increase of \$0.25 (to \$2.50) will be considered for FY 2020-21 in accordance with the County's CPI Transit Fare increase resolution adopted in FY 2007-08. State Transportation Disadvantaged Trust Fund revenue remains at \$6 million.

The expenditures maintain Metrobus operations at the current year service level, including contracting out with four additional routes. This service level, with no expanded services, is maintained and personnel expenditures are grown at a historical growth factor of 2.5 percent with health insurance, retirement and workers' compensation increases to reflect necessary adjustments to fund self-insurance fund reserves. All other operating expenses have been grown by the estimated Congressional Budget Office inflationary rates. The forecast assumes that DTPW will continue with its multi-year PTP Capital Plan for Transit projects, which includes the replacement of rail vehicles and other improvements and rehabilitation to the existing transit system (\$803.607 million in total) and Public Works projects, which includes the upgrades and enhancements to the Advanced Traffic Management System (ATMS) and various neighborhood roadway improvements (\$92.606 million), all funded through bond proceeds. The Five-Year Plan continues the planned bus replacement of 493 buses that starts in FY 2019-20 and will be completed by FY 2023-24 (\$350.852 million in total).

SMART Plan

The General Fund Maintenance of Effort has been planned to meet the anticipated funding needs of the Department and ensure that the additional annual PTP Surtax funding of \$30 million starting in FY 2022-23 for SMART Plan implementation. Furthermore, additional PTP Surtax funding will be available for the SMART Plan as a result of the flexing of SU grant funds allocated by the TPO. Also, beginning in FY 2019-20, it is planned that funding from the PTP Capital Expansion Reserve fund totaling \$123.742 million will be available to the SMART Plan as well. Finally, the Five-Year plan includes an additional \$14.842 million from dedicated DTPW joint development revenue as required by resolutions R-429-17 and R-774-17 and an additional \$29.246 million from the Transportation Infrastructure Improvement District (TIID) revenues as required by Ordinance 18-8.

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

40-Year PTP and DTPW Pro-Forma

As part of the 40-year plan, it is anticipated that DTPW will continue with a future PTP capital program to improve and upgrade existing transit assets, rehabilitate the new Metrorail vehicle, and rehabilitate and eventually replace the current Metromover vehicle fleet. It plans for a future bus replacement program that replenishes the fleet every ten years. Also, PTP Surtax is expected to provide support for future Transit services and operation as debt obligations are retired. Except for the South Dade Transit Way corridor and the contribution towards the construction of the Aventura Station approved by the Board in November 2019, the 40-year plan does not include a detailed construction schedule for implementing the SMART plan capital projects or future funding to operate the SMART Plan rapid transit corridors. The plan anticipates over \$7.578 billion in nominal dollars to be available over 40 years for the SMART plan (\$856.926 million from PTP Capital Expansion funds, \$973.667 million from TPO Flexed SU Grant funds, \$3.585 billion from Available PTP Surtax funds, \$1.831 billion from TIID funds, \$131.357 million from Transit Joint Development funds, and \$200 million from State and Federal grants). As information becomes available concerning the sequencing and scheduling of implementing the SMART Plan, then the Pro-Forma will be updated and adjusted accordingly.

Revenues (Dollar in Thousands)	2020	2021	2022	2023	2024	2025
Operating Revenues						
Transit Operating Carryover	\$ 1,278	\$ 4,312	\$ 0	\$ 0	\$ 11,019	\$ 20,285
Transit Fares and Fees	83,015	83,430	83,847	84,266	84,687	85,110
Other Transit Revenues	16,288	17,009	17,009	17,192	27,706	18,312
PTP Revenue Fund Carryover	30,315	-	-	-	-	-
PTP Interest Earnings	100	100	100	100	100	100
Grant Funding and Subsidies						
State Disadvantaged Trust Fund Program	7,618	6,952	6,952	6,952	6,952	6,952
Local Revenues						
Countywide General Fund Support (MOE)	207,660	214,928	277,684	318,615	361,075	373,713
Extraordinary Adjustment in General Fund Support	-	53,366	30,157	30,250	-	-
PTP Sales Tax Revenue	291,347	300,087	309,090	318,363	327,914	337,751
Capital Revenues						
PTP Capital Expansion Reserve Fund Carryover	84,401	-	-	-	-	-
DTPW PTP Capital Project Fund Carryover	296,044	3,499	72,604	168,249	69,499	174,631
Planned Future Bond Proceeds	-	300,000	236,000	-	175,000	-
Planned Financing for Bus Replacement Program	184,403	51,729	2,737	2,726	2,720	2,711
FTA Capital Grant	33,869	49,179	16,952	-	-	-
State Capital Grant	33,869	49,179	16,952	-	-	-
Fund Transfers						
PTP Capital Expansion from PTP Revenue	11,768	7,827	8,161	6,398	5,187	5,947
Transit Operating from PTP Revenue	84,000	35,152	14,643	-	-	-
Smart Plan Revenues						
SMART Plan Carryover	-	34,698	27,081	90,115	161,125	235,041
Transfer from PTP Revenue from swapped TPO SU Grant Funds	15,771	23,896	32,000	32,000	30,000	30,000
Transfer Plan from Available PTP Revenue Funds	38,049	20,695	43,788	42,125	30,769	37,143
Transfer Plan from Capital Expansion	96,169	7,827	8,161	6,398	5,187	5,947
Transfer Plan from Dedicated Transit Joint Development Revenue	1,078	721	721	904	11,418	2,024
Transfer Plan from Transportation Infrastructure Improvement Dist	10,784	2,623	3,615	7,076	10,953	16,592
Total Revenues	\$1,527,826	\$1,267,209	\$1,208,254	\$1,131,729	\$1,321,311	\$1,352,259

FY 2019-20 Adopted Budget and Multi-Year Capital Plan

Expenses (Dollar in Thousands)	2020	2021	2022	2023	2024	2025
DTPW Operating Expenses						
Transit Operating Expense, net of reimbursements	\$ 389,408	\$ 409,367	\$ 424,510	\$ 440,291	\$ 454,675	\$ 469,284
Capital Expenses						
PTP Capital Expansion Reserve Expenses	6,008	2,224	1,500	1,500	-	-
DTPW Transit PTP Capital Projects Fund Expenses	258,621	193,278	126,023	94,554	67,331	51,300
DTPW Public Works PTP Capital Projects Fund Expenses	33,924	37,617	14,332	4,196	2,537	-
Planned Bus Replacement Purchases	184,403	51,729	2,737	2,726	2,720	2,711
Debt Service/Financing Expenses						
Current PTP Debt Service for Transit	74,909	74,905	74,009	74,007	74,003	73,994
Current PTP Debt Service for Public Works	24,716	24,716	24,117	24,118	24,114	24,113
Future DTPW PTP Debt Service	-	27,326	27,326	52,093	71,576	71,576
Future Financing for Future Bus Replacement Program	15,771	34,854	40,207	40,490	40,772	41,053
TPO Reimbursement						
Reimbursement from TPO Flexed SU grant	(15,771)	(23,896)	(32,000)	(32,000)	(30,000)	(30,000)
Transfer Out						
Municipal Contributions, includes new cities	67,009	69,020	71,091	73,224	75,420	77,683
SFRTA Contribution	4,235	4,235	4,235	4,235	4,235	4,235
Transfer to County Departments/Programs						
Transfer to Office of the CITT	2,866	2,938	3,011	3,086	3,163	3,242
Transfer to Public Works Pay as You Go Projects	2,674	2,754	2,837	2,922	3,010	3,100
Transfer from PTP Revenue to Transit Operating	84,000	35,152	14,643	-	-	-
Intrafund Transfers						
Transfer from PTP Revenue to PTP Capital Expansion	11,768	7,827	8,161	6,398	5,187	5,947
Transfer to Transit Debt Service for Non-PTP Debt	826	826	826	826	826	826
Contributions to the SMART Plan						
PTP Capital Expansion Reserve Fund	96,169	7,827	8,161	6,398	5,187	5,947
PTP Revenue Fund from swapped TPO SU Grant Funds	15,771	23,896	32,000	32,000	30,000	30,000
PTP Revenue Fund from Available Funds	38,049	20,695	43,788	42,125	30,769	37,143
Transit Operating Fund Dedicated Joint Development Revenue	1,078	721	721	904	11,418	2,024
South Dade Transit Way Corridor Expenditures						
Capital Expenditures	95,260	145,600	50,855	-	-	-
Operating Expenditures, Net of Revenue	-	-	2,681	12,187	10,984	11,247
Capital Renewal and Replacement (State of Good Repair)	-	-	-	-	-	-
SMART Plan Capital Expenses						
Capital Expenditures	93,623	13,913	4,119	3,806	3,427	3,444
Planned End of Year Carryover						
SMART Plan End of Year Balance	34,698	27,081	90,115	161,125	235,041	312,056
PTP Revenue Fund End of Year Balance	-	-	-	-	-	-
PTP Capital Expansion Reserve Fund End of Year Balance	-	-	-	-	-	-
DTPW Transit Operating Fund End of Year Balance	4,312	0	0	11,019	20,285	28,003
DTPW PTP Capital Projects Fund End of Year Balance	3,499	72,604	168,249	69,499	174,631	123,331
Total Expenses	\$1,527,826	\$1,267,209	\$1,208,254	\$1,131,729	\$1,321,311	\$1,352,259