



PORTMIAMI™

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

2024 Annual Comprehensive Financial Report



For the fiscal year ended
September 30, 2024



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

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2024

Prepared by the Miami-Dade Seaport Department

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Deputy Port Director

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Chief, Accounting & Finance

MIAMI-DADE COUNTY, FLORIDA SEAPORT DEPARTMENT
A Department of Miami-Dade County, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2024

Table of Contents

Description	Page
Introductory Section (Unaudited):	
Elected and appointed officials	5
Letter of Transmittal	6
Certificate of Achievement for Excellence in Financial Reporting	13
Organizational Chart	14
Financial Section:	
Independent Auditors Report	15
Management's Discussion and Analysis (Unaudited)	17
Basic Financial Statements	
Statement of Net Position	24
Statement of Revenues, Expenses and Changes in Net Position	26
Statement of Cash Flows	27
Notes to Financial Statements	29
Required Supplementary Information (Unaudited)	
Schedule of Changes in Total OPEB Liability and Related Ratios	59
Schedule of Seaport's Proportionate Share of Miami-Dade County's Net Pension Liability – Florida Retirement System (FRS) Pension Plan	60
Schedule of Seaport's Contributions Florida Retirement System Pension Plan	61
Schedule of Seaport's Proportionate Share of the Net Pension Liability – Florida Retirement System Health Insurance Subsidy Pension Plan (HIS)	62
Schedule of Seaport's Contributions Florida Retirement System – Health Insurance Subsidy Pension Plan (HIS)	63
Statistical Section (Unaudited):	
Statistical Section Narrative	
Schedule of Changes in Net Position (Last ten fiscal years)	64
Schedule of Revenues and Expenses (Last ten fiscal years)	65
Schedule of Revenue Per Ton (Last ten fiscal years)	66
Schedule of Revenue per Passenger (Last ten fiscal years)	66
Schedule of Revenue Bonds Debt Service Coverage (Last ten fiscal years)	67
Schedule of Senior Bonds Debt Service Coverage (Last ten fiscal years)	68
Schedule of Combined Debt Service Coverage (Last ten fiscal years)	69
Schedule of Ratios of Outstanding Debt by Type (Last ten fiscal years)	70
Schedule of Annual Total Tonnage (Last ten fiscal years)	71
Schedule of Annual Total TEUs (Twenty Foot Equivalent Units) (Last ten fiscal years)	71
Schedule of Historical Tonnage Analysis (Last ten fiscal years)	71
Schedule of Annual Total Passengers (Last ten fiscal years)	71
Schedule of Miami-Dade County Population	72
Schedule of Principal Employers (fiscal year 2021 and Nine years ago)	73
Schedule of Demographic and Economic Statistics (Last ten fiscal years)	73
Schedule of Insurance in Force	74
Schedule of Full-Time Seaport Employees by Function (Last ten fiscal years)	75
Schedule of Capital Asset Indicators (Last ten fiscal years)	76

INTRODUCTORY SECTION

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

DANIELLA LEVINE CAVA, MAYOR

**BOARD OF COUNTY COMMISSIONERS
ANTHONY RODRIGUEZ, CHAIRMAN
KIONNE L. MCGHEE, VICE-CHAIRMAN**

**OLIVER G. GILBERT, III
DISTRICT 1**

**MARLEINE BASTIEN
DISTRICT 2**

**KEON HARDEMON
DISTRICT 3**

**MICKY STEINBERG
DISTRICT 4**

**EILEEN HIGGINS
DISTRICT 5**

**KEVIN M. CABRERA
DISTRICT 6**

**RAQUEL A. REGALADO
DISTRICT 7**

**DANIELLE COHEN HIGGINS
DISTRICT 8**

**KIONNE L. MCGHEE
DISTRICT 9**

**ANTHONY RODRIGUEZ
DISTRICT 10**

**ROBERTO J. GONZALEZ
DISTRICT 11**

**JUAN CARLOS BERMUDEZ
DISTRICT 12**

**RENE GARCIA
DISTRICT 13**

**JUAN FERNANDEZ-BARQUIN, ESQ.
CLERK OF COURTS AND COMPTROLLER**

**TOMAS REGALADO
PROPERTY APPRAISER**

**GERI BONZON-KEENAN
COUNTY ATTORNEY**

May 16, 2025

Honorable Daniella Levine Cava, Mayor

Honorable Chairman Anthony Rodriguez and
Members of the Board of County Commissioners

Honorable Juan Fernandez-Barquin, Clerk of the Courts and Comptroller

Honorable Tomas Regalado, Property Appraiser

Residents of Miami-Dade County, Florida

We are pleased to present the Miami-Dade County, Florida Seaport Department's (the "Port", "Seaport", "PortMiami") Annual Comprehensive Financial Report ("ACFR") as of and for the fiscal year ended September 30, 2024. The financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB") and audited by a firm of independent certified public accountants retained by Miami-Dade County, Florida (the County) and paid from its public funds. This report may also be accessed via the internet at <http://www.miamidade.gov/portofmiami>.

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

Independent Audit

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

Profile of the Government and Government Structure

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

PortMiami is the largest cruise home port in the world and is among the leading international waterborne container ports in the United States. The Port is an island port and occupies approximately 520 acres of land. For fiscal year 2024, the Seaport handled 8.2 million passengers. During this same period, approximately 10.1 million tons of cargo and 1.09 million TEUs (twenty-foot equivalent units) were processed through the Seaport.

Budgetary Process and Control

Annually, as part of the budget process, Seaport recommends the amounts that provide sufficient funds for anticipated operating expenses, capital improvements and debt service requirements. Expected revenues from contractual guarantees, forecasted revenue generating activities, intergovernmental receipts and the Port’s Tariff are estimated and evaluated on the basis of covering PortMiami’s operations and funding requirements. Before October 1st, the beginning of the new fiscal year, the Board of County Commissioners adopts an annual budget for Seaport’s recommended rates, operating expenses, capital outlays, and debt service payments. An analysis of revenue and operating expenses for the fiscal year ended September 30, 2024, can be found in the Management’s Discussion and Analysis section of this report. Capital Projects are budgeted in the year anticipated to be obligated and in the subsequent years the unused budget is re-appropriated until the project is complete, consequently an annual comparison of these expenses is not included in this report.

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

Factors Affecting Financial Conditions

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

Economic Condition and Outlook

This report, Economic Conditions and Outlook, reviews the level of economic activity throughout Fiscal Year (FY) 2024 and forecasts the area’s economic outlook for the next fiscal year.

One year ago, in the year-end outlook for the local economy, it was stated that FY 2024 would continue in the same vein as FY 2023, displaying moderate growth as well as moderate inflation, with most, if not all, variables changing in normal, single-digit percentage terms.

Prospects for growth of the United States' economy were thought to decelerate to 1.5% in calendar year 2024, after growing almost 2% in calendar year 2023, according to the International Monetary Fund (IMF), the Organization for Economic Co-operation and Development (OECD) and the Congressional Budget Office.

Economic activity in Latin America, was expected to continue at the same pace as 2023 with a growth rate of 2.3%. The higher rate of expansion in Latin America vis-a-vis the US was likely to result in a contraction of the trade surplus flowing through Miami-Dade ports.

Real estate and construction activity in FY 2024 were expected to display a similar trend as FY 2023 as mortgage rates continued at their current elevated levels locking in current homeowners and deterring would be buyers.

Tourism indicators, were also expected to continue at their elevated FY 2023 levels, meaning that growth would be moderate, with visitors, airline passengers and hotel occupancy gaining slightly from their very robust FY 2023 levels. The exception would be cruise ship passengers, expanding robustly with the introduction of more and bigger ships to the market resulting in passenger counts easily beating their pre-pandemic levels.

Miami-Dade's employment was forecasted to continue to expand albeit at a slower pace, and most likely not be as broad based as it was in FY 2022 and 2023. This would result in a more normal pattern in which some industries expand, and others contract their level of employment.

This forecast of FY 2024 turned out to be a fair assessment of the year to come, although the US economy outperformed the forecasters consensus.

The national economy in FY 2024, instead of slowing down, accelerated. Real gross domestic product (GDP) increased at an annual rate of 3%, up from 2.4% the prior year. The increase in economic growth was brought about by a strong increase in investment that after contracting by 0.6% in FY 2023 expanded by 4.2% in FY 2024. This combined with the largest increase in government spending in at least 16 years at 3.7% after increasing by 2.9% in the prior year.

Despite the strong GDP showing, inflation pressures continued to subside in FY 2024. As a result of the Federal Reserve tight monetary policy during the fiscal year, inflation for the fiscal year ended at 3.1%, an improvement from the 5.1% and 7.9% recorded in FY 2023 and FY 2022, respectively. This reduction in the level of inflation was accompanied by an increase in the headline unemployment rate of 40 basis points to 3.9%.

At the county level, FY 2024 was similar to FY 2023 in that it was a year of moderation in which most variables returned to more sustainable and 'normal' levels after FY 2021 characterized by a red-hot residential real estate market, and FY 2022 marked by an unprecedented tourism boom. For FY 2024, the county's unemployment rate barely changed. The residential real estate market continued to cool, as it did in FY 2023 and the tourism sector grew modestly throughout.

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

■ *International Trade and Commerce*

At the Port, cargo activity, measured in TEUs, decreased by approximately 0.8% for fiscal year 2024. The Seaport expects similar volumes of cargo activity in fiscal year 2025. Seaport is optimistic regarding international commerce in Miami-Dade County and anticipates higher volume levels in cargo activity movement through the Port over the long-term. The optimism is based on the assumption that the cruise and cargo coupled with the Port's incentivized agreements, improving economy, and the addition of new cargo services will increase activity. Looking beyond the fiscal year 2025, the completion of the Deep

Dredge and intermodal and rail reconnection projects completed in fiscal year 2015, coupled with the acquisition of four gantry cranes in the Post Panamax period, augurs well for the future of Seaport.

The Americas continue to represent a major share of Seaport's total cargo. For fiscal year 2024, the Americas accounted for approximately 46%. This was followed by Asia with 33%. The balance of approximately 21% consisted of Europe, Middle East and Africa.

■ **Competition**

Seaport's cargo related revenues had an increase of 1.05% from fiscal year 2023. The Seaport's commitment to expanding its cargo business, coupled with incentivized cargo contracts will contribute to an overall cargo activity increase.

International trade and commerce is another key component of Miami-Dade's economy. Trade measured by value passing through the Miami-Dade County's seaport and airport rose 9.4% since the Covid-19 pandemic first erupted in 2020 to \$101.7 billion (2024 inflation adjusted dollars). However, from FY 2023, merchandise trade decreased 6.6% in FY 2024 from \$108.9 billion as consumer demand slowed.

In contrast to the recurring merchandise trade deficits that the United States maintains year after year, Miami-Dade ports traditionally export more than they import, resulting in a trade surplus over the years. Since last year, this surplus expanded as the county trade exports decreased 5.5%, while imports decreased 7.8% over FY 2023. Most of the Miami-Dade export markets are in South America, Central America, and the Caribbean, and, together with Europe, account for more than 78.3% of total trade. Most of total U.S. imported perishables from South America and Central America and the Caribbean continue to pass through the Miami-Dade ports.

Another of Miami-Dade County's barometers of trade activity are the freight tonnage moving through Miami International Airport (MIA) and PortMiami. At the former, overall air freight tonnage decreased 12.9% in FY 2024 after decreasing 1.7% the preceding year. At PortMiami, cargo tonnage figures were up by 4.2% after decreasing 4.9% in the prior fiscal year. PortMiami accounts for nearly 85.9% of total county trade measured by weight, while high-value trade through MIA means the airport accounts for 72.4% of total trade measured by value.

■ **Tourism**

After two years of post-COVID-19 sharp increases in the number of visitors to the State of Florida of 20% in FY 2021 and 24% in FY 2022, with a more modest increase of 3.6% in FY 2023 and 1.3% in FY 2024 the State reached 142.6 million overnight visitors, the highest number ever recorded.

In tandem with the rest of the State, after post covid sharp increases in FY 2021 and FY 2022 visitors to the Miami area were flat in FY 2023 and increased by 3.9% in FY 2024 at just over 20 million overnight visitors, well above the 16.2 million registered in pre-pandemic FY 2019.

MIA passenger levels, after increasing considerably from FY 2021 to FY 2023 continued its upward trend in FY 2024 growing by 8% to a record level of 55.7 million passengers.

After being the hardest hit component of the tourism sector with a complete shutdown, cruise ship passenger levels continued to recuperate the ground loss during the pandemic. In FY 2023, passenger levels had almost reached their pre pandemic peak level of 6.82 million in FY 2019. During FY 2024 passenger levels continued to grow, blowing past their previous record and hitting just over 8 million passengers for the first time.

The modest increase in overnight visitors was reflected in an increase in the hotel occupancy rate from 72.1% in FY 2023 to 74.2% in FY 2024. This increase in the occupancy rate was coupled with a decrease in the average daily room rate from \$223 dollars in FY 2023 to \$220 dollars in FY 2024.

■ **Future Outlook**

FY 2021 and 2022 were characterized by strong growth and adjustments of various kinds as the economy recuperated from the pandemic and digested the stimulus and policies put in place during and post pandemic. FY 2023 and 2024 displayed a more normal pattern of growth with less obvious influence from the pandemic and/or pandemic era policies.

FY 2025 should continue in the same vein as FY 2024, displaying moderating growth as well as moderate inflation, with most, if not all, variables changing in normal, single-digit percentage terms.

Because of its location and economic trade and tourism ties, Miami-Dade's economy is influenced by developments in both the broader US and Latin American and Caribbean economies.

On the domestic front, the overall United States economy is expected to continue growing, albeit at a slower pace. After a strong showing in FY 2024, it is expected that the U.S. growth will moderate in FY 2025.

All major institutional forecasts of the United States' economy at the time of this writing predict GDP growth rate for calendar year 2025 to slow as compared to 2024, forecasting a GDP growth of between 1.9% and 2.7%. The Congressional Budget Office (CBO) forecast falling on the lower side, at 1.9%, followed by the S&P Global Forecast at 2%, the Organization for Economic Co-operation and Development (OECD) at 2.4% and the International Monetary Fund (IMF) forecast at the higher end of 2.7%.

Economic activity in Latin America, after experiencing a 2.4% increase in 2024, is expected to expand by 2.5% again in 2025. The similar rate of expansion in Latin America vis-a-vis the US is likely to result in a continuation of the trade patterns flowing through Miami-Dade ports.

Real estate and construction activity in FY 2025 is expected to display a similar trend as FY 2024 as mortgage rates continue at their current elevated levels locking in current homeowners and deterring would be buyers.

Tourism indicators will also continue at their elevated FY 2024 levels, meaning that growth will be moderate, with visitors, hotel occupancy, and airline and cruise ship passengers gaining slightly from their FY 2024 levels.

Employment should continue to expand overall, but at a slow rate, and most likely not be as broad based as it was in FY 2024. This should result in a more normal pattern in which some industries expand, and others contract their level of employment.

In conclusion, evaluating all the likely developments in major areas of the economy leads to a forecast that the Miami-Dade economy appears poised for continued growth in FY 2025 at a slower pace. While inflation appears to be slowing there remains a lot of uncertainty due to the shifting landscape in Washington. This could have an impact on trade flows and labor market dynamics in the United States and its trading partners.

LONG TERM FINANCIAL PLANNING

Major Initiatives

■ **Construction Management**

Seaport's proposed Capital Improvement Program funding for the period October 1, 2024 through and up to the projects' completion is budgeted at approximately \$2.71 billion. Of this amount, approximately \$2.29 billion, \$17.6 million and \$397.3 million will be funded by debt proceeds, state grants, and other sources, respectively. Of the approximately \$3.09 billion in construction in progress expenditures (CIP), approximately \$1.838 billion, \$640.4 million, \$65.0 million, \$535.5 million and \$15.1 million will fund the Seaport facilities improvements, new passenger facilities, environment projects, cargo facilities improvements and terminal improvements, respectively.

Seaport secured Congressional approval in the fall of 2007 for the Miami Harbor Project (the Project). The Project called for deepening the Seaport's south channel to a depth of 50 feet from the existing 42 feet. By deepening its south channel from the existing—42 feet to the 50—foot depth, the Seaport is one of a few ports along the U.S. east coast capable of accommodating mega container vessels. The Project was completed in fiscal year 2015.

Additional information regarding Seaport's capital improvement program can be found in the Management's Discussion and Analysis ("MD&A") section and the Notes to the Financial Statements section of this report. CHART I found below summarizes the funding sources for Seaport's capital improvement program for the next fiscal year (2025) and fiscal years 2026 through and up to completion of projects.

CHART 1
CIP FUNDING SOURCES
(\$ in thousands)

	Fiscal Year		Fiscal Year 2026 through completion	Total
Revenue	2025			
Debt proceeds	\$ 378,317	\$	1,913,094	\$ 2,291,411
State grants	7,188		10,374	17,562
Other sources	24,496		372,800	397,296
Total	<u>\$ 410,001</u>	<u>\$</u>	<u>2,296,268</u>	<u>\$ 2,706,269</u>

CIP PROJECT SUMMARY
(\$ in thousands)

	Fiscal Year		Fiscal Year 2026 through completion	Total
Expenditures	2025			
Cargo facilities; improvements	\$ 65,600	\$	469,886	\$ 535,486
Port facilities; improvements	404,959		1,433,454	1,838,413
New passenger terminals	156,700		483,675	640,375
Environment projects	25,000		40,000	65,000
Terminal improvements	12,600		2,500	15,100
Total	<u>\$ 664,859</u>	<u>\$</u>	<u>2,429,515</u>	<u>\$ 3,094,374</u>

Security

Securing the Port and providing efficient commerce will present challenges for the foreseeable future. The Port has successfully achieved this by modifying its facility security plan and investing in its physical security infrastructure. Over the last several fiscal years, Seaport has made significant investments in its security infrastructure. The corresponding funding for security has increased dramatically. Seaport is currently fully compliant.

Seaport continues to be recognized as one of Florida's leading ports. Progressive procedures are in place that provide heightened levels of protection and simultaneously support compliance with Port business policies. Partners in this comprehensive initiative include: U.S. Coast Guard; U.S. Customs and Border Protection; Federal Bureau of Investigation; Florida Department of Law Enforcement; Florida Fish and Wildlife Commission; Miami-Dade Police Department and Fire Rescue Department and others working to achieve a shared, united mission. These efforts are helping to move legitimate commerce in a faster, secure, more seamless and cost-effective manner than ever before.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Seaport for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This was the twenty fifth consecutive year that the Seaport received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

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

Respectfully submitted,



Hydi Webb,
Port Director, CEO



Andrew Hecker,
Deputy Port Director



Frederick P. Wong, Jr.
Deputy Port Director



Andrew Warburton, CPA
Assistant Director Finance & Administration



Joseph Browne, CPA
Chief, Accounting & Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Miami-Dade County Seaport Department
Florida**

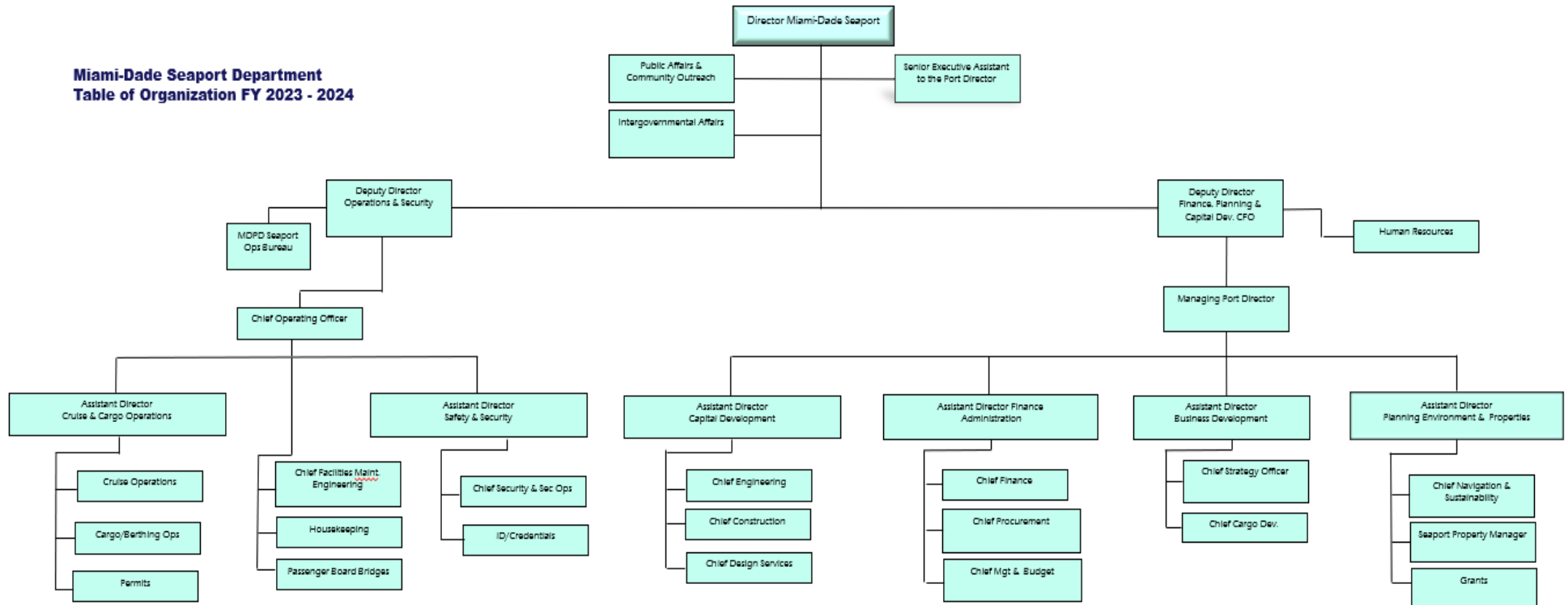
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

**Miami-Dade Seaport Department
Table of Organization FY 2023 - 2024**



FINANCIAL SECTION

Independent Auditor's Report

RSM US LLP

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the of the Seaport Department (the Department), an enterprise fund of Miami-Dade County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Department of Miami-Dade County, Florida, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Miami-Dade County, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of Miami-Dade County, Florida that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of Miami-Dade County, Florida, as of September 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Department's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension and OPEB related schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2025, on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Department's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

RSM US LLP

Coral Gables, Florida
May 16, 2025

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

The following narrative provides an overview of the Miami-Dade County, Florida Seaport Department's (the "Port", "Seaport") financial activities and net position as of and for the fiscal year ended September 30, 2024. The MD&A represents management's analysis of Seaport's financial condition, performance, long-term debt and economic factors. The MD&A should be read in conjunction with the financial information of the transmittal letter, the financial statements, the accompanying notes, and the statistical section. The financial statements consist of the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; the Statement of Cash Flows; and the Notes to the Financial Statements.

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

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

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

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

Financial analysis of the Seaport Department

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

Seaport's net position is summarized in Table I. Net position may be used to assess the financial position of Seaport. Total Seaport net position as of September 30, 2024 was \$542.2 million, comprising of approximately \$272.6 million in net investment in capital assets; approximately \$86.5 million in restricted, and unrestricted of approximately \$183.1 million. Total Seaport net position as of September 30, 2023 was \$414.4 million, comprising of approximately \$262.8 million in net investment in capital assets; approximately \$31.8 million in restricted, and unrestricted of approximately \$119.8 million.

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

	Fiscal Year 2024	Change from Fiscal Year 2023	Fiscal Year 2023
Capital assets, net	\$ 2,024.6	\$ 111.5	\$ 1,913.1
Current and other assets	1,951.0	559.5	1,391.5
Total assets	3,975.6	671.0	3,304.6
Deferred outflows of resources	36.4	(3.0)	39.4
Long-term liabilities outstanding	2,565.8	511.5	2,054.3
Other liabilities	164.1	41.5	122.6
Total liabilities	2,729.9	553.0	2,176.9
Total deferred inflow of resources	739.9	(12.8)	752.7
Net position:			
Net investment in capital assets	272.6	9.8	262.8
Restricted	86.5	54.7	31.8
Unrestricted (deficit)	183.1	63.3	119.8
Total net position	\$ 542.2	\$ 127.8	\$ 414.4

The increase in restricted from fiscal year 2023 to 2024, can be mostly attributed to reserve balance for the Series 2023 bonds, non-federal apportionment funding and Performance Guaranty. The increase in unrestricted from fiscal year 2023 to 2024, can be mostly attributed to increases in operating revenues and lease interest recognized in fiscal year 2024.

Seaport worked closely with consultants to finalize the Port's 2035 Master Plan (the Plan). The Plan was unveiled in December 2011. The Plan is a useful roadmap for the Seaport to plan to meet the future demands and expectations of the cargo and cruise industries, and helps the Port maximize the use of its resources. The 2050 Master Plan is currently being prepared with completion expected in fiscal year 2025.

Table II summarizes the change in Seaport's net position. Total net position as of September 30, 2024 was approximately \$542.2 million, representing an increase of approximately \$127.8 million from prior year. The increase in fiscal year 2024 can be mostly attributed to increases in operating revenues, interest income and lease interest in fiscal year 2024.

In March 2015 FDOT and the County entered into a Joint Participating Agreement (JPA) to pay the County from annually appropriated State Comprehensive Enhanced Transportation System Tax (SCETS) the amount of \$17 million annually in each of the State's fiscal years 2018 through 2042.

Because the SCETS funds are subject to annual appropriation by FDOT, Governmental Accounting Standards do not allow revenues to be reported until the funds are appropriated and therefore revenues will only be reported for the annual amount appropriated each fiscal year. If revenues for the full amount expected to be appropriated by FDOT were reported, it would offset any negative unrestricted net position balance (when applicable).

On September 27, 2021, FDOT and Seaport entered into a Coronavirus State Fiscal Recovery Funds subrecipient grant agreement under the American Rescue Plan Act of 2021 (ARPA) to respond to the negative economic impacts of the COVID-19 public health emergency and provide working capital for recovery. The completion date runs through December 31, 2024.

On September 4, 2024, the U.S. Army Corps of Engineers (USCOE) and Seaport entered into a Memorandum of Agreement “MOA” under Section 2106 of the Water Resources Reform and Development Act of 2014 (Act) for the Seaport to receive its non-federal apportionment of funds to carry out certain activities related to the Act. The Seaport’s share as of September 30, 2024 was \$24.8 million.

Table II

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

	Fiscal Year 2024	Change from Fiscal Year 2023	Fiscal Year 2023
Operating revenues:			
Cruise wharfage/dockage	\$ 146.1	\$ 23.7	\$ 122.4
Cargo wharfage/dockage	45.3	3.3	42.0
Container crane user fees	16.1	(0.4)	16.5
Rentals and leases	47.1	2.8	44.3
Ground transportation	2.9	0.8	2.1
Terminal enhancement passenger fees	21.5	2.7	18.8
Parking	18.9	1.1	17.8
Miscellaneous charges and fees	2.6	0.5	2.1
Total operating revenues	300.5	34.5	266.0
Lease interest	33.5	4.7	28.8
Other nonoperating	55.4	18.6	36.8
Total revenues	389.4	57.8	331.6
Operating expenses	152.3	23.5	128.8
Depreciation	50.9	(6.0)	56.9
Interest expense, net	90.7	30.6	60.1
Total expenses	293.9	48.1	245.8
Net income before contributions and transfers	95.5	9.7	85.8
Net contributions	32.3	12.3	20.0
Transfers	0.0	(0.1)	0.1
Total contributions and transfers	32.3	12.4	19.9
Change in net position	127.8	22.1	105.7
Net position – beginning	414.4		308.7
Net position at end of year	\$ 542.2		\$ 414.4

Operating revenues for fiscal year 2024 were approximately \$300.5 million or \$34.5 million higher than fiscal year 2023. The increase can be mostly attributed to increases in cruise and cargo related revenues, rentals and leases, terminal enhancement passenger fees and parking. The increases in cruise related revenues, rentals and leases, parking, ground transportation and terminal enhancement passenger fees can mostly be attributed to an increase in cruise activities.

Table III summarizes and compares Seaport's operating revenues.

**For the Fiscal Years Ended September 30,
(\$ in millions)**

	Fiscal Year 2024	Change Year 2023	Fiscal Year 2023
Operating Revenues:			
Cruise wharfage/dockage	\$ 146.1	\$ 23.7	\$ 122.4
Cargo wharfage/dockage	45.3	3.3	42.0
Container crane user fees	16.1	(0.4)	16.5
Rentals and leases	47.1	2.8	44.3
Ground transportation	2.9	0.8	2.1
Terminal enhancement passenger fees	21.5	2.7	18.8
Parking	18.9	1.1	17.8
Miscellaneous fees and charges	2.6	0.5	2.1
Total revenues	<u>\$ 300.5</u>	<u>\$ 34.5</u>	<u>\$ 266.0</u>

Operating expenses for fiscal year 2024 increased approximately \$23.5 million from the prior year. The net increase in cruise operations and marketing and advertising can be mostly related to increases in cruise-related activities along with certain parking rebates and marketing incentives paid. The increase in maintenance is mostly related to an increase in repairs for the Port's assets. The decrease in general and administration is mostly related to decreases in OPEB, compensated absence and pension-related expenses.

Table IV below summarizes Seaport's operating expenses.

**For the Fiscal Years Ended September 30,
(\$ in millions)**

	Fiscal Year 2024	Change from Fiscal Year 2023	Fiscal Year 2023
Operating Expenses:			
Cruise operations	\$ 16.8	\$ (6.6)	\$ 23.4
Cargo operations	2.3	0.1	2.2
Maintenance	18.2	4.0	14.2
Utilities	7.2	0.5	6.7
Marketing and advertising	34.6	32.7	1.9
Gantry crane operations	11.9	-	11.9
Security	30.7	4.2	26.5
General and administration	30.6	(11.4)	42.0
Total operating expenses	<u>\$ 152.3</u>	<u>\$ 23.5</u>	<u>\$ 128.8</u>

Capital assets and debt administration

Capital assets

Seaport's total capital assets (net of depreciation) at September 30, 2024 and 2023 were \$2.0 billion and \$1.9 billion, respectively. The increase can be mostly attributed to costs incurred for various capital construction projects in accordance with the Port's Master Plan and multi-year capital budget. Additional information on changes in capital assets can be found in Note 3 of the Financial Statements and in the Construction Management Section in transmittal letter. Table V below summarizes the components of Seaport's investment in capital assets.

Table V

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

	Fiscal Year	Change from	Fiscal Year
	2024	Fiscal	2023
		Year 2023	
Land and related costs	\$ 166.0	\$ -	\$ 166.0
Port dredging and related costs	323.9	-	323.9
Buildings, transit sheds and terminals	764.6	(28.3)	792.9
Machinery and equipment	19.8	(0.2)	20.0
Improvements other than buildings	345.0	(13.5)	358.5
Construction in progress	405.3	153.5	251.8
Totals	<u>\$ 2,024.6</u>	<u>\$ 111.5</u>	<u>\$ 1,913.1</u>

During fiscal year 2024, several construction projects were completed. The major projects completed were certain cruise and cargo related infrastructure projects; cruise terminal enhancements and Port-Wide security enhancements. Additional construction in progress information can be found in Note 3 to the financial statements. The significant projects under construction in accordance with the Port's Master Plan are as follows:

Projects underway

- New cruise terminals
- Improvements to various cruise terminals to accommodate larger vessels
- Cargo yard-related improvements
- Security enhancements
- Port-Wide infrastructure improvements
- Gantry crane refurbishments

Debt administration

At September 30, 2024 and 2023, Seaport had approximately \$2.368 billion and \$1.867 billion in bonds and notes outstanding, respectively. The net increase in fiscal year 2024, is mostly attributed to Port issuing its Series 2023 Bonds. Additional long-term debt details can be found in Note 4 to the financial statements.

Table VI

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

	Fiscal Year	Change from	Fiscal Year
	2024	Fiscal	2023
		Year 2023	
Seaport revenue bonds	2,221.3	443.7	1,777.6
Capital acquisition bonds	56.4	(2.6)	59.0
Commercial paper notes	90.0	60.0	30.0
Totals	<u>\$ 2,367.7</u>	<u>\$ 501.1</u>	<u>\$ 1,866.6</u>

Seaports debt was rated by Moody's Investors Service and Fitch Ratings Inc., respectively.

On November 22, 2023, Moody's Investors Service, ("Moody's") has assigned an A3 rating to Miami-Dade FL Port Facility's ("PortMiami") Seaport Revenue Refunding Bonds. The rating outlook is stable. The stable outlook reflects the Port's position as the largest cruise port in the world with competitive cargo operations.

A strong recovery in cruise passengers and solid cargo operations will support solid financial metrics in fiscal 2023. We expect robust cruise demand in 2024, supported by favorable demographics, recent booking trends and the value proposition of a cruise vacation. Minimum annual revenue guarantees support the expectation of positive operating revenue growth in 2024.

The stable outlook reflects our expectations that PortMiami will maintain a senior debt service coverage ratio (DSCR) of 2.0x and a total DSCR of 1.0x. We expect that PortMiami will actively manage its capital investment needs to safeguard adequate liquidity levels and financial metrics.

PortMiami's credit profile is constrained by the need for continued operating revenue growth and strength in operating cash flow generation to fund rising debt service requirements.

On March 13, 2024, Fitch Ratings has affirmed the Miami-Dade County, Florida's \$1.8 billion of senior lien seaport revenue debt issued on behalf of the county's Seaport department, PortMiami at 'A'. The Rating Outlook is Stable.

Fitch has also rated approximately \$442.5 million of series 2021B Seaport revenue bonds "AA-/Stable, which are secured by a subordinate lien on Seaport net revenues and a County covenant to replenish deficiencies in the debt service reserve fund (DSRF). The "rating reflects PortMiami's fundamental operating strengths, including its global leading cruise port market position and its role as one of the largest ports in the State of Florida in terms of cargo volume.

The rating is further supported by the Seaport's substantial, long-term contractual minimum annual guarantees (MAGs) with both cruise and cargo operators, which have historically helped to insulate Seaport revenues from volume and passenger volatility and are expected to rise measurably based on contracts in place.

PortMiami's unrestricted funds remain substantial and provide for a strong level of liquidity to cover all Seaport costs. Still, the Seaport's overall leverage metrics are expected to remain elevated under the Fitch rating case due to the substantial capital plan that calls for sizeable borrowings in the near-to medium-term but ultimately reach a level of stabilization in line with the "A" category following the completion of major capital projects.

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

Economic factors and next year's budget and rates

For fiscal year 2024, cargo activity, measured in Twenty Foot Equivalent Units (TEUS) decreased by 0.8%. The Port anticipates cargo activity will increase after larger ships increase crossing the Panama Canal. Most of the cargo is exported to Latin America (South America, Central America, and the Caribbean), followed by the Far East, Asia, the Pacific, Europe and the Middle East. The majority of the imports are located in Latin America followed by the Far East, Asia the Pacific and Europe. In 2015, Seaport implemented a new cargo incentive program. The program was suspended in fiscal year 2020 and has not been reinstated.

During fiscal year 2024, 8.2 million passengers came through the Port. This represented an increase of 12.8% from fiscal year 2023. Since the lifting of the COVID-19 cruise related restrictions, the Seaport is encouraged with the future of cruising, positioning itself for additional growth in the future and the continuing expansion program that includes various renovations and the construction of new cruise berths, terminals and parking facilities. Royal Caribbean's newest terminal was opened in 2018 and is welcoming Royal Caribbean's largest ships. Norwegian Cruise Line Holdings' new terminal, the Pearl of Miami, opened summer of 2021. MSC Cruises is designing and recently broke ground on its new cruise terminals. All of this is being designed and constructed in tandem with a large infrastructure improvement program that consolidates and adds efficiencies to cargo yards (new cranes, RTGs, and state-of-the-art cargo gate facilities), as well as roadway improvements, electrical power system upgrades and bulkhead upgrades and replacements. This growth at the Port will continue to ensure the Port's place as the Cruise Capital of the World and the Global Gateway of the Americas.

Annually, Seaport updates Terminal Tariff No. 010 to ensure Seaport's ability to meet its budgetary obligations through Tariff revenues. The adopted budget for fiscal year 2024 includes the necessary increases in order for Seaport to meet its budgetary obligations. Seaport continually reviews the Tariff and its rate structure to ensure that it remains competitive, attracts new business and maintains its existing customer base.

Request for Information

This financial report is designed to provide customers, creditors and other interested parties with a general overview of Seaport's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to:

**Assistant Director Finance & Administration
Miami-Dade Seaport Department
1015 North America Way
Miami, Florida 33132**

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MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Net Position
September 30, 2024

Assets

Current assets:

Pooled cash and cash equivalents	\$ 84,649,931
Pooled investments	281,547,290
Accounts receivable, less allowance for doubtful accounts of \$375,028	11,404,394
Lease receivable	369,015
Lease interest receivable	53,760,141
Due from other funds	1,181,831
Prepaid expenses and other current assets	1,090,062
Supplies on hand	7,887,030
Grant receivable	6,615,802
Total current unrestricted assets	448,505,496

Restricted assets:

Current restricted assets:	
Pooled cash and cash equivalents	36,079,326
Pooled investments	120,787,309
Investments	243,390,047
Due from other government	17,000,000
Prepaid expenses and other current assets	5,273,426
Total current restricted assets	422,530,108
Total current assets	871,035,604

Noncurrent assets:

Noncurrent unrestricted assets	
Lease receivable	767,573,283
Total noncurrent unrestricted assets	767,573,283

Noncurrent assets:

Noncurrent restricted assets	
Pooled cash and cash equivalents	44,460,525
Pooled investments	148,846,104
Investments	119,082,513
Total noncurrent restricted assets	312,389,142

Capital assets:	
Land and related costs	165,955,153
Dredging and related costs	323,916,491
Buildings, transit sheds and terminals	1,193,829,004
Improvements other than buildings	609,441,653
Machinery and equipment	43,416,469
Construction in progress	405,333,900
Capital assets, gross	2,741,892,670
Less accumulated depreciation	(717,333,368)
Capital assets, net	2,024,559,302
Total noncurrent assets	3,104,521,727
Total assets	3,975,557,331

Deferred outflows of resources:

Loss on refunding	27,384,679
OPEB related	992,000
Pension related	8,061,000
Total deferred outflows of resources	36,437,679

(Continued)

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Net Position (Continued)
September 30, 2024

Liabilities and Net Position

Current liabilities payable from unrestricted assets:

Accounts payable and accrued expenses	24,303,691
Accrued payroll and related expenses	2,325,772
Compensated absences	2,226,288
Current portion of capital acquisition bonds payable	2,495,000
Current portion of financed purchase liability	245,695
Unearned revenue	547,582
Current portion of other post-employment liability	121,000
Due to other Miami-Dade County funds	122,132
Total current liabilities payable from unrestricted assets	32,387,160

Current liabilities payable from restricted assets:

Current portion of revenue bonds payable	15,000,000
Accrued interest payable	46,063,521
Accounts payable and accrued expenses	70,625,133
Total current liabilities payable from restricted assets	131,688,654
Total current liabilities payable from unrestricted and restricted assets	164,075,814

Long-term liabilities:

Bonds payable, net	2,344,431,707
Capital acquisition bonds payable, net	57,160,831
Financed purchase liability	2,397,811
Commercial paper liability	90,000,000
Unearned revenue	19,653,564
Arbitrage liability	2,240,397
Compensated absences	10,408,582
Total other post-employment liability	4,952,000
Net pension liability	34,534,000
Total long-term liabilities	2,565,778,892
Total liabilities	2,729,854,706

Deferred inflows of resources:

Pension related	3,360,000
OPEB related	556,000
Lease related	736,031,137
Total deferred inflows of resources	739,947,137

Net Position

Net investment in capital assets	272,552,194
Restricted for debt service and reserve	43,953,536
Restricted non-federal apportionment funds	24,773,000
Restricted for Performance Guaranty	17,763,691
Unrestricted	183,150,746
Total net position	\$ 542,193,167

(Concluded)

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Revenues, Expenses and Changes in Net Position
Fiscal Year Ended September 30, 2024

Operating revenues:	
Cruise wharfage/dockage	\$ 146,081,627
Cargo wharfage/dockage	45,307,754
Container crane user fees	16,128,264
Rentals and leases	47,059,297
Ground transportation	2,916,260
Terminal enhancement passenger fees	21,442,007
Parking	18,913,773
Miscellaneous charges and fees	2,608,944
Total operating revenues	300,457,926
Operating expenses:	
Cruise operations	16,843,037
Cargo operations	2,262,497
Maintenance	18,226,506
Utilities	7,195,744
Marketing and advertising	34,577,855
Gantry crane operations	11,855,825
Security	30,699,039
General and administrative	30,632,578
Total operating expenses before depreciation	152,293,081
Operating income before depreciation	148,164,845
Depreciation expense	50,907,375
Operating income	97,257,470
Nonoperating revenues (expenses):	
Investment income	40,416,927
Lease interest	33,465,123
Interest subsidy	697,635
Interest expense	(90,659,484)
Intergovernmental revenue (SCETS tax)	17,000,000
Other, net	(2,704,474)
Total nonoperating revenues (expenses), net	(1,784,273)
Change in net position before capital contributions and transfers	95,473,197
Capital contributions	32,235,185
Transfer out	(4,145)
Total capital contributions and transfers	32,231,040
Change in net position	127,704,237
Total net position – beginning	414,488,930
Total net position – ending	\$ 542,193,167

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

MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Cash Flows
Fiscal Year Ended September 30, 2024

Cash flows from operating activities:	
Cash received from customers and tenants	\$ 295,350,006
Cash paid to suppliers	(85,750,964)
Cash paid to employees for services	(51,242,566)
Net cash provided by operating activities	158,356,476
Cash flows from noncapital financing activities:	
State comprehensive enhanced transportation system tax (SCETS) received	17,000,000
Letter of credit for Performance Guaranty	(17,763,691)
Transfer out	(4,145)
Net cash used in noncapital financing activities	(767,836)
Cash flows from capital and related financing activities:	
Principal payments:	
Capital acquisition bonds	(2,490,000)
Revenue Bonds	(5,000,000)
Financed purchase – equipment	(230,505)
Interest paid	(82,315,038)
Interest subsidy received	697,635
Purchase of capital assets	(127,833,683)
Proceeds from issuing commercial paper notes	60,000,000
Issuance costs on debt	(3,003,008)
Proceeds from issuing Series 2023 Bonds Par Value	448,640,000
Lease interest received	5,564,111
Grants received (capital contributions)	36,339,913
Net cash provided by capital and related financing activities	330,369,425
Cash flows from investing activities	
Investments purchased	(952,037,026)
Proceeds from sale and maturities of investments	549,655,807
Interest and dividends from investments	31,298,577
Net cash used in investing activities	(371,082,642)
Net increase in cash and cash equivalents	116,875,423
Pooled cash and cash equivalents (including restricted assets) at beginning of year	48,314,359
Pooled cash and cash equivalents (including restricted assets) at end of year	\$ 165,189,782

(Continued)

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

**MIAMI-DADE COUNTY, FLORIDA
SEAPORT DEPARTMENT
Statement of Cash Flows (Continued)
Fiscal Year Ended September 30, 2024**

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 97,257,470
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	50,907,375
Changes in assets/deferred outflow of resources and liabilities/deferred inflow of resources:	
Decrease in accounts receivable, net	9,405,697
Decrease in lease receivable	677,652
Decrease in other funds	2,039,604
Decrease in prepaid expenses, advance to other government and other current assets	125,731
Increase in supplies on hand	(1,715,682)
Increase in accounts payable, accrued expenses and due to other County Funds	15,471,965
Increase in accrued payroll and related expenses	413,851
Decrease in unearned revenue and other liability	(594,950)
Increase in arbitrage liability	1,975,647
Increase in compensated absences	290,435
Decrease in other post-employment benefits	(3,574,000)
Decrease in net pension liability	(1,979,000)
Decrease in pension, OPEB and lease related deferred inflows/outflows, net	(12,345,319)
Net cash provided by operating activities	\$ 158,356,476

Supplemental disclosure for noncash investing, capital and financing activities:

- (a) Construction and related liabilities were \$70,625,133 for fiscal year ended.
- (b) Capital grants receivable was \$6,615,802 for the fiscal year ended.
- (c) Seaport recorded \$5,369,995 of net unrealized gains for the changes in fair value investments.

(Concluded)

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

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Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 1. General Description and Significant Accounting Policies

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

The accompanying financial statements present only the financial position, operations and cash flows of Seaport and are not intended to present and do not present the financial position of the County and results of its operations and its cash flows, in conformity with generally accepted accounting principles in the United States.

A summary of Seaport’s significant accounting policies follows:

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

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

Non-participating investments, such as nonnegotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized cost. Participating investments are carried at fair value, and unrealized gains and losses due to changes in fair value are recognized for the year. In fiscal year 2024, Seaport reported net unrealized gains of \$5.37 million in the Statement of Revenues, Expenses and Changes in Net Position as part of investment earnings.

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

Investments purchased at less than par value will be recognize as interest income when matured.

Accounts receivable and allowance for doubtful accounts: Receivables include amounts due from customers for services provided by Seaport and are recorded when the related revenue is earned. Allowances for uncollectible receivables are based upon specifically identifying uncollectible accounts, historical trends and periodic aging of receivables. The allowance balance was \$375,028 for fiscal year ended 2024.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

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

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

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

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

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

Capital assets are depreciated over their estimated useful lives unless they are inexhaustible (e.g., land, dredging and certain individual items or collections with historical or artistic value). Dredging costs associated with excavating the sea floor to reach a certain depth are capitalized. Conversely, the costs associated with maintaining the channel to the designed depths are expensed as incurred. The Seaport capitalizes all assets with a historical cost of \$5,000 or more and a useful life of greater than one year. The straight-line depreciation method over the following estimated useful lives is utilized:

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

Interest on indebtedness: Interest is charged to expense as incurred. In fiscal year 2024, Seaport incurred interest expense of approximately \$90.6 million.

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

Deferred outflows of resources represent a consumption of net assets that applies to future periods. The other items that represent this category are deferred outflow of resources related to pensions and OPEB.

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

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

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

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

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

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

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

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

- Cruise Wharfage — revenue from charges assessed per passenger when embarking from or debarking to Seaport property.
- Cruise Dockage — revenue from charges assessed to cruise vessels for use of berthing space.
- Cargo Wharfage — revenue from charges assessed against cargo for the use of the Seaport to load and unload cargo from vessels.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

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

- Cargo Dockage — revenue from charges assessed to cargo vessels for use of berthing space.
- Rentals and leases — rentals of land, buildings, machinery and equipment.
- Container crane user fees — revenue from charges assessed to cargo operators for crane usage.
- Parking — revenue from charges assessed to visitors for use of Port parking spaces.
- Terminal enhancement passenger fees — revenue from preferential berthing rights and terminal enhancements.

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

Terminal enhancement passenger fees (TEPF): Seaport has agreements with certain cruise operators to charge a set rate per passenger movement. The revenue from TEPFs are derived from preferential berthing rights and terminal enhancements desired by the participating cruise operators.

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

Due from other government: Seaport recorded a receivable from FDOT related to the State Comprehensive Transportation System Tax (SCETS) revenues to be received annually through fiscal year 2042. The receivable and corresponding revenues are recorded when eligibility requirements are met, which is when the State of Florida appropriates the funds in the State's budget to be paid to the Seaport on an annual basis.

Non-federal apportionment funds: Seaport and the U.S. Army Corps of Engineers (USCOE) entered into a Memorandum of Agreement "MOA" under Section 2106 of the Water Resources Reform and Development Act of 2014 (Act) for the Seaport to receive its non-federal apportionment of funds to carry out certain activities related to the Act.

Unearned revenue: Unearned revenue represents grants and other similar items for which Seaport received funding in advance and have not recognized the related revenue in the current fiscal year or has not met all of the eligibility requirements imposed by the provider to allow for revenue recognition.

Net position: Seaport's Statement of Net Position is displayed in five categories: 1) net investment in capital assets, (2) restricted for debt service and reserve, (3) restricted non-federal apportionment funds, (4) restricted for Performance Guaranty, and (5) unrestricted. Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unexpended proceeds and related deferred inflow/outflows of resources. The restricted component of net position is reported as restricted when there are third party limitations (statutory, contractual or bond covenant) on their use. The unrestricted component of net position consists of all the other components that do not meet the definition of either of the other four components.

Notes to Financial Statements

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

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

Leases

Effective July 1, 2021, the County implemented GASB Statement No. 87, *Leases*. Under previous guidance, leases were classified as either operating or capital leases, based on the lease meeting any one of the four established criteria. This statement establishes a single model for lease accounting based on the fundamental principle that leases are financings of the right to use an underlying asset, with the present value measurements of payments expected to be made during the lease term. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. See Notes 7 and 13 for further information.

Remeasurement

Seaport monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset, lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease balances.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Short-term Leases

For short-term lease contracts, generally those with a maximum possible term of 12 months or less, Seaport recognizes revenue or expense based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

All new and existing leases are reviewed and determined if regulated by a federal, state or other governing bodies. Leases determined to be regulated undergo an additional review by Seaport management and then considered for exemption. Seaport's policy is to exercise any exemptions on certain regulated leases under *GASB 87, Leases*.

Note 2. Cash, Cash Equivalents and Investments

The County is responsible for all treasury functions, and pools all cash and investments, except separate cash and investment accounts required by debt indentures and other agreements which are maintained under legal restrictions in separate bank accounts. Seaport's equity share of the total pooled cash and investments is included in the accompanying Statement of Net Position under the current and restricted captions "Pooled cash and cash equivalents" or "Pooled investments". For fiscal year 2024, carrying amounts of Seaport's pooled cash and cash equivalents is \$165.2 million, pooled current and noncurrent investments for Seaport are \$402.3 million and \$148.8 million, respectively, which represents less than 10% of the County's pooled cash, cash equivalent and investments as of September 30, 2024.

During fiscal year 2024, Seaport maintained cash and investment reserves required by its Master Bond Ordinance and made all transfers and deposits required by its Master Bond Ordinance and other subordinated debt agreements from available operating and nonoperating revenue.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 2. Cash, Cash Equivalents and Investments (Continued)

Seaport entered into a Performance Guaranty Agreement (PGA) with a service provider during fiscal year 2024. In connection with the agreement, Seaport obtained an irrevocable letter of credit secured by a certificate of deposit approximating \$17.8 million. In the event the service provider is not able to generate revenue to recover their full capital investment, they can draw on the letter of credit to cover the revenue shortfall. The certificate of deposit is reported as non-current and restricted. Management expects the PGA to expire in 2028.

In fiscal year 2024, Seaport purchased of \$402.8 million of U.S. highly liquid treasury and agency security investments using the Seaport Revenue Bonds, Series 2023 bond issuance proceeds (see Note 4). The par value of the Investments approximated \$411.2 million, resulting in a discount of approximately \$8.4 million, which will be recognized as interest income as the securities matured over the two-year term of the investment. The Series 2023 bond proceeds were invested with a broker who structured the Investments as a ladder portfolio consisting of various securities with up to 2 years maturity. As of September 30, 2024, the fair value of the investments was approximately \$344.6 million.

Description	Fair value
U.S. Treasury Notes	\$ 298,627
Federal Farm Credit Bank	45,818
Federal Home Loan Bank	168
Total	<u>\$ 344,613</u>

(See County's Annual Comprehensive Financial Report for disclosures relating to its interest rate risk, credit risk, custodial credit risk, concentration of credit risk and related fair value measurement disclosures required by GASB).

Note 3. Capital Assets

Capital asset activity for year ended September 30, 2024, is as follows (in thousands):

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 165,955	\$ -	\$ -	\$ 165,955
Port dredging and related costs	323,916	-	-	323,916
Construction in progress	251,835	161,082	(7,583)	405,334
Total capital assets not being depreciated	741,706	161,082	(7,583)	895,205
Capital assets being depreciated:				
Buildings, transit sheds and terminals	1,190,392	3,437	-	1,193,829
Improvements other than buildings	606,022	3,420	-	609,442
Machinery and equipment	42,173	2,036	(793)	43,416
Total capital assets being depreciated	1,838,587	8,893	(793)	1,846,687
Less accumulated depreciation for:				
Buildings, transit sheds and terminals	(397,456)	(31,800)	-	(429,256)
Improvements other than buildings	(247,475)	(16,985)	-	(264,460)
Machinery and equipment	(22,228)	(2,122)	733	(23,617)
Total accumulated depreciation	(667,159)	(50,907)	733	(717,333)
Total capital assets being depreciated, net	1,171,428	(42,014)	(60)	1,129,354
Total capital assets, net	\$ 1,913,134	\$ 119,068	\$ (7,643)	\$ 2,024,559

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 3. Capital Assets (Continued)

The following table summarizes the major construction in progress projects for the Port as of September 30, 2024 (dollars in thousands):

Project Description	Amount
Cruise terminal improvements	\$ 180,501
Security enhancements	134
Cargo yard related improvements	14,835
Port-wide infrastructure improvements	174,025
New cruise terminals	24,029
Gantry crane refurbishments	11,810
Total	<u>\$ 405,334</u>

Note 4. Long-Term Debt

Bond Covenant

Under the provisions of Miami-Dade County, Florida Master Ordinance 21-74 (the "2021 Master Ordinance"), which amended and restated Master Ordinance 88-66 and Ordinance 14-34, authorizing the issuance of Seaport Revenue Bonds in an amount not to exceed \$250 million; initial Seaport Revenue Refunding Bonds not to exceed \$1.4 billion and additional Seaport Revenue refunding Bonds in an amount not to exceed \$650 million. The 2021 Master Ordinance provided: (a) flexibility through revision to financial covenants including rate covenant and additional bonds test; (b) any draws in the Debt Service Reserve Fund shall be replenished by the County, if necessary, from legally available non ad-valorem revenues; (c) that the Board approved the details, terms and other matters relating to the issuance of Bonds. Debt service of the bonds will be paid from net revenues of Seaport and at County's option, from a pledge of the County's full faith and credit or legally available non ad-valorem revenues.

The 2021 Master Ordinance requires the County to maintain sufficient revenues, together with amounts then credited the Rate Stabilization account, sufficient to an amount at least equal to the sum of (a) 100% of operating expenses (seaport operations, as defined), as computed from the annual budget; (b) the greater of (1) 125% of the principal and interest requirements on all Senior Bonds for the current fiscal year or (2) 110% of the principal and interest requirements on all Senior Bonds and Subordinate Bonds for the current fiscal year (c) 100% of the Reserve Deposit requirements for the current fiscal year; and (d) 100% of the amount established in the Annual Budget for the Reserve Maintenance Fund in the current fiscal year. Debt covenants are to be met on an annual basis at each fiscal year-end.

Upon any event of default specified in 2021 Master Ordinance, holders of not less than twenty percent in aggregate principal amount of the bonds then outstanding may proceed to protect and enforce the rights of the bondholders under Florida law, or under the ordinance by suits, actions or special proceedings in equity or at law, either for the specific performance of any covenant or agreement contained in the ordinance or in aid or execution of any power granted or for the enforcement of any proper legal or equitable remedy, as such bondholders shall deem most effectual to protect and enforce such rights.

In May 2014, via Ordinance 14-34, the Board approved an amendment to the Master Bond Ordinance 88-66, which provided additional security to the bondholders, by adding certain revenues that may be received by the Seaport Department to the definition of revenue including without limitations, funds remitted to the County from the State Comprehensive Enhanced Transportation System Tax (SCETS). Payment of the SCETS tax to the Seaport is not guaranteed on an annual basis since such payments are contingent on the annual appropriation by the State of Florida. Seaport expects to receive the SCETS tax from the Florida Department of Transportation (FDOT) for fiscal years 2025 thru 2042, as a reimbursement to the Seaport for its portion of the cash contributions made towards construction of the FDOT owned Port Tunnel.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 4. Long-Term Debt (Continued)

On July 1 2024, State of Florida appropriated \$17 million dollars which have been recorded as a revenue and related Due from other governments in Seaport's Statement of Revenues, Expenses and Changes in Net Position and Statement of Net Position, respectively, for fiscal year ended September 30, 2024. In fiscal year 2021, Seaport entered into a subrecipient grant agreement with FDOT, as part of the Coronavirus State Fiscal Recovery Fund established under ARPA, to respond to the negative economic impacts of the COVID-19 public health emergency by providing working capital for recovery. The agreement runs through December 31, 2024, for a maximum amount of approximately \$66.9 million. As of September 30, 2024, the Port has expended \$66.9 million awarded.

A summary of Seaport's long-term debt outstanding as of September 30, 2024, is presented in the following table (amounts in thousands):

Description	Year Issued	Interest Rate	Amount Issued	Year of Maturity	Outstanding Balance
Revenue Bonds:					
Series 2023 (Taxable)	2024	5.25%-6.22%	\$ 448,640	2056	\$ 448,640
Series 2022A (AMT) (Refunding Bonds)	2023	5.00%	522,000	2053	522,000
Series 2022B (Non-AMT) (Refunding Bonds)	2023	5.00%	12,810	2038	12,810
Series 2021A-1 (AMT)	2021	4.00%	200,215	2046	200,215
Series 2021A-2 (Non-AMT)	2021	3.00%-4.00%	216,870	2051	216,870
Series 2021A-3 (Taxable)	2021	0.47%-2.84%	383,240	2040	378,240
Series 2021B-1 (AMT)	2021	4.00%	184,455	2051	184,455
Series 2021B-2 (Non-AMT)	2021	4.00%	99,520	2044	99,520
Series 2021B-3 (Taxable)	2021	1.05%-2.86%	158,530	2039	158,530
Sub-total					2,221,280
Unamortized premium					138,151
Less: Current portion					(15,000)
Total Long-term Revenue Bonds					4,565,711
Capital Asset Acquisition Bonds:					
Series 2017A (Refunding Bonds)	2017	3.00%-5.00%	47,510	2039	35,170
Series 2010D	2010	7.50%	21,277	2040	21,277
Sub-total					56,447
Unamortized premium					3,209
Less: Current portion					(2,495)
Total Long-term Capital Asset Acquisition Bonds					113,608
Total Long-term debt, net					\$ 4,679,319

Seaport Revenue Bonds

Seaport Revenue Bonds, Series 2023—On December 15, 2023, the County issued \$448.64 million of Seaport Revenue Bonds, Series 2023 (Series 2023 Bonds). The Series 2023 Bonds, together with other available funds of \$36.35 million, total of \$484.99 million, will be used to: (1) pay the \$448.64 million costs of Series 2023 Project, including funding capitalized interest, (2) fund the Senior Series 2023 Reserve account of \$33.08 million, and (3) pay costs of issuance of \$3.27 million for the Series 2023 Bonds.

Seaport Revenue Refunding Bonds, Series 2022—On February 2, 2023, the County issued \$534.81 million of Seaport Revenue Refunding Bonds, Series 2022 (Series 2022 Bonds). Series 2022 Bonds consist of \$522 million of Seaport Revenue Refunding Bonds, Series 2022A (AMT) and \$12.81 million of Seaport Revenue Refunding Bonds, Series 2022B (NON-AMT). The Series 2022 Bonds were used to: (1) refund the County's outstanding Capital Asset Acquisition Special Obligation Bonds, Series 2020B issued in the aggregate principal amount of \$338.4 million and the outstanding Seaport Commercial Paper Notes Series B-1 (AMT) and Series B-2 (Taxable) in the aggregate principal amount of \$200 million at one time, (2) fund a deposit to the Senior Reserve Account, and (3) pay costs of issuance for the Series 2022 Bonds. As a result of refunding Series 2020B Bonds and Commercial Paper Notes, the Seaport recognized a refunding gain of \$267,294 and a net present value economic savings of \$295,868.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 4. Long-Term Debt (Continued)

Seaport Revenue Refunding Bonds, Series 2021A—On September 15, 2021, the County issued \$800.32 million of Seaport Revenue Refunding Bonds, Series 2021A (Series 2021A Bonds). Series 2021A Bonds consist of three Sub-Series: Sub-Series 2021A-1 Bonds (AMT), Sub-Series 2021A-2 Bonds (Non-AMT) and Sub-Series 2021 A-3 (Taxable).

Summary of Refunding Debt Series 2021A Bonds

Sub-Series	Purpose	Par Amount Issued
(\$ amounts in thousands)		
Series 2021 A-1 Bonds (AMT)	Paper Notes, Series A-1 and Seaport Revenue	\$ 200,215
Series 2021 A-2 Bonds (Non-AMT)	Demand Revenue Bonds, Series 2014A;	216,870
Series 2021 A-3 (Taxable)	Bonds, Series 2013A; Seaport Revenue Bonds,	383,240
Total		<u>\$ 800,325</u>

Seaport Revenue Refunding Bonds, Series 2021B—On September 15, 2021, the County issued \$442.51 million of Seaport Revenue Refunding Bonds, Series 2021B (Series 2021B Bonds). Series 2021B Bonds consist of three Sub-Series: Sub-Series 2021 B-1 Bonds (AMT), Sub-Series 2021 B-2 Bonds (Non-AMT) and Sub-Series 2021 B-3 (Taxable).

Summary of Refunding Debt Series 2021B Bonds

Sub-Series	Purpose	Par Amount Issued
(\$ amounts in thousands)		
Series 2021 B-1 Bonds (AMT)	Paper Notes, Series A-2; make a deposit in the	\$ 184,455
Series 2021 B-2 Bonds (Non-AMT)	Acquisition Special Obligation Bonds, Series	99,520
Series 2021 B-3 (Taxable)	Multimodal Revenue Bonds, Series 2010A-1,	158,530
Total		<u>\$ 442,505</u>

Capital Asset Acquisition Bonds

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

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 4. Long-Term Debt (Continued)

Capital Asset Acquisition Bonds, Series 2017A—On August 30, 2017, the County issued \$47.5 million of Capital Asset Acquisition Special Obligation Refunding Bonds, Series 2017A (Series 2017A Bonds). The total proceeds of approximately \$54.6 million were used to: (1) refund a portion of the County's outstanding Capital Asset Acquisition Special Obligation Bonds, Series 2009A; and (2) pay issuance costs. The net proceeds of \$52.5 million, together with \$2.1 million of other available funding from the County, totaling \$54.6 million, were used to refund the Series 2009A Bonds. The Series 2017A Bonds are scheduled for payment through the year 2039.

Debt Service Requirements

Seaport's stated debt service requirements to maturity by type (including the current portion) at September 30, 2024, would be as follows (in thousands):

Years Ending September 30,	Revenue Bonds	Cap. Acq. Bonds	Total
Principal			
2025	\$ 15,000	\$ 2,495	\$ 17,495
2026	39,180	2,500	41,680
2027	46,935	2,500	49,435
2028	48,210	2,500	50,710
2029	49,605	2,500	52,105
2030-2034	267,120	19,939	287,059
2035-2039	316,000	21,551	337,551
2040-2044	405,015	2,462	407,477
2045-2049	515,650	-	515,650
2050-2054	473,925	-	473,925
2055-2056	44,640	-	44,640
Total	2,221,280	56,447	2,277,727
Interest			
2025	93,259	2,944	96,203
2026	92,853	2,819	95,672
2027	91,940	2,694	94,634
2028	90,741	2,569	93,310
2029	89,430	2,444	91,874
2030-2034	423,873	9,786	433,659
2035-2039	374,345	4,448	378,793
2040-2044	300,258	185	300,443
2045-2049	194,800	-	194,800
2050-2054	66,582	-	66,582
2055-2056	2,221	-	2,221
Total	1,820,302	27,889	1,848,191
Principal and Interest			
2025	108,259	5,439	113,698
2026	132,033	5,319	137,352
2027	138,875	5,194	144,069
2028	138,951	5,069	144,020
2029	139,035	4,944	143,979
2030-2034	690,993	29,725	720,718
2035-2039	690,345	25,999	716,344
2040-2044	705,273	2,647	707,920
2045-2049	710,450	-	710,450
2050-2054	540,507	-	540,507
2055-2056	46,861	-	46,861
Total	\$ 4,041,582	\$ 84,336	\$ 4,125,918

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 4. Long-Term Debt (Continued)

Financed Purchase – Direct Borrowing

On October 27, 2015, Seaport entered into a finance agreement with a bank to purchase equipment. Seaport will make semi-annual payments that range from \$123,818 to \$195,267, including interest at 2.65% through 2033. The Bank will not retain a first priority security interest in the equipment, but in the event of non-appropriation or default, Seaport, will be required to return said equipment to the bank.

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

Years Ending September 30,	Total Payments
2025	\$ 314,211
2026	323,455
2027	332,972
2028	342,771
2029	352,861
2030-2033	1,317,416
Total minimum payments	2,983,686
Less amount representing interest	(340,180)
Present value of minimum payments	<u>\$ 2,643,506</u>

The net book value of capital assets acquired through the finance purchase agreement as of September 30, 2024, are as follows:

Asset	Balance
Equipment	\$ 4,385,403
Less accumulated depreciation	(2,188,211)
Capital asset, net	<u>\$ 2,197,192</u>

Commercial Paper Notes

On September 1, 2021, the Board adopted a resolution approving issuance from time to time Miami-Dade County, Florida Seaport Commercial Paper Notes (Notes) in an aggregate principal amount not to exceed \$200 million outstanding at any one time. The implementation of Seaport's Notes will provide temporary financing to fund a portion of Seaport's capital improvement program. Two series have been issued to date: The Seaport Notes Series B-1 (AMT) and Seaport Notes Series B-2 (Taxable), both of which are not to exceed aggregate principal amounts of \$200 million. The commercial paper program requires remarketing of the instrument for any period from 1 to 270 days. Due to the liquidity requirements and rolling maturity of the Notes, a Letter of Credit (LOC) provider can provide the source of funds to repay investors. The LOC in the amount of \$200 million was approved for the purpose of making funds readily available for the payment of principal and interest on the Notes. The LOC expires on September 15, 2026, subject to earlier termination as provided therein and to extension or renewal as provided therein.

At September 30, 2024, the Seaport had \$90.0 million outstanding of Seaport Notes maturing as follows:

Principal Balance	Maturity Date
Series B-1	
\$ 90,000,000	September 15, 2026

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 5. Long-Term Obligations

Changes in long-term obligations for the year ended September 30, 2024, are as follows (in thousands):

	Beginning Balance	Increase	Decrease	Ending Balance	Due within One year
Bonds and loans payable:					
Revenue bonds	\$ 1,777,640	\$ 448,640	\$ 5,000	\$ 2,221,280	\$ 15,000
Capital acquisition bonds	58,937	-	2,490	56,447	2,495
Unamortized (discount) and premiums, net	147,252	-	5,892	141,360	-
Total	1,983,829	448,640	13,382	2,419,087	17,495
Other liabilities:					
Compensated absences	12,344	2,811	2,520	12,635	2,226
Total other post-employment benefits	8,647	-	3,574	5,073	121
Net pension liability	36,513	-	1,979	34,534	-
Financed purchase – direct borrowing	2,874	-	231	2,643	246
Commercial paper notes	30,000	60,000	-	90,000	-
Total	90,378	62,811	8,304	144,885	2,593
Total long-term liabilities	\$ 2,074,207	\$ 511,451	\$ 21,686	\$ 2,563,972	\$ 20,088

Note 6. Restricted Assets

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

Under terms of outstanding debt and other contractual agreements, assets were restricted for the following purposes (in thousands):

Purpose	Balance
Debt service and reserve	\$ 265,169
Capital improvement and other projects	469,750
Total	\$ 734,919

Note 7. Lease Agreements (As Lessor)

Seaport is a lessor for noncancellable leases of land, building and office space. Seaport recognizes a lease receivable and a deferred inflow of resources in its Statement of Net Position. At the commencement of a lease, Seaport initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 7. Lease Agreements (As Lessor) (Continued)

Key estimates and judgments include how Seaport determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Seaport uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the rental receivable is composed of fixed payments from the lessee.

Rental and lease income was \$80.5 million for the fiscal year ended 2024. This was comprised of \$47.0 million and \$33.5 million of lease and related interest revenues, respectively.

Lease Receivable

Population of leases in which Seaport participates as a lessor consists of real estate leases. Majority of real estate leases are for land, buildings and office space. Current portion of rental receivable is included in the current assets section of the statement of net position. Long-term portion of rental receivable is included in noncurrent assets section of statement of net position.

A summary of Seaport's related lease receivables for the year ended September 30, 2024, are as follows:

	Balance
Land	\$ 1,378,565
Buildings	766,563,733
Total lease receivables	<u>\$ 767,942,298</u>

Future annual lease revenue and lease interest revenue for Seaport at fiscal year-end are as follows:

	Lease Revenue	Interest Revenue	Total
Years ending September 30,			
2025	\$ 369,015	\$ 34,538,203	\$ 34,907,218
2026	184,786	35,745,420	35,930,206
2027	58,922	36,816,189	36,875,111
2028	53,395	36,803,125	36,856,520
2029	57,926	36,236,918	36,294,844
2030-2034	233,157	173,374,132	173,607,289
2035-2039	57,606,856	157,431,044	215,037,900
2040-2044	110,447,681	136,993,862	247,441,543
2045-2049	140,953,157	110,665,298	251,618,455
2050-2054	178,983,108	77,235,658	256,218,766
2055-2059	113,346,189	41,289,730	154,635,919
2060-2064	28,987,057	31,520,619	60,507,676
2065-2069	42,593,000	24,152,760	66,745,760
2070-2074	60,020,754	13,605,425	73,626,179
2075-2079	33,955,815	1,636,586	35,592,401
2080-2084	91,480	4,115	95,595
	<u>\$ 767,942,298</u>	<u>\$ 948,049,084</u>	<u>\$ 1,715,991,382</u>

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 7. Lease Agreements (As Lessor) (Continued)

Regulated Leases

Seaport has certain regulated leases related to port terminals that are exempt from the reporting requirements of *GASB 87, Leases*. These exempt leases are regulated by the Federal Maritime Commission (FMC) and the Shipping Act of 1984 (the Act). Three port terminals are regulated by the Act and FMC. The regulated leases are with cargo carriers. The operating results for these regulated leases are not included in Seaport's disclosures above. The rental revenues from regulated leases are approximately \$17.5 million for fiscal year ended 2024.

Deferred Inflows of Resources – Leases

Summary of the Seaport's deferred inflows of resources for leases at September 30, 2024, are as follows:

	Balance
Land	\$ 1,536,720
Buildings	734,494,417
Total deferred inflows	<u>\$ 736,031,137</u>

Note 8. Pension Plans

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

Florida Retirement System Overview

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

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

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

Note 8. Pension Plans (Continued)

FRS Pension Plan

Plan Description

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

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

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

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

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. As of June 5, 2023, when Senate Bill 7024 was signed into law, all eligible members in a regularly established position can elect to participate in DROP for a period not to exceed a maximum of 96 calendar months, at any time after a member reached his or her normal retirement date. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Benefits Provided

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

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

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

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

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

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates in effect from July 1, 2023 through June 30, 2024 and July 1, 2024 through June 30, 2025, were as follows:

Class	Effective July 1, 2023 through June 30, 2024		Effective July 1, 2024 through June 30, 2025	
	Percent of Gross Salary		Percent of Gross Salary	
	Employee	Employer (*)	Employee	Employer (*)
FRS, Regular	3.00	13.57	3.00	13.63
FRS, Elected County Officers	3.00	58.68	3.00	58.68
FRS, Senior Management Service	3.00	34.52	3.00	34.52
FRS, Special Risk Regular	3.00	32.67	3.00	32.79
DROP – Applicable to members from all of the above classes	0.00	21.13	0.00	21.13

*Employer rates include 2.00% for the Retiree Health Insurance Subsidy and 0.06% for Administrative costs.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

*Employer rates include 2.0% for the Retiree Health Insurance Subsidy and 0.06% for administrative costs. Effective July 1, 2023, Senate Bill 7024 modified the HIS contribution rate from 1.66% to 2.00% of employer payroll.

Seaport's employer contributions to the FRS totaled \$4.30 million and employee contributions totaled \$0.72 million for the fiscal year ended September 30, 2024.

Seaport's Allocation

Seaport's proportionate share of the County's share of the FRS Plan's net pension liability, deferred outflow of resources and deferred inflow of resources as of September 30, 2024 (in thousands):

Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
\$26,232	\$7,515	\$2,069	\$90

Amounts reflected in the table above represent an allocation of 0.85% of total County's balances for the FRS Plan for the fiscal year ended September 30, 2024. Seaport's proportionate share of the total County balances was based on Seaport's annual contributions relative to fiscal year contributions for all participating County employees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2024, Seaport reported a liability of \$26.2 million for its proportionate share of the County's share of the FRS Plan's net pension liability. For fiscal year ended 2024, the net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The overall County's proportionate share of the net pension liability was based on the fiscal year 2024 contributions relative to the fiscal year 2024 contributions of all participating entities. At June 30, 2024, the Seaport's proportionate share was 0.85%, which was the same proportionate share measured as of June 30, 2023.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

For the fiscal year ended, Seaport recognized pension expense of \$90 thousand and reported its share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,650	\$ -
Change of assumptions	3,595	-
Net difference between projected and actual earnings on FRS pension plan investments	-	1,743
Changes in proportion and differences between Seaport FRS contributions and proportionate share of contributions	334	326
Seaport FRS contributions subsequent to the measurement date	936	-
Total	\$ 7,515	\$ 2,069

Deferred outflows of resources related to pensions totaling approximately \$936 thousand represents Seaport's contributions made after the measurement date of the net pension liability but before the end of the Seaport's contributing reporting period. This will be recognized as a reduction of the net pension liability in fiscal year 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Fiscal Year Ending September 30	Deferred outflows/ (inflows), net
2025	\$ (380)
2026	4,355
2027	341
2028	(26)
2029	220
Thereafter	-
Total	4,510

Actuarial Assumptions

FRS pension actuarial assumptions that determined the total pension liability as of June 30, 2024, were as follows:

Inflation	2.40%
Salary Increases	3.50% average, including inflation
Investment Rate of Return	6.70%, net of pension plan investment expense, including inflation
Discount Rate	6.70%

Mortality rates were based on the PUB-2010 base table with scale MP-2021 details.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

Long-Term Expected Rate of Return

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate (property)	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
	<u>100%</u>			
Assumed inflation-Mean			2.4%	1.5%

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

Discount Rate

Discount rate used to measure the total pension liability was 6.70%. Projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at the statutorily required rates. Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, discount rate for calculating the total pension liability is equal to the long-term expected rate of return. FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.70% rate of return assumption used in the June 30, 2024 calculations was determined by the FRS Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes, which is used to establish the contribution rates for the FRS Plan.

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

The following represents Seaport's proportionate share of the County's share of the FRS Plan's net pension liability as of June 30, 2024 calculated using the discount rate of 6.70%, as well as what Seaport's proportionate share of the net pension liability would be if it was calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate (in thousands):

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Seaport's proportionate share of the net pension liability	\$ 46,141	\$ 26,232	\$ 9,554

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

Pension Plan Fiduciary Net Position

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

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description

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

Benefits Provided

For the fiscal year ended, eligible retirees and beneficiaries received a monthly HIS payment of \$7.5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended, the HIS contribution was 2.0%. The County contributed 100% of its statutorily required contributions for the current year. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Seaport's contributions to the HIS Plan totaled \$479,604 for the fiscal year ended.

Seaport's Allocation

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

Net Pension Liability	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense (Credit)
\$8,302	\$546	\$1,291	(\$114)

The amounts reflected in the table above represent an allocation of 0.85% of the total County balances for the HIS Plan for fiscal year ended. Seaport's proportionate share of the total County balances for fiscal year 2024 was based on Seaport's fiscal year contributions relative to contributions for all participating County employees for the fiscal year.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2024, Seaport reported a net pension liability of \$8.30 million for its proportionate share of the County's share of the HIS Plan's net pension liability. For the fiscal year ended, the net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The overall County's proportionate share of the net pension liability was based on fiscal year 2024 contributions relative to the fiscal year 2024 contributions of all participating entities.

For the fiscal year ended, Seaport recognized a credit to pension expense of \$114,000 and reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources (in thousands):

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 79	\$ 16
Change of assumptions	147	983
Net difference between projected and actual earnings on HIS pension plan investments	-	3
Changes in proportion and differences between Seaport HIS contributions and proportionate share of HIS contributions	204	289
Seaport contributions subsequent to measurement date	116	-
Total	\$ 546	\$ 1,291

Deferred outflows of resources related to pensions totaling approximately \$116 thousand represents Seaport's HIS contributions made after the measurement date of the net pension liability but before the end of the Seaport's contributing reporting period, this will be recognized as a reduction of the net pension liability in fiscal year 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Fiscal Years Ending September 30,	Deferred Outflows/ (Inflows), Net
2025	\$ (110)
2026	(147)
2027	(235)
2028	(192)
2029	(136)
Thereafter	(41)
Total	\$ (861)

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

Actuarial Assumptions

HIS plan pension actuarial valuation was determined using the following actuarial assumptions as of July 1, 2024 applied to all periods included for the measurement:

Inflation	2.40%
Salary Increases	3.25% average, including inflation
Investment Rate of Return	N/A
Discount Rate	3.65%

The discount rate used to determine the total pension liability increases from 3.65% to 3.93%.

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021.

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

Discount Rate

Discount rate used to measure total pension liability for the HIS Plan was 3.93%. In general, the discount rate for calculating total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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

The following table presents the Seaport's proportionate share of the County's share of the HIS Plan's net pension liability calculated using a discount rate of 3.93%, as well as what the Seaport's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate (in thousands):

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Seaport's proportionate share of the net pension liability	\$ 9,451	\$ 8,302	\$ 7,348

Pension plan fiduciary net position

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

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

Plan	Net Pension Expense (credit)	Net Pension Liability	Deferred Inflow of Resources	Deferred Outflow of Resources
FRS	\$ 90	\$ 26,232	\$ 2,069	\$ 7,515
HIS	(114)	8,302	1,291	546
Total	\$ (24)	\$ 34,534	\$ 3,360	\$ 8,061

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 8. Pension Plans (Continued)

FRS – Defined Contribution Pension Plan

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

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

<u>Membership Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	11.30
FRS, Elected County Officers	16.34
FRS, Senior Management Service	12.67
FRS, Special Risk Regular	19.00

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

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

Seaport's Investment Plan pension contributions totaled approximately \$676,104 for the fiscal year ended.

Note 9. Other Post-Employment Benefits

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

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

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

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

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

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

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

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

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.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

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

Total OPEB Liability

Seaport's allocated share of the County's total OPEB liability is \$5.1 million measured as of September 30, 2024 and determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	September 30, 2024
Measurement date	September 30, 2024
Discount rate	3.81%
Salary increases rate	3.0% per annum
Actuarial cost method	Entry Age Normal based on percentage of projected salary <i>Experience/Assumptions</i> gains and losses are amortized over a close period of 14.5 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).
Amortization method	
Healthcare cost trend rates	Medical/Rx 7.75% initial to 4.0% ultimate
Retirees share of benefit-related costs	24.6%
Mortality rates	Pub-2010 headcount weighted base mortality table, projected generationally using scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable.)

Discount rate was based on the Bond Buyer 20-Bond GO index. The discount rate decreased to 3.81% from 4.09% in the prior year.

Actuarial assumptions used in the September 30, 2024 valuation were based on the results of an actuarial experience study for the period of October 1, 2023 to September 30, 2024.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

Changes in Total OPEB Liability

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

Balance at September 30, 2023	\$ 8,647
Changes for the year:	
Service cost	(3,873)
Interest	(3,493)
Change in assumptions	(891)
Difference between expected and actuals	
Experiences	774
Benefits payments	3,909
Total	(3,574)
Balance at September 30, 2024	\$ 5,073

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

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

	1% Decrease (2.81%)	Current Discount Rate (3.81%)	1% Increase (4.81%)
Total OPEB Liability	\$ 5,617	\$ 5,073	\$ 4,597

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

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 4,595	\$ 5,073	\$ 5,645

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

For the year ended, Seaport recognized OPEB expense of \$604,000 and reported deferred outflows of resources and deferred inflows of resources for changes of assumptions of \$992,000 and \$556,000 respectively, related to OPEB.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 9. Other Post-Employment Benefits (Continued)

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

Fiscal Years Ending September 30,	Deferred Outflows/ (Inflows), Net
2025	\$ 73
2026	73
2027	73
2028	73
2029	82
Thereafter	62
Total	<u>\$ 436</u>

Note 10. Risk Management

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

The County maintains no excess coverage with independent insurance carriers for the workers' compensation and general liability self-insurance programs. Premiums are charged to the various County departments based on amounts necessary to provide funding for current and anticipated losses. For the year ended September 30, 2024, the Seaport incurred approximately \$4.31 million in insurance premium costs. The estimated liability for reported and unreported claims of the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims, past experience adjusted for current trends, and other factors that would modify past experience. Outstanding claims are evaluated through a combination of case-by-case reviews and the application of historical experience. The estimates of incurred, but not reported losses are based on historical experience, and are reported only in the County's internal service fund as a liability. The unfunded losses of the RMD are the responsibility of general fund, and not a liability of the various departments that pay into self-insurance fund, therefore no liability for unfunded losses is reported by the Seaport.

Note 11. Related-Party Transactions – County Services Received

Various departments within the County provide goods, administration, public safety, maintenance and various other services to other operating departments. Charges for these services are determined using direct and indirect cost allocation methods or amounts determined based upon direct negotiations between the related parties. Charges for services provided to the Seaport by other County departments included as operating expenses in the accompanying Statements of Revenues, Expenses and Changes in Net Position amounted to approximately \$40.6 million for the fiscal year ended.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

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

The following table presents a list of service charges provided for the fiscal year ended (in thousands):

Charges for Service	Amount
Police Services	\$ 17,683
Fire Services	6,186
Information Technology	6,294
Other	2,186
Administrative Services	2,965
Water & Sewer	2,838
Fleet Management	666
Parks	1,546
Audit & Management	190
Total	<u><u>\$ 40,554</u></u>

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

Note 12. Commitments, Contingencies and Guarantees

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

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

Years Ending September 30,	Cruise Operators	Cargo Operators
2025	\$ 113,408	\$ 60,981
2026	115,180	63,670
2027	118,342	66,472
2028	146,316	69,399
2029	158,239	72,464
2030-2034	903,674	413,319
2035-2039	886,179	513,078
2040-2044	936,358	429,639
2045-2049	1,079,334	288,095
2050-2054	908,720	333,986
2055-2059	826,644	-
2060-2063	479,612	-
Totals	<u><u>\$ 6,672,006</u></u>	<u><u>\$ 2,311,103</u></u>

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 12. Commitments, Contingencies and Guarantees (Continued)

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

- On November 7, 2023, the Board approved a resolution for a Third Amendment to a Campus Lease agreement between the County and a certain cruise operator to increase the County's portion of the design-build amount to \$425 million, increased from \$325 million and the cruise operator to reimburse the County in capital recovery fees of \$199.75 million, increased from \$152.75 million, plus interest of 6.5% for a total of up to \$396.4 million.
- On January 17, 2024, the Board approved an amendment with a certain cruise operator for: (1) cruise operator to use terminals D & E; (2) preferential berthing rights for cruise terminal F; and (3) terminate Covid-19 recovery rider under a previous agreement. The fiscal impacts of this amendment include combining passenger Minimum Annual Guarantees (MAG) for cruises.
- On June 26, 2024, the Board approved an amendment with a certain cruise operator to: (1) extend the completion deadline of the shared terminal project from July 31, 2024 to December 4, 2024; (2) confirm berthing right with the cruise operator from June 2024 to December 2024; and (3) release the County of certain environmental conditions.

Construction

As of the fiscal year end, Seaport had construction commitments of approximately \$561.0 million to include the construction of a new cruise terminal, cruise and cargo improvements, and other port-wide infrastructure improvements as discussed above.

Litigation

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

Federal and State Grants

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

Phase III Dredging

In July 2012, the Board approved a resolution authorizing a Project Partnership Agreement between Miami-Dade County (the County) and the United States Department of the Army (the Army) for the construction of the -50 feet Dredging Miami Harbor Federal Navigation Project Phase III at the Port. The total cost of the project, including the cost of construction, Army procurement and administration, environmental mitigation and monitoring, and an Army required contingency, was estimated to be in the range of \$180 to \$220 million. The Project was completed in fiscal year 2015 and the Army submitted a final reconciliation of records and contract release form to Seaport. In connection with the project, the County also entered into grant agreements with the Florida Department of Transportation (FDOT) to receive approximately \$115 million of funding from FDOT to reimburse the Seaport for certain specific costs incurred to complete the Project. In fiscal year 2017, Seaport received approximately \$2.5 million from FDOT in additional funding for various post-closing projects, bringing the total of \$117.5 million of funding received from FDOT related to the project. Final close-out of this project is expected to occur in fiscal year 2025.

Miami-Dade County, Florida Seaport Department

Notes to Financial Statements

Note 13. Major Customers

For fiscal year 2024, approximately 64.7% of the Port's operating revenues and 99.2% of corresponding receivables are generated from ten major operators. The following table summarizes the balances for the eight major cruise and cargo operators. (Amounts are in thousands).

<u>Revenues</u>				
	Cruise	Cargo	Rental and	Total
Operator	Revenue	Revenue	Lease Revenue	Revenue
Company A	\$ 58,613	\$ -	\$ -	\$ 58,613
Company B	27,659	-	-	27,659
Company C	23,048	-	-	23,048
Company D	23,346	-	14,041	37,387
Company E	10,314	-	-	10,314
Company F	-	14,715	-	14,715
Company G	-	7,861	-	7,861
Company H	-	6,708	-	6,708
Company I	-	4,556	-	4,556
Company J	-	3,577	-	3,577
	<u>\$ 142,980</u>	<u>\$ 37,417</u>	<u>\$ 14,041</u>	<u>\$ 194,438</u>

<u>Receivables</u>				
	Cruise	Cargo	Rental and	Total
Operator	Receivable	Receivable	Lease Receivable	Receivable
Company A	\$ 3,376	\$ -	\$ -	\$ 3,376
Company B	-	-	-	-
Company C	2,296	-	-	2,296
Company D	33	-	* 766,310	766,343
Company E	601	-	-	601
Company F	-	370	-	370
Company G	-	3	-	3
Company H	-	2	-	2
Company I	-	24	-	24
Company J	-	1	-	1
	<u>\$ 6,306</u>	<u>\$ 400</u>	<u>\$ 766,310</u>	<u>\$ 773,016</u>

*Lease receivable reported is a noncurrent receivable approximating \$766.3 million and is expected to be received over the next 50 years.

Note 14. Subsequent Events

On December 3, 2024, the Board approved a resolution with a certain cruise operator to: (1) extend the initial terminal agreement from year 2053 to 2058 and (2) raised the MAGS passenger movements starting in fiscal year 2025 from 900,000 to 1.2 million, and up to 2.25 million passenger movements starting in fiscal year 2036.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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

Total OPEB Liability	2018	2019	2020	2021	2022	2023	2024
Changes for the Year:							
Service Cost	\$ 338	\$ 117	\$ 144	\$ 443	\$ 1,567	\$ 1,002	\$ (3,873)
Interest	-	248	216	232	840	847	(3,493)
Change of Benefit Terms	(335)	918	1,862	-	1,682	(124)	(891)
Difference Between Expected and Actual Experience	-	-	(421)	(47)	(3,253)	-	774
Benefit Payments	(344)	(390)	(372)	(485)	(1,331)	(925)	3,909
Net Change in Total OPEB Liability	(341)	893	1,429	143	(495)	800	(3,574)
Total OPEB Liability – Beginning	6,218	5,877	6,770	8,199	8,342	7,847	8,647
Total OPEB Liability – Ending	\$ 5,877	\$ 6,770	\$ 8,199	\$ 8,342	\$ 7,847	\$ 8,647	\$ 5,073
Covered-employee Payroll	\$ 23,140	\$ 27,705	\$ 26,559	\$ 27,356	\$ 29,407	\$ 30,436	\$ 34,062
Total OPEB Liability as a Percentage of Covered-employee Payroll	25.40%	24.44%	30.87%	30.49%	26.68%	28.41%	14.89%

Notes to Schedule:

- (1) For information regarding plan contributions, rates, assumptions and amortization method, see Note 9.
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits. There were no changes to benefit terms during the measurement period. The discount rate is the only applicable change in the actuarial valuation. All other assumptions for this update report are the same as the prior valuation.
- (3) Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. For fiscal year 2024, the discount rate decreased to 3.81% from 4.09% in the prior year.
- (4) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Seaport's proportion of Miami-Dade County's FRS Plan net pension liability	0.76%	0.79%	0.69%	0.70%	0.73%	0.71%	0.79%	0.85%	0.85%
Seaport's proportionate share of Miami-Dade County's FRS net pension liability	\$ 14,958	\$ 18,160	\$ 16,275	\$ 19,146	\$ 25,090	\$ 4,205	\$ 23,419	\$ 27,407	\$ 26,232
Seaport's covered payroll	\$ 22,343	\$ 24,010	\$ 24,909	\$ 26,172	\$ 27,889	\$ 26,955	\$ 29,079	\$ 34,490	\$ 36,410
Seaport's proportionate share of Miami-Dade County's FRS net pension liability as a percentage of its covered payroll	87.89%	92.81%	70.33%	73.15%	89.96%	15.60%	80.54%	79.46%	72.05%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.9%	83.9%	84.3%	82.6%	78.9%	96.4%	82.9%	82.4%	83.7%

Notes to Schedule:

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

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

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

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Seaport's proportionate share of Miami-Dade County's required FRS contribution	\$ 1,864	\$ 1,308	\$ 1,968	\$ 1,600	\$ 2,505	\$ 2,822	\$ 3,401	\$ 4,044	\$ 4,301
Seaport's contribution in relation to the contractually required contribution	1,864	1,308	1,968	1,600	2,505	2,822	3,401	4,044	4,301
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaport's covered payroll	\$ 23,330	\$ 24,674	\$ 24,969	\$ 26,445	\$ 28,283	\$ 26,809	\$ 30,154	\$ 33,925	\$ 37,047
FRS contribution as a percentage of covered payroll	7.99%	5.30%	7.88%	6.05%	8.86%	10.53%	11.28%	11.92%	11.61%

Notes to Schedule:

- (1) See Note 9 for information regarding the Plan.
- (2) The schedule of the contributions and related information above presents Seaport's allocation of Miami-Dade County's share of FRS Plan contributions.
- (3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements.
- (4) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Seaport's proportion of Miami-Dade County's HIS net pension liability	0.76%	0.79%	0.69%	0.70%	0.73%	0.71%	0.79%	0.85%	0.85%
Seaport's proportionate share of Miami-Dade County's HIS net pension liability	\$ 5,603	\$ 5,237	\$ 4,598	\$ 4,980	\$ 5,635	\$ 5,692	\$ 5,587	\$ 9,106	\$ 8,302
Seaport's covered payroll	\$ 17,019	\$ 18,111	\$ 18,781	\$ 19,850	\$ 20,958	\$ 19,737	\$ 21,365	\$ 25,588	\$ 26,783
Seaport's proportionate share of Miami-Dade County's HIS net pension liability as a percentage of its covered payroll	32.92%	28.92%	24.48%	25.09%	26.89%	28.84%	26.15%	35.59%	31.00%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%

Notes to Schedule:

- (1) See Note 8 for information regarding the Plan.
- (2) The schedule of the net pension liability and related information above presents Seaport's allocation of Miami-Dade County's share of FRS Plan net pension liability.
- (3) The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate GASB 68 requirements.
- (4) Currently, only data for fiscal years presented are available.

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Seaport's proportionate share of Miami-Dade County's required HIS contribution	\$ 177	\$ 264	\$ 237	\$ 249	\$ 269	\$ 278	\$ 321	\$ 386	\$ 480
HIS contribution in relation to the contractually required contribution	177	264	237	249	269	278	321	386	480
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seaport's covered payroll	\$ 17,681	\$ 18,567	\$ 18,895	\$ 20,045	\$ 21,127	\$ 19,583	\$ 22,240	\$ 25,165	\$ 27,033
HIS contribution as a percentage of covered payroll	1.00%	1.42%	1.25%	1.24%	1.27%	1.42%	1.44%	1.53%	1.78%

Notes to Schedule:

- (1) See Note 8 for information regarding the Plan.
- (2) The schedule of the contributions and related information above presents Seaport's allocation of Miami-Dade County's share of HIS Plan contributions.
- (3) The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate GASB 68 requirements.
- (4) Currently, only data for fiscal years presented are available.

STATISTICAL SECTION
(unaudited)

PORT/MIAMI™

Statistical Section (unaudited)

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

Contents

Financial Trends

These schedules contain information to assist readers assess how the Department's financial position has changed over time. (Pages 64-65)

Revenue Capacity

These schedules contain information to assist readers assess the variables affecting the Department's revenue capabilities. (Page 66)

Debt Capacity

These schedules contain information to assist readers assess the Department's debt burden and its ability to issue new debt. (Pages 67-71)

Demographic and Economic Information

These schedules contain demographic and economic information to assist readers understand the environment within which the Department's financial activities take place. (Pages 72-73)

Operating Information

These schedules contain service and infrastructure data to assist readers understand how the information in the Department's financial report relates to the services the Department provides and activities it performs. (Pages 74-76)

Sources: Unless otherwise noted, the information from these schedules is derived from the annual comprehensive financial reports for the relevant year.

Miami-Dade County, Florida Seaport Department
Schedule of Changes in Net Position (Unaudited)
Last ten fiscal years (in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating revenues	\$ 136,086	\$ 143,864	\$ 166,756	\$ 155,928	\$ 165,592	\$ 133,694	\$ 99,736	\$ 177,273	\$ 265,981	\$ 300,458
Investment earnings (2)	861	720	953	2,344	5,317	2,207	187	3,818	15,004	40,417
Other nonoperating	666	669	8,633	17,671	19,155	17,440	57,132	44,720	50,526	51,162
Total revenues	137,613	145,253	176,342	175,943	190,064	153,341	157,055	225,811	331,511	392,037
Operating expenses	66,700	71,267	79,575	80,383	85,840	94,762	86,110	97,652	128,820	152,293
Depreciation	30,020	30,474	30,598	31,872	29,145	30,342	32,000	34,320	56,755	50,907
Interest expense	37,283	40,213	39,171	40,988	45,503	43,388	36,843	45,310	60,084	90,659
Other nonoperating expenses/transfers	1,267	-	1,628	3,332	603	-	5,175	1,329	109	2,708
Total expenses	135,270	141,954	150,972	156,575	161,091	168,492	160,128	178,611	245,768	296,567
Net income (loss) before contributions	2,343	3,299	25,370	19,368	28,973	(15,151)	(3,073)	47,200	85,743	95,470
Net contributions	47,644	3,154	1,642	3,378	8,762	14,081	11,958	4,932	20,029	32,235
Change in net position	49,987	6,453	27,012	22,746	37,735	(1,070)	8,885	52,132	105,772	127,705
Net position at beginning of year (1)	109,677	159,664	166,117	188,288	211,035	248,770	247,700	256,585	308,717	414,489
Net position at end of year	159,664	166,117	193,129	211,034	248,770	247,700	256,585	308,717	414,489	542,194
Net position, end of year classified as:										
Net investment in capital assets	317,408	300,337	293,530	304,318	331,807	328,304	326,569	296,262	262,835	272,552
Restricted for debt service	12,880	7,165	13,160	44,715	47,325	46,995	60,774	26,741	31,825	43,954
Restricted for non-federal apportionment funds	-	-	-	-	-	-	-	-	-	24,773
Restricted for Performance Guaranty	-	-	-	-	-	-	-	-	-	17,764
Unrestricted (deficit) and other	(170,624)	(141,385)	(113,561)	(137,998)	(130,362)	(127,599)	(130,758)	(14,286)	119,829	183,151
Net position at end of year	\$ 159,664	\$ 166,117	\$ 193,129	\$ 211,035	\$ 248,770	\$ 247,700	\$ 256,585	\$ 308,717	\$ 414,489	\$ 542,194

Notes to Schedule

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

(2) As of and for the fiscal years ended 2023 and 2022, investment earnings include rental interest income from lease of land and buildings due to the adoption of GASB 87.

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

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
OPERATING REVENUES:										
Cruise Wharfage/Dockage	\$ 63,659	\$ 69,199	\$ 93,302	\$ 76,997	\$ 74,817	\$ 45,735	\$ 4,605	\$ 71,159	\$ 122,356	\$ 146,082
Cargo Wharfage/Dockage	24,120	23,337	19,310	22,721	24,239	29,146	44,752	39,726	41,952	45,308
Container Crane Fees	8,624	9,995	13,658	15,018	16,713	15,098	18,310	17,587	16,495	16,128
Rentals and leases	19,254	21,999	22,124	23,120	32,829	33,886	28,982	27,401	44,340	47,059
Ground Transportation	2,329	2,230	2,311	1,625	2,689	1,299	125	1,289	2,131	2,916
Terminal Enhancement										
Passenger Fees	-	-	-	-	-	608	370	7,998	18,793	21,442
Parking	14,691	14,679	13,747	14,068	12,081	6,236	1,105	9,803	17,805	18,914
Miscellaneous	3,409	2,425	2,304	2,379	2,224	1,686	1,487	2,310	2,109	2,609
	<u>136,086</u>	<u>143,864</u>	<u>166,756</u>	<u>155,928</u>	<u>165,592</u>	<u>133,694</u>	<u>99,736</u>	<u>177,273</u>	<u>265,981</u>	<u>300,458</u>
OPERATING EXPENSES:										
Cruise Operations	7,165	6,828	8,210	8,865	8,227	9,701	8,522	10,536	23,453	16,843
Cargo Operations	1,242	1,308	1,572	1,877	1,673	2,092	2,950	1,841	2,193	2,262
Maintenance	6,993	8,553	9,386	9,097	9,212	10,608	8,666	7,315	14,189	18,227
Utilities	3,730	3,675	3,002	2,758	3,427	3,433	4,312	6,295	6,654	7,196
Marketing & Advertising	1,803	2,204	2,212	2,167	2,467	1,589	1,775	2,120	1,874	34,578
Gantry Cranes Operations	7,006	8,385	8,858	9,487	9,457	9,747	12,901	13,833	11,955	11,856
Security	18,093	18,292	20,552	20,931	22,217	21,866	19,690	20,952	26,541	30,699
General & Administration	20,668	22,022	25,783	25,201	29,160	35,726	27,294	34,760	41,961	30,632
Total Operating Expenses	<u>66,700</u>	<u>71,267</u>	<u>79,575</u>	<u>80,383</u>	<u>85,840</u>	<u>94,762</u>	<u>86,110</u>	<u>97,652</u>	<u>128,820</u>	<u>152,293</u>
Operating income before depreciation	69,386	72,597	87,181	75,545	79,752	38,932	13,626	79,621	137,161	148,165
DEPRECIATION	<u>30,020</u>	<u>30,474</u>	<u>30,598</u>	<u>31,872</u>	<u>29,144</u>	<u>30,342</u>	<u>32,000</u>	<u>34,320</u>	<u>56,755</u>	<u>50,907</u>
Operating Income (loss)	39,366	42,123	56,583	43,673	50,608	8,590	(18,374)	45,301	80,406	97,258
NON-OPERATING REVENUES (EXPENSES):										
Interest Income, net	861	720	953	2,344	5,317	2,207	187	-	15,004	40,417
Interest expense, net	(37,283)	(40,213)	(39,171)	(40,988)	(45,503)	(43,388)	(36,843)	(45,310)	(60,084)	(90,659)
Other income (expense)	(601)	669	7,005	16,939	19,155	16,981	52,271	47,209	50,526	48,458
Income (loss) before										
Contributions and transfers	<u>2,343</u>	<u>3,299</u>	<u>25,370</u>	<u>21,968</u>	<u>29,577</u>	<u>(15,610)</u>	<u>(2,759)</u>	<u>47,200</u>	<u>85,852</u>	<u>95,474</u>
Contributions	47,644	3,154	1,642	3,378	8,761	14,081	11,958	4,932	20,029	32,235
Transfer out	-	-	-	(2,600)	(603)	459	(314)	-	(109)	(4)
Net contributions and transfers	<u>47,644</u>	<u>3,154</u>	<u>1,642</u>	<u>778</u>	<u>8,158</u>	<u>14,540</u>	<u>11,644</u>	<u>4,932</u>	<u>19,920</u>	<u>32,231</u>
Net income (loss)	<u>\$ 49,987</u>	<u>\$ 6,453</u>	<u>\$ 27,012</u>	<u>\$ 22,746</u>	<u>\$ 37,735</u>	<u>\$ (1,070)</u>	<u>\$ 8,885</u>	<u>\$ 52,132</u>	<u>\$ 105,772</u>	<u>\$ 127,705</u>

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

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cargo revenue	\$ 32,744	\$ 33,332	\$ 32,968	\$ 37,739	\$ 40,952	\$ 44,244	\$ 63,062	\$ 57,313	\$ 58,447	\$ 61,436
Tonnage	8,614	8,778	9,162	9,612	10,122	9,725	11,149	10,216	9,717	10,127
Revenue per ton	\$ 3.80	\$ 3.80	\$ 3.60	\$ 3.93	\$ 4.05	\$ 4.55	\$ 5.66	\$ 5.61	\$ 6.01	\$ 6.07
TEU	1,008	1,028	1,024	1,083	1,121	1,067	1,254	1,198	1,098	1,089
Revenue per TEU	\$ 32.48	\$ 32.42	\$ 32.20	\$ 34.85	\$ 36.53	\$ 41.47	\$ 50.29	\$ 47.84	\$ 53.23	\$ 56.42

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

Description	2015	2016	2017*	2018	2019	2020	2021	2022	2023	2024
Cruise Revenue	\$ 63,659	\$ 69,199	\$ 73,302	\$ 76,997	\$ 74,817	\$ 45,735	\$ 4,605	\$ 71,159	\$ 122,356	\$ 146,082
Passengers	4,916	4,980	5,340	5,592	6,824	3,478	252	4,022	7,299	8,233
Revenue per passenger	\$ 12.95	\$ 13.90	\$ 13.73	\$ 13.77	\$ 10.96	\$ 13.15	\$ 18.27	\$ 17.69	\$ 16.76	\$ 17.74

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

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

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary Debt Coverage										
Net Operating Revenues	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752	\$ 38,932	\$ 13,626	\$ 79,621	\$ 137,161	\$ 148,165
Coverage Adjustments:										
ARPA Revenue	-	-	-	-	-	-	40,197	26,704	-	-
Intergovernmental revenue*	-	-	8,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Noncash Items	(868)	856	1,574	527	3,440	6,577	632	4,264	9,507	2,266
Unrestricted Interest	-	-	219	1,065	2,439	1,005	329	12,929	7,863	12,929
Revenues Available For Debt Service	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>	<u>\$ 63,514</u>	<u>\$ 71,784</u>	<u>\$ 140,518</u>	<u>\$ 171,531</u>	<u>\$ 180,360</u>
Revenue Bonds Maximum Debt Service Required	27,640	28,050	29,177	31,033	31,148	29,476	N/A	N/A	N/A	N/A
Coverage Required 125%	34,550	35,063	36,471	38,791	38,935	36,845	N/A	N/A	N/A	N/A
Coverage Required 110%	-	-	-	-	-	-	N/A	N/A	N/A	N/A
Net Revenue Coverage	198%	209%	266%	243%	264%	172%	N/A	N/A	N/A	N/A

Note: Coverage requirement under Master Bond Ordinance 21-74 is the greater of 125% of maximum principal and interest requirements on all Senior Bonds for the current fiscal year or 110% of the principal and interest requirements on all Senior and Subordinate Bonds for the current fiscal year. See supplemental schedule on Schedule of Senior Bonds Debt Service Coverage.

* Commencing in fiscal year 2018, Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.

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

Schedule of Senior Bonds Debt Service Coverage

Last Ten Fiscal Years (Unaudited)

(in thousands)

Based on Greater of Senior Debt Service or Senior and Subordinate Debt Service Requirements

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary Debt Coverage										
Net Operating Revenues	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752	\$ 38,932	\$ 13,626	\$ 79,621	\$ 137,161	\$ 148,165
Coverage Adjustments:										
ARPA Revenue	-	-	-	-	-	-	40,197	26,704	-	-
Intergovernmental revenue*	-	-	8,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Noncash Items	(868)	856	1,574	527	3,440	6,577	632	4,264	9,507	2,266
Unrestricted Interest	-	-	219	1,065	2,439	1,005	329	-	7,863	12,929
Revenues Available For Debt Service	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>	<u>\$ 63,514</u>	<u>\$ 71,784</u>	<u>\$ 127,589</u>	<u>\$ 171,531</u>	<u>\$ 180,360</u>
Senior Debt Service Required	N/A	N/A	N/A	N/A	N/A	N/A	11,659	25,107	47,161	76,656
Senior and Subordiante Debt Service Required	N/A	N/A	N/A	N/A	N/A	N/A	30,820	40,390	61,794	91,288
Coverage required is the greater of:										
Senior Debt Service Coverage Required 125%	N/A	N/A	N/A	N/A	N/A	N/A	14,574	31,384	58,951	95,820
or										
Senior and Subordiante Coverage Required 110%	N/A	N/A	N/A	N/A	N/A	N/A	33,902	44,429	67,973	100,417
Net Revenue Coverage	N/A	N/A	N/A	N/A	N/A	N/A	212%	287%	252%	180%

Note: Coverage requirement under Master Bond Ordinance 21-74 is the greater of 125% of maximum principal and interest requirements on all Senior Bonds for the current fiscal year or 110% of the principal and interest requirements on all Senior and Subordinate Bonds for the current fiscal year.

* Commencing in fiscal year 2018, Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.

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

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

Description	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary Debt Coverage										
Net Operating Revenues	\$ 69,386	\$ 72,597	\$ 87,181	\$ 75,545	\$ 79,752	\$ 38,932	\$ 13,626	\$ 79,621	\$ 137,161	\$ 148,165
Coverage Adjustments:										
ARPA Revenue	-	-	-	-	-	-	40,197	26,704	-	-
Intergovernmental revenue*	-	-	8,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Non-Cash Items	(868)	856	1,574	527	3,440	6,577	632	4,264	9,507	2,266
Unrestricted Interest	-	-	219	1,065	2,439	1,005	329	-	7,863	12,929
Revenues Available	<u>\$ 68,518</u>	<u>\$ 73,453</u>	<u>\$ 96,974</u>	<u>\$ 94,137</u>	<u>\$ 102,631</u>	<u>\$ 63,514</u>	<u>\$ 71,784</u>	<u>\$ 127,589</u>	<u>\$ 171,531</u>	<u>\$ 180,360</u>
Revenue Bonds Maximum										
Debt Service Required	27,640	28,050	29,177	31,033	31,148	29,476	N/A	N/A	N/A	N/A
Coverage Required 125%	34,550	35,063	36,471	38,791	38,935	36,845	N/A	N/A	N/A	N/A
G O Bonds Maximum										
Debt Service Required	9,863	9,863	9,863	9,863	9,863	9,863	N/A	N/A	N/A	N/A
Coverage Required 110%	10,849	10,849	10,849	10,849	10,849	10,849	N/A	N/A	N/A	N/A
Excess coverage required greater (less) than maximum coverage	7,896	7,999	8,281	8,745	8,773	8,355	N/A	N/A	N/A	N/A
Needed to Meet Coverage	45,399	45,912	47,321	49,641	49,784	47,694	N/A	N/A	N/A	N/A
Net Revenues Coverage	151%	160%	205%	190%	206%	133%	N/A	N/A	N/A	N/A

Note: Coverage requirement under Master Bond Ordinance 21-74 is the greater of 125% of maximum principal and interest requirements on all Senior Bonds for the current fiscal year or 110% of the principal and interest requirements on all Senior and Subordinate Bonds for the current fiscal year.
The combined debt service coverage has increased 64%, from 96% in fiscal year 2013 when the Seaport did not meet its combined debt service coverage of 100%, as required by the debt covenants, to 160% in the current fiscal year.
Refer to Note 4 of the Notes to Financial Statements for further information.

* Commencing in fiscal year 2018, Seaport will recognize SCETS tax revenue, as part of the bond covenant coverage computation.
See Note 4 of the Notes to Financial Statements for further information.

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

Fiscal Year	G.O. Bonds	Revenue Bonds	Loans	Capital Acquisition Bond	Commercial Paper	Lease	Total Debt	Ratio of Debt to TEUs	Ratio of Debt to Cruise Passengers
2015	95,865	589,400	314,524	114,259	-	-	1,114,048	1,105	227
2016	89,466	581,827	298,626	110,143	-	4,007	1,084,069	1,055	218
2017	82,827	580,210	286,688	108,024	37,262	3,949	1,098,960	1,073	206
2018	75,937	572,848	273,720	103,560	170,262	3,802	1,200,129	1,108	215
2019	68,783	565,194	260,717	99,012	247,655	3,643	1,245,004	1,111	182
2020	61,339	557,222	247,674	431,786	391,345	3,472	1,692,838	1,587	487
2021	-	1,356,202	-	402,984	5,000	3,289	1,767,475	1,409	7,014
2022	-	1,351,933	-	403,253	102,000	3,090	1,860,276	1,553	463
2023	-	1,921,462	-	62,367	30,000	2,874	2,016,703	1,837	276
2024	-	2,359,431	-	59,656	90,000	2,644	2,511,731	2,306	305

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

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

Year	Total	Difference	% Change
2015	8,614	-	0.0%
2016	8,778	164	1.9%
2017	9,162	384	4.4%
2018	9,612	450	4.9%
2019	10,122	510	5.3%
2020	9,725	(397)	-3.9%
2021	11,149	1,424	14.6%
2022	10,216	(933)	-8.4%
2023	9,717	(499)	-4.9%
2024	10,127	410	4.2%

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

Year	TEU's	Difference	% Change
2015	1,008	-	0.0%
2016	1,028	20	2.0%
2017	1,024	(4)	-0.4%
2018	1,083	59	5.8%
2019	1,121	38	3.5%
2020	1,067	(54)	-4.8%
2021	1,254	187	17.5%
2022	1,198	(56)	-4.5%
2023	1,098	(100)	-8.3%
2024	1,089	(9)	-0.8%

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

Year	Export Tons	% of Total	Import Tons	% of Total	Total
2015	4,046	47%	4,568	53%	8,614
2016	4,029	46%	4,749	54%	8,778
2017	4,176	46%	4,986	54%	9,162
2018	4,409	46%	5,203	54%	9,612
2019	4,376	43%	5,746	57%	10,122
2020	3,933	40%	5,792	60%	9,725
2021	4,314	39%	6,835	61%	11,149
2022	3,987	39%	6,229	61%	10,216
2023	3,532	36%	6,185	64%	9,717
2024	3,785	37%	6,342	63%	10,127

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

Year	Total	Difference	% Change
2015	4,916	-	0.0%
2016	4,980	64	1.3%
2017	5,340	360	7.2%
2018	5,592	252	4.7%
2019	6,824	1,232	22.0%
2020	3,478	(3,346)	-49.0%
2021	252	(3,226)	-92.8%
2022	4,022	3,770	1496.0%
2023	7,299	3,277	81.5%
2024	8,233	934	12.8%

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

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

Years	Resident Population	Change
1900	4,955	-
1910	11,933	6,978
1920	42,752	30,819
1930	142,955	100,203
1940	267,739	124,784
1950	495,084	227,345
1960	935,047	439,963
1970	1,267,792	332,745
1980	1,625,781	357,989
1990	1,937,000	311,219
2000	2,253,362	316,362
2010	2,563,885	310,523
2011	2,516,515	(47,370)
2012	2,551,255	34,740
2013	2,565,685	14,430
2014	2,586,290	20,605
2015	2,653,934	67,644
2016	2,696,353	42,419
2017	2,812,130	115,777
2018	2,779,322	(32,808)
2019	2,812,130	32,808
2020	2,701,767	(110,363)
2021	2,731,939	30,172
2022	2,757,592	25,653
2023	2,768,954	11,362
2024	2,774,841	5,887

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

Miami-Dade County, Florida Seaport Department
DEMOGRAPHIC AND ECONOMIC INFORMATION
PRINCIPAL EMPLOYERS (Unaudited)
CURRENT YEAR AND TEN YEARS AGO

Employer	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Miami-Dade County Public Schools	35,497	1	2.55%	31,000	1	2.35%
Miami-Dade County	29,495	2	2.12	24,692	2	1.87
University of Miami, Inc.	22,566	3	1.62	13,864	5	1.05
Jackson Memorial Hospital	14,249	4	1.02	8,163	8	0.62
Publix Super Market	14,146	5	1.01	-		
American Airlines	11,297	6	0.81	11,773	7	0.89
Amazon Airlines	7,383	7	0.53	-		
Walmart	7,373	8	0.53	-		
Florida International University	6,597	9	0.47	4,951	9	0.37
Miami-Dade College	5,958	11	0.43	2,572	15	0.19
United States Postal Service	5,843	10	0.42			
Baptist Hospital South Florida	5,469	13	0.39			
Department of Homeland Security	5,356	12	0.38			
City of Miami	5,000	14	0.36	3,820	10	0.29
Baptist Health South Florida	4,919	15	0.35	13,369	6	1.01
U.S. Federal Government				19,300	3	1.46
Florida State Government / State of Florida				19,200	4	1.45
Maimi Children's Hospital				2,991	13	0.23
Mount Sinai Medical Center				3,402	11	0.26
Homestead AFB				2,810	14	0.21
Florida Power & Light Company				3,011	12	0.23
	181,148			164,918		

Source: Florida Department of Commerce, Bureau of Workforce Statistics & Economic Research and The Beacon Council, Miami, Florida, Miami Business Profile.

DEMOGRAPHIC AND ECONOMIC STATISTICS
(Unaudited)
LAST TEN FISCAL YEARS

Year	Population	Total Personal (in thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Civilian Labor Force	Median Age
2015	2,653,934	116,553,169	43,917	6.2%	1,321,033	40
2016	2,696,353	123,276,064	45,440	5.8%	1,334,404	40
2017	2,743,095	132,712,999	49,166	5.0%	1,375,376	40
2018	2,779,322	143,041,608	51,009	3.7%	1,354,012	40
2019	2,812,130	149,596,954	55,424	2.9%	1,380,967	40
2020	2,701,767	151,937,700	56,363	8.2%	1,280,601	40
2021	2,731,939	173,671,361	65,052	5.5%	1,323,692	40
2022	2,757,592	188,443,548	70,497	2.6%	1,371,121	41
2023	2,768,954	202,003,477	75,182	1.8%	1,385,768	41
2024	2,774,841	(1)	(1)	2.2%	1,394,304	41

Source: U.S. Bureau of Labor Statistics,
U.S. Census Bureau and
Florida Legislature, Office of Economic and Demographic Research.

Legend: (1) Information unavailable.

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

Coverage/Insurance Company	Insurance Company	Policy Period	Details of Coverage	Limits of Coverage
Crime Policy	Fidelity & Deposit Co. of Maryland	08/19/24 - 08/19/25	Employee Theft Theft of Money and Securities	\$1,000,000 \$500,000
Accidental Death:	Hartford Life Insurance Co.	08/29/24 - 08/29/25	Accidental death and dismemberment	\$25,000
Property Insurance:	Various companies	04/15/24 - 04/15/25	Real & Personal Property	Various
Automobile Liability		Continuous	Self-insured	\$100,000 per/person \$200,000 per occurrence pursuant to F.S. 768.28
General Liability		Continuous	Self-insured	\$100,000 per/person \$200,000 per occurrence pursuant to F.S. 768.28
Workers' Compensation		Continuous	Self-insured	Statutory coverage

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

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

Function/program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cruise and Housekeeping	54	56	56	53	53	114	102	98	119	123
Cargo Operations	12	13	14	16	15	13	18	18	16	16
Port Security	93	88	83	83	85	91	92	92	114	111
Maintenance	69	64	62	61	70	92	93	87	93	92
Marketing and Advertising	8	11	11	13	13	12	12	12	9	10
Administration and Engineering	113	99	99	99	109	139	144	154	167	166
Total	349	331	325	325	345	461	461	461	518	518

Source: Seaport's Budget Section.

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

Description	2015	2016	2017**	2018	2019***	2020	2021	2022	2023	2024
Number of gantry cranes	13	13	13	13	13	13	13	13	13	13
Number of passenger terminals	12	12	9	8	9	9	9	9	9	9

** In fiscal year 2017, Seaport merged certain cruise terminals for naming purposes only.

*** In fiscal year 2019, a certain cruise operator's cruise terminal was completed.

Source: Seaport's Accounting Section.



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