# Miami-Dade County Expressway Authority
d/b/a
# Miami-Dade Expressway Authority and MDX

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2007

3790 NW 21st Street
Miami, Florida 33142
www.mdxway.com

# Miami-Dade Expressway Authority
# MDX

An Agency of the State of Florida

*Comprehensive Annual Financial Report*

*Fiscal Year Ended June 30, 2007*

Prepared by the Finance Department

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

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MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

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MIAMI-DADE EXPRESSWAY AUTHORITY
AN AGENCY OF THE STATE OF FLORIDA

3790 N.W. 21st St. Miami, FL 33142 *tel* 305.637.3277 *fax* 305.637.3283
*suncom* 461.3277 *www.mdx-way.com*



*A MESSAGE FROM THE EXECUTIVE DIRECTOR*

On behalf of the Miami-Dade Expressway Authority (Authority), it is my pleasure to present the 2007 Comprehensive Annual Financial Report. As a public agency, we remain committed to fulfilling our strategic objectives to continue to be a leader in regional mobility and the transportation industry, thereby further enhancing relationships with our stakeholders, while delivering operational excellence and maintaining public trust as a good steward of public resources.

In March 2007, I officially began my tenure as the Executive Director. I am looking forward to communicating the Authority's mission to the people we serve, as well as working with elected officials and community leaders to move projects forward that will positively impact mobility.

There are many challenges ahead for the transportation industry, not only in Miami-Dade County, but also throughout South Florida. The Authority is positioning itself for the transportation needs of today and tomorrow, with mobility as the key to the economic vitality of South Florida, by providing the link to our businesses, our jobs, our healthcare, our families and ultimately the community. These are the various reasons the Authority has implemented a newly created Long Range Transportation Master Plan which provides for mitigating congestion by accelerating the use of technology in the form of open road tolling, identifying new corridor projects and expansion of the current system.

The Authority has many successes to be proud of including the completion of major construction projects and strong financial results. It is also important to note our adoption of a Code of Ethics policy implemented to strengthen our relationship with stakeholders and further build public trust.

Our successes are a result of the dedication and hard work of the Board of Directors and staff, as well as wise investments that increase the Authority's ability to provide continual improvements to mobility in Miami-Dade County. This report offers an overview of the Authority's major initiatives, accomplishments and financial position that support our efforts.

Sincerely,

Javier Rodriguez, P.E.
Executive Director

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# Introductory Section

MIAMI-DADE EXPRESSWAY AUTHORITY
AN AGENCY OF THE STATE OF FLORIDA
3790 N.W. 21st St. Miami, FL 33142 tel 305.637.3277 fax 305.637.3283
suncom 461.3277 www.mdx-way.com



November 26, 2007

To the Board of Directors, our Bond Holders, Community Leaders and Customers:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Miami-Dade Expressway Authority (Authority) for the Fiscal Year Ended June 30, 2007.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Authority. To the best of our knowledge and belief the enclosed information is accurate and complete in all material respects and reported in a manner designed to present fairly the financial position, results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America (GAAP).

GAAP requires that management provide a narrative overview and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). The introductory section should be read in conjunction with the MD&A and financial statements as a whole.

The CAFR follows the guidelines recommended by the Government Finance Officers Association of the United States and Canada.
An independent audit by Certified Public Accountants is important in determining the reliability of the Authority's financial statements. The importance of such verification has been recognized by the Authority's bond holders and customers. The Authority's financial statements have been audited by Watson Rice LLP a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Authority for the fiscal year ended June 30, 2007 are free of material misstatement. Watson Rice concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Authority's financial statements for the fiscal year ended June 30, 2007 are fairly presented in conformity with GAAP.

MIAMI-DADE EXPRESSWAY AUTHORITY

The independent audit of the financial statements of the Authority was part of a Federal and State Single Audit. The standards governing the Single Audit requires the independent auditor to report not only the fair presentation of the financial statements, but also on the Authority's audited internal controls and compliance with legal requirements, with emphasis on the internal controls and legal requirements involving the administration of federal and state assistance. Information related to this Single Audit, including the schedule of State and Federal assistance and the auditor's report on the internal control structure and compliance with applicable laws and regulations are included in a separately issued report.

## About the Authority

The Authority was created in December 1994 by the Miami-Dade County Commission to establish local control over toll revenues and to ease traffic congestion of five major expressways in Miami-Dade County. In December 1996, the Florida Legislature passed legislation transferring both operational and financial control to the Authority for five of the busiest roadways in Miami-Dade County.

The five roadways are Gratigny (SR 924), Dolphin (SR 836), Airport (SR 112), Don Shula (SR 874) and Snapper Creek (SR 878) which currently cover more than 33.7 center-lane miles.

Under the Authority charter all net toll revenues are fully dedicated to transportation projects.

## Board of Directors

The governing body of the Authority consists of thirteen appointed members. Seven members are appointed by the Miami-Dade County Commission. Five members are appointed by the Governor of the State of Florida. One member is the District Secretary of the State Department of Transportation-District VI. Except for the District Secretary of the State Department of Transportation - District VI, all members must be residents of Miami Dade County and each serve for a period of four years unless re-appointed. The Authority's Board of Directors is volunteers and they receive no salary or other compensation for their service.

## Vision Statement

The Authority's transportation system (System) will provide safe, affordable choices for the movement of people and goods in Miami-Dade County. The System will support and sustain economic opportunities in the South Florida region. It will be equitably tolled, well maintained, reliable, multi-modal and aesthetically pleasing while also being environmentally sensitive. This System will be planned, delivered and operated in cooperation with the Authority's partners in the public and private sectors.

**Major Initiatives, Significant Events and Accomplishments**

- In anticipation of its Bond Series 2006, the Authority held briefings and tours of the System with the rating agencies; Moody's, Standard & Poor's and Fitch.

- The Authority completed extensive landscaping and beautification along the Don Shula (SR 874) Expressway. The project was in response to the Authority's strategic goal to promote an aesthetically pleasing System.

- The Authority completed the issuance of Bond Series 2006 in the amount of $304.3 million for the purpose of funding a portion of the cost of certain improvements to the System included in the Five-Year Work Program.

- The Authority hosted a tour of its $23.0 million investment in improvements to the Dolphin (SR 836) Expressway westbound ramp at NW 57$^{th}$ Avenue and a 1.5 mile long auxiliary lane to the Palmetto Expressway with a new exit ramp to NW 72$^{nd}$ Avenue. The improvements will contribute to increasing capacity and improving safety.

- The Authority held a Board of Directors Rules and Guidelines Workshop**.** The Workshop was held for the purpose of enhancing public trust and promoting transparency.

- In January 2007, the Authority's Board of Directors selected Javier Rodriguez, P.E. as Executive Director. Mr. Rodriguez served as the District Director of Transportation Development for the Florida Department of Transportation - District VI.

- To provide added financing flexibility, the Authority's Board of Directors approved the renewal of the Letter of Credit program and Commercial Paper Program until March 2010. The program gives the Authority the ability to access $75 million with an option to increase to an additional $25 million for a total of $100 million.

- The Authority held a strategic Planning Workshop to communicate its vision statement and Strategic objectives to its stakeholders**.**

- The Authority completed the installation of a communications system for incident management, traffic surveillance and a highway advisory radio for the Dolphin (SR 836) Expressway.

- The Authority's Finance Department held its annual Budget Workshop for Fiscal Year 2008. The Workshop was held for the purpose of communicating to the Board of Directors and public the proposed budget.

- The Authority hosted its Annual Workshop to Benefit Small and Minority-Owned Businesses. The Workshop provides businesses with insight into how to bid to be part of the Authority's initiatives, as well as, mentoring to help work through the process.

- The Authority in conjunction with Team Florida hosted its first charity golf tournament to raise funding for Informed Families. A total of $30,000 was raised to support the cause to educate, train and support centers for parents, schools and communities to help raise safe, healthy and drug free children.

- The Authority held a ceremony marking the completion and opening of the $241.6 million investment in the Dolphin (SR836) Expressway Extension west to 137th Avenue. The three (3) mile Extension provides drivers heading to and from west Miami-Dade County with a more direct connection to central and downtown Miami. The Extension is expected to have a significant positive impact to mobility in the area.

- The Authority held several events to sell low cost SunPass Transponders in anticipation of its new tolling plaza and opening of a new Extension on SR 836. The community outreach events were held to promote the benefit of electronic toll collection and time saved by SunPass commuters.

- For the upcoming Fiscal Year 2008, the Authority's Board of Directors elected its first woman Chair, Maritza Gutierrez who formerly served one term as Vice Chair. Also newly elected was Robert Holland, Esq. as Vice Chair and Carlos Lacasa, Esq. as Treasurer.

## Financial Information

### Accounting System

The Authority follows GAAP for Enterprise fund Accounting. Accordingly, revenues are recognized when earned, and expenses are recorded when incurred.

**Internal Controls**
Management is responsible for the establishment and maintenance of internal accounting controls that ensure assets are safeguarded and that financial transactions are properly recorded and adequately supported.

**Budgetary Controls**
The Authority is legally required to adopt a budget. The Authority develops an annual budget beginning with the development of the proposed budget, holding a public workshop and final approval by the Board.

**Credit Rating and Debt Coverage**
The latest credit rating from Moody's, Fitch and Standard & Poor's is A3, A-1 and A, respectively. The Authority establishes its revenues and expenses to meet its debt coverage. In addition, a long term financial plan is produced and monitored to ensure that the Authority maintains a financially healthy organization and remains in compliance with covenants requirements.

**Source of Revenue**
The Authority's primary source of revenue is from tolling users of the System.

**Cash Management**
The Authority follows the guidelines outlined in its investment policy including its custody and management of funds. The Authority strives to achieve with each investment opportunity safety of financial assets, liquidity of funds adequate for timely satisfaction of financial obligations, and total return to maximize earnings.

**Funds**
The Authority's funds are categorized into either unrestricted or restricted. Unrestricted funds consist of unassigned funds. Restricted funds consist of funds with restrictions imposed by creditors, grantors or by laws/regulations of government and can only be used for a specific purpose.

**Procurement Policy**
The purpose of the procurement policy is to establish the rules governing procurement by the Authority; to promote public confidence in the integrity of the procedures followed; to ensure fair and equitable treatment of all persons who participate in the procurement process; and to maximize economy in the Authority's activities.

MIAMI-DADE EXPRESSWAY AUTHORITY

**Code of Ethics Policy**

The purpose of the policy is to promote and demand the highest standards of ethics from all of its Board Members, employees and consultants. All must maintain the utmost standards of personal integrity, truthfulness, honesty and fairness in carrying out their public duties.


**Acknowledgements**

We would like to thank the members of the Board of Directors for their support. We also want to thank members of the staff who contributed to this report.


Respectfully,

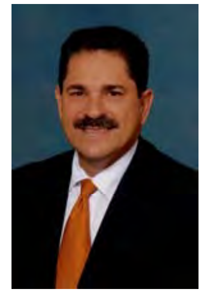
| | |
|---|---|
| Javier Rodriguez, P.E.,<br>Executive Director | Marie T. Schafer, CPA,<br>Chief Financial Officer |
| Stephan P. Andriuk,<br>Director of Toll Operations | Alfred Lurigados, P.E.,<br>Director of Engineering |

# MIAMI-DADE EXPRESSWAY AUTHORITY
# APPOINTED BOARD OF DIRECTORS
# Fiscal Year Ended June 30, 2007

Darryl K. Sharpton, CPA
**(CHAIR)**
Term Expires: Apr. 6, 2009

Maritza Gutierrez
**(VICE-CHAIR)**
Term Expires: Feb. 7, 2009

Thomas Gene Prescott
**(TREASURER)**
Term Expires: Feb. 7, 2009



John Martinez, P.E.
**(FDOT DISTR. SIX SECR.)**
Ex-Officio Member

Maurice A. Ferre
Term Expires: Feb. 7, 2009

Robert W. Holland, Esq.
Term Expires: Feb. 7, 2009

Carlos A. Lacasa, Esq.
Term Expires: Apr. 6, 2009

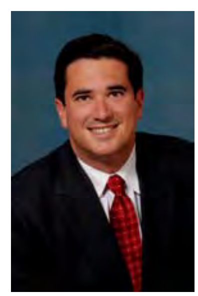
Felix M. Lasarte, Esq.
Term Expires: Feb. 7, 2008

Cesar E. Llano
Term Expires: Apr. 6, 2008

Arthur Noriega, V
Term Expires: Feb. 7, 2008

Yvonne Soler-McKinley
Term Expires: Feb. 7, 2009

Justin Sayfie, Esq.
Term Expires: Apr.6, 2010

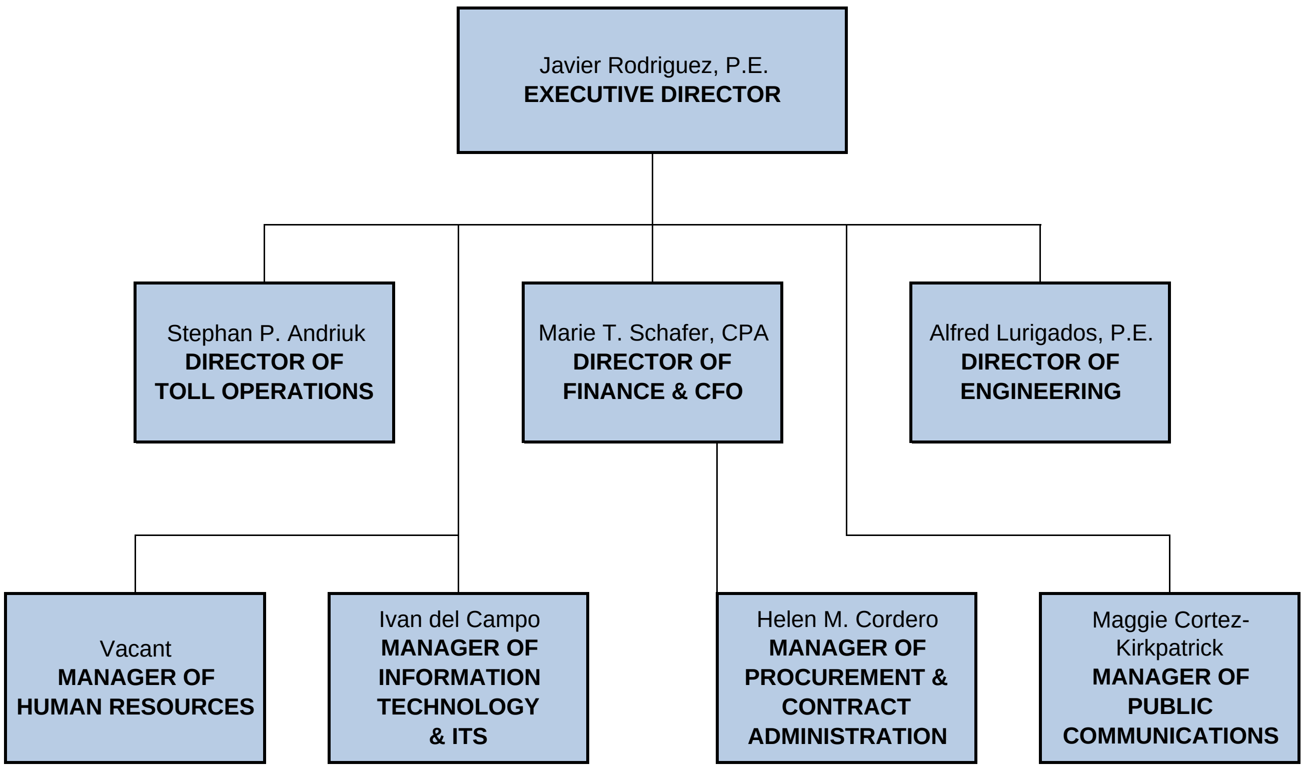


Jorge Vigil, Esq.
Term Expires: Apr. 6, 2010

# MIAMI-DADE EXPRESSWAY AUTHORITY

## EXECUTIVE MANAGEMENT TEAM

## Fiscal Year Ended June 30, 2007



# MDX Year in Review FY 2006-2007

## JULY

Special Board Meeting held for Executive Director search.

## AUGUST

MDX presents their plans to the rating agencies in anticipation of Revenue Bond issuances.


## SEPTEMBER

Issuance of $304 million of Revenue Bonds to fund improvement in the 5 year Work Program

MDX milestone event – SR 874 Landscaping Improvements

## OCTOBER

MDX milestone event – 137th Avenue Improvements

MDX milestone event – 57th-72nd Avenue Improvements

## NOVEMBER

MDX conducts series of ORT briefings with MPO Board Members, Elected Officials and Business Opinion Leaders

## DECEMBER


MDX teams up with Florida Turnpike and launches Holiday SunPass Campaign

## JANUARY

MDX in coordination with Team Florida hosts an Idea Raiser on Innovative Solutions to mobility issues


## FEBRUARY

Super Bowl Landscaping

## MARCH

Javier Rodriguez joins MDX as new Executive Director

MDX milestone event - SR 874 Kendall Ramp Groundbreaking

## APRIL

MDX launches new and improved website

MDX adopts Strategic Plan

- Leadership
- Relationship with Stakeholders
- Operational Excellence
- Stewardship of Resources


## MAY

MDX adopts the Fiscal Year 2008 Budget


MDX in conjunction with Team Florida hosts Charity Golf Tournament and raises over $30,000 for Informed Families

## JUNE

MDX Board elects new officers; Maritza Gutierrez becomes first woman Chair of the Board of Directors; Robert Holland, Esq., Vice Chair, and Carlos Lacasa, Esq., Treasurer

MDX holds Small Business Workshop to promote minority business

Newly completed SR 836 Dolphin Expressway Extension to 137th Avenue and 97th Avenue Toll Plaza opened to traffic

MDX holds series of SunPass discount events, resulting in the sale of over 31,000 transponders

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# Financial Section

Watson Rice LLP
Certified Public Accountants and Consultants

## INDEPENDENT AUDITORS' REPORT

Members of the
Miami-Dade County Expressway Authority
d/b/a Miami-Dade Expressway Authority and MDX

We have audited the accompanying basic financial statements of the Miami-Dade County Expressway Authority d/b/a Miami-Dade Expressway Authority and MDX (the "Authority"), as of and for the years ended June 30, 2007 and 2006, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2007 and 2006, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 19, 2007 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 12 through 19 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The accompanying introductory section, supplemental schedules and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

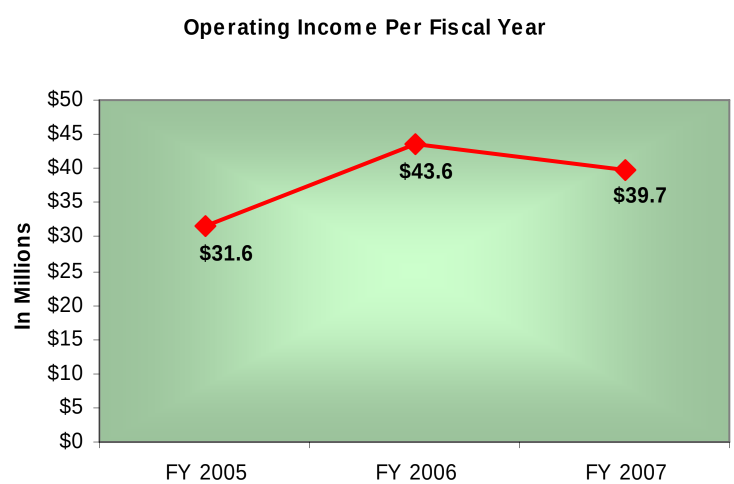
Miami, Florida
November 19, 2007

Watson Rice LLP

Management's Discussion and Analysis is presented to provide the readers of these annual financial reports a narrative overview and discussion of the financial activities of the Authority for the fiscal years ended June 30, 2007 and 2006. The MD&A should be read in conjunction with the financial statement and notes as a whole.

## FINANCIAL HIGHLIGHTS

- The Authority's toll revenues increased $4.6 million or 5.9% in fiscal year 2007, compared to an increase of $18.8 million or 32.1% in fiscal year 2006
- The Authority's operating income decreased $4.0 million or 9.1% in fiscal year 2007, compared to an increase of $12.1 million or 38.1% in fiscal year 2006
- The Authority's net assets of $203.5 million increased $37.4 million or 22.5% in fiscal year 2007, and increased $38.5 million or 30.2% in fiscal year 2006
- The Authority's total assets of $1,265.7 million increased $353.0 million or 38.7% in fiscal year 2007, compared to an increase $50.5 million or 5.9% in fiscal year 2006
- The Authority's total capital assets, net of accumulated depreciation, of $695.9 million increased $127.8 million or 22.5% in fiscal year 2007, compared to an increase $165.8 million or 41.2% in fiscal year 2006



## USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements, notes to the financial statements, supplemental schedules and statistical information. The financial statements of the Authority report information using accounting methods similar to those used by private sector companies.

***Statements of Net Assets –*** This statement presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets are useful indicators of whether the Authority's financial position is improving or deteriorating.

***Statements of Revenue, Expenses and Changes in Net Assets –*** This statement presents information showing how the Authority's net assets changed during the fiscal year.

***Statements of Cash Flows –*** This statement presents information about the Authority's cash receipts and cash payments, or, in other words, the sources and uses of the Authority's cash and the change in balance during the fiscal year.

***Notes to the Financial Statements –*** The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

***Supplemental Schedules –*** Certain supplementary information is presented to report compliance with financial ratio requirements.

***Statistical Information –*** Certain information is presented to report historical and trend analysis of net assets, revenue, expenses and changes in net assets, toll revenues, traffic, toll rate structure, electronic tolling participation and demographic data.

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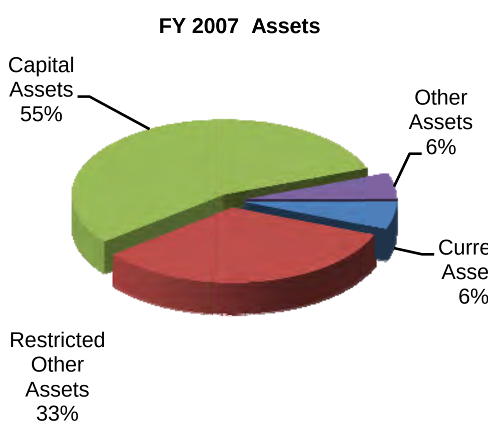
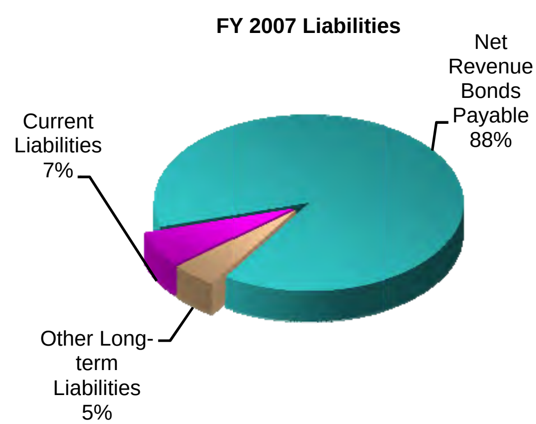
## Financial Analysis

| **Net Assets** | **June 30,** | | |
|---|---|---|---|
| | **2007** | **2006** | **2005** |
| Current and other assets | $ 569,767,965 | $ 344,641,641 | $ 459,935,680 |
| Capital assets | 695,887,955 | 568,060,548 | 402,309,783 |
| Total assets | 1,265,655,920 | 912,702,189 | 862,245,463 |
| Current liabilities | 70,505,828 | 57,773,584 | 48,273,849 |
| Revenue bonds payable, net of current portion, bond discount and deferred cost | 940,600,058 | 632,700,209 | 639,086,248 |
| Other long-term liabilities | 51,015,282 | 56,097,785 | 47,306,994 |
| Total liabilities | 1,062,121,168 | 746,571,578 | 734,667,091 |
| Net assets | | | |
| Invested in capital assets, net of related debt | 87,192,817 | 72,876,904 | 55,799,115 |
| Restricted | 53,437,034 | 41,716,727 | 31,951,598 |
| Unrestricted | 62,904,901 | 51,536,980 | 39,827,659 |
| Total net assets | $ 203,534,752 | $ 166,130,611 | $ 127,578,372 |




### Current and Other Assets

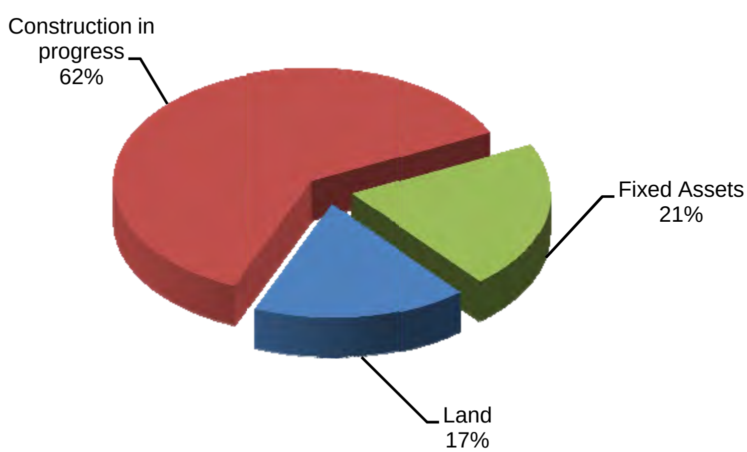
As of June 30, 2007 and 2006 current and other assets were $569.7 million and $344.6 million, respectively. Current and other assets increased $225.1 million or 65.3% from fiscal year 2006, compared to $115.3 million or 25.1% decrease from fiscal year 2005. The increase for fiscal year 2007 was due to an increase in cash and cash equivalents of $210 million; accounts receivables of $11.9 million and bond issuance cost of $4.9 million, partially offset by $1.9 million of right to operate amortization. The cash and cash equivalents increase were primarily due to the issuance of revenue bonds, offset by construction expenditures. The accounts and accrued interest receivable increase were primarily due to an interest receivable from the guaranteed interest agreement and reimbursement from the Federal Highway Administration (FHWA) for Hurricane Wilma and

Katrina. The decrease for fiscal year 2006 was due to a decrease in restricted cash for construction projects expenditures.

## Capital Assets

As of June 30, 2007, the Authority's investment in net capital assets were $695.9 million, an increase from fiscal year 2006 of $127.8 million or 22.5%, compared to $165.7 million or 41.2% increase from fiscal year 2005. For fiscal years 2007 and 2006, the additions to construction in progress included capital expenditures for construction projects of $118.4 and $158.1 million, respectively; capitalized interest of $17.8 and $15.2 million, respectively; and indirect cost allocations of $3.5 million and $2.9 million, respectively.

**FY 2007 Net Capital Assets**




Major capital asset events during **Fiscal Year 2007** included the following:

- Milling and resurfacing of SR 878 from east of SW 87th Avenue to US 1 was completed in June 2007. The total project cost was $1.8 million, with $1.6 million expended in fiscal year 2007.
- The installation of a communications system for incident management, traffic surveillance and a highway advisory radio for SR 836 was completed in April 2007. The total project cost was $5.8 million.
- The renovation of the SR 112 toll plaza to increase the capacity of the SunPass™ dedicated lanes was completed in March 2007. The total project cost was $2.5 million, with $1.6 million expended in fiscal year 2007.
- The construction of the SR 836 westbound auxiliary lane from NW 57th Avenue to the Palmetto Expressway was completed in January 2007. The total project cost was $16.8 million, with $1.8 million expended in fiscal year 2007.
- The improvements to the SR 836 – NW 57th Avenue westbound ramp were completed in October 2006. The total project cost was $4.1 million, with $1.8 million expended in fiscal year 2007.

- ❖ Construction continues on the SR 836 extension from NW 137th Avenue to NW 107th Avenue project. The Authority anticipates completion of this project in July 2007. The total project cost is $261.5 million, with $32.4 million expended in fiscal year 2007.
- ❖ Construction continues on the SR 836 extension – toll plaza section. The Authority anticipates completion of this project in July 2007. The total project cost is $73.7 million, with $38.4 million expended in fiscal year 2007.
- ❖ Construction continues on the SR 874 north bound on-ramp from Kendall Drive project. The Authority anticipates completion of this project in December 2008. The total project cost is $45.6 million, with $6.8 million expended in fiscal year 2007.
- ❖ Improvements continue on the system wide landscaping project. The Authority anticipates completion of this project in June 2008. The total project cost is $5.3 million, with $2.3 million expended in fiscal year 2007.

**Revenue Bonds Payable**

As of June 30, 2007 and June 30, 2006, the Authority had outstanding revenue bonds payable of $947.8 million and $639.5 million, respectively (net of unamortized bond discounts and deferred losses on refunding), of which $7.1 million and $6.8 million, respectively, are due within one year. During fiscal year 2007, revenue bonds payable increased $308.3 million from fiscal year 2006, compared to a decrease of $6.0 million from fiscal year 2005. The fiscal year 2007 increase was due to the issuance of Bond Series 2006 of $304.3 million and bond premium of $10.6 million, partially offset by principal payments of $6.8 million. The fiscal year 2006 decrease was due to principal payments during the fiscal year.

**Other Long-Term Liabilities**

As of June 30, 2007 and June 30, 2006, the Authority had outstanding government loans of $61.2 million and $60.3 million, respectively, of which $11.6 million and $4.4 million, respectively, are due within one year. During fiscal year 2007, government loans increased $900,000 million from fiscal year 2006, compared to an increase of $10.4 million from fiscal year 2005. The fiscal year 2007 increase was due to the $5.3 million of loan installments received, partially offset by $4.4 million of principal payments. The fiscal year 2006 increase was due to $12.8 million of loan installments received, partially offset by $2.4 million of principal payments.

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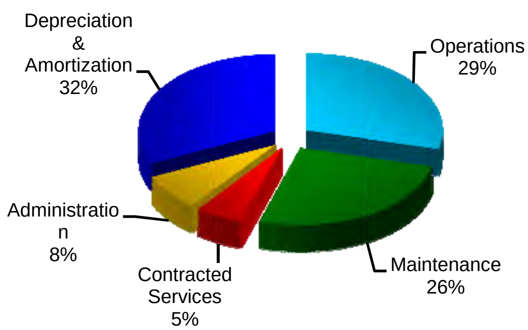
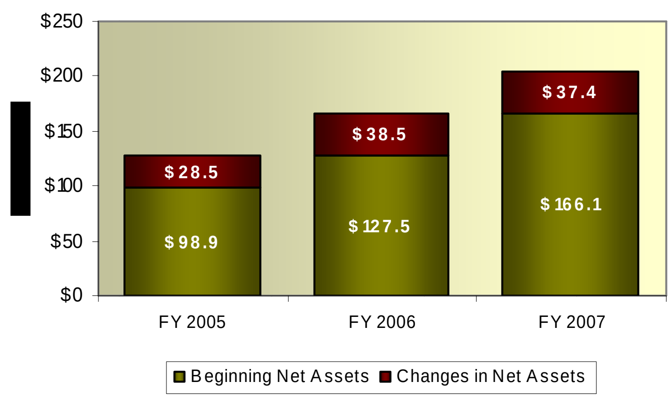
| **Changes in Net Assets** | **Years Ended June 30, 2007** | **2006** | **2005** |
|---|---|---|---|
| Operating revenues | | | |
| Toll Revenue | $ 82,029,539 | $ 77,461,639 | $ 58,651,830 |
| Lease and Other | 922,179 | 156,953 | 256,183 |
| Total Operating Revenue | 82,951,718 | 77,618,592 | 58,908,013 |
| Operating expenses | | | |
| Operations | 12,468,485 | 10,353,505 | 7,884,642 |
| Maintenance | 11,204,080 | 5,621,382 | 5,046,411 |
| Contracted Services | 2,491,657 | 2,432,908 | 1,300,783 |
| Administration | 3,330,896 | 2,961,507 | 3,114,294 |
| Depreciation and Amortization | 13,752,403 | 12,562,393 | 9,937,276 |
| Total Operating expenses | 43,247,521 | 33,931,695 | 27,283,406 |
| Non-operating revenues (expenses) | | | |
| Interest, dividend and investment income | 23,366,643 | 12,747,227 | 5,485,581 |
| Interest expense | (29,778,213) | (16,460,563) | (8,778,775) |
| Federal Grant - FHWA | 4,857,717 | - | - |
| Disposal of assets | (746,203) | (1,421,322) | (1,113,319) |
| Total non-operating revenues (expenses) | (2,300,056) | (5,134,658) | (4,406,513) |
| Income before capital contribution | 37,404,141 | 38,552,239 | 27,218,094 |
| Capital contributions | - | - | 1,367,242 |
| Change in net assets | 37,404,141 | 38,552,239 | 28,585,336 |
| Net assets, beginning of year | 166,130,611 | 127,578,372 | 98,993,036 |
| Net assets, end of year | $ 203,534,752 | $ 166,130,611 | $ 127,578,372 |

**FY 2007 Operating Expenses**

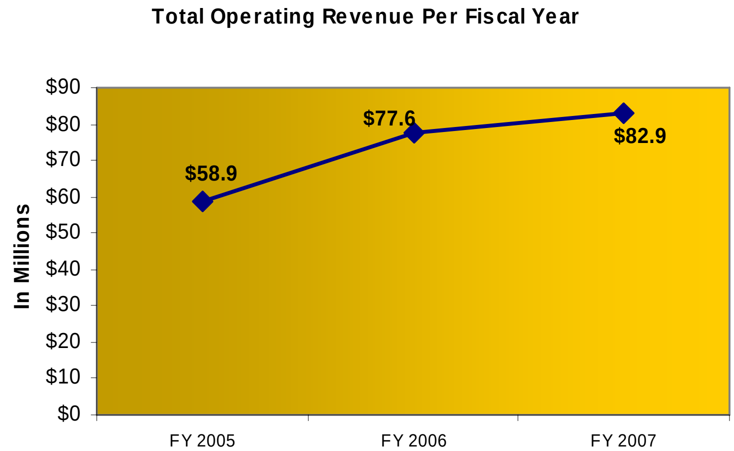



**Changes in Net Assets**




## Operating Revenue

Total operating revenues were $82.9 million and $77.6 million for fiscal years 2007 and 2006, respectively. Toll revenues for fiscal year 2007 were $4.6 million or 5.9%, an increase over fiscal year 2006 compared to $18.8 million or 32.1% increase over fiscal year 2005. For fiscal year 2007, the majority of the increase was due to traffic growth which mainly occurred on SR 836 mainline and SR 874. The increase for fiscal year 2006 was due to a toll rate adjustment which equalized all toll rates on the Authority's expressways.




## Operating Expenses

Total operating expenses were $43.2 million and $33.9 million for fiscal years 2007 and 2006, respectively. Operating expenses increased $9.3 million or 27.4% over fiscal year 2006 compared to $6.6 million or 24.4%, an increase over fiscal year 2005.

### Operations

Operations expenses were $12.5 million and $10.4 million for fiscal years 2007 and 2006, respectively. In fiscal year 2007 operations increased $2.1 million or 20.2% due to an increase of pass-thru charges from the Florida Department of Transportation relating to SunPass costs of $800,000; first full year of toll system software maintenance of $900,000; salaries, taxes and benefits related to field personnel of $160,000 and increase of $300,000 due to contract escalation for MDX operations and maintenance contract (MOMC) toll personnel.

Operations expenses were $10.4 million and $7.8 million for fiscal years 2006 and 2005 respectively. In fiscal year 2006 operations increased $2.6 million or 33.3% due to an increase of pass-thru charges from the Florida Department of Transportation relating to SunPass costs of $1 million; partial year of toll system software maintenance of $1 million; and increase of $500,000 due to contract escalation for operations and maintenance contract (MOMC) for toll personnel.

### Maintenance

Maintenance expenses were $11.2 million and $5.6 million for fiscal years 2007 and 2006, respectively. In fiscal year 2007, maintenance increased $5.6 million or 100.0% due to hurricane expenditures of $4.1 million relating to clean up cost from Hurricanes Katrina and Wilma; vegetation removal of $400,000; pass-thru charges from FDOT related to service patrol $400,000 and increase of $600,000 relating to additional services and contract escalation for roadway/plaza maintenance.

Maintenance expenses were $5.6 million and $5.0 million for fiscal years 2006 and 2005, respectively. In fiscal year 2006, maintenance increased $600,000 or 11.4% due to pass-thru charges from FDOT related to service patrol of $200,000 and increase of $300,000 relating to additional services and contract escalation for roadway/plaza maintenance.

**Contracted Services**

Contracted services were $2.5 million and $2.4 million for fiscal years 2007 and 2006, respectively. In fiscal year 2007, contracted services increased $100,000 or 4.1% due to additional consulting services of $450,000 relating to general engineering consulting, public communication and financial advisor services, offset by an increase of $350,000 of indirect cost allocation.

Contracted services were $2.4 million and $1.3 million for fiscal years 2006 and 2005, respectively. In fiscal year 2006 contracted services increased $1.1 million or 84.6% due to additional consulting services of $1.0 million relating to general engineering consulting, public communication and investment advisory services and $100,000 property insurance.

**Administration**

Administration expenses were $3.3 million and $2.9 million for fiscal years 2007 and 2006, respectively. In fiscal year 2007, administration expenses increased $400,000 or 13.7% due to salaries, taxes and benefits of $275,000 and $125,000 in property insurance.

Administration expenses were $2.9 million and $3.1 million for fiscal years 2006 and 2007 respectively. In fiscal year 2006 administration expenses decreased $200,000 or 6.4% due to indirect cost allocation.

**Depreciation & Amortization**

Total depreciation and amortization were $13.7 million and $12.5 million for fiscal years 2007 and 2006, respectively. Depreciation and amortization for fiscal year 2007 were $1.2 million increase over fiscal year 2006 compared to a $2.6 million increase of fiscal year 2005. The increases for fiscal years 2007 and 2006 were due to deprecation for assets placed in services and amortization of Bond Series 2006 and 2005 cost of issuance.

**Non-Operating Revenue**

Investment income was $23.3 million and $12.7 million for fiscal years 2007 and 2006, respectively. Investment income for fiscal year 2007 was $10.6 million or 83.3%, an increase over fiscal year 2006 compared to $7.3 million or 132.4% increase over fiscal year 2005. In fiscal years 2007 and 2006, increases were due to higher yields on investments and availability of funds invested from the Bond Series 2006 and Series 2005. In fiscal year 2007, the Authority was approved for a federal grant from FHWA of $4.9 million for emergency expenses resulting from Hurricane Katrina and Wilma.

**Non-operating Expenses**

Interest expenses were $29.7 million and $16.4 million for fiscal years 2007 and 2006, respectively. Interest expense for fiscal year 2007 was $13.3 million or 80.9%, an increase over fiscal year 2006 compared to $7.7 million or 87.5% increase over fiscal year 2005. For fiscal year 2007, the increase was due to an increase in existing Bond Series interest payments; the full year interest expense costs related to Bond Series 2005 and interest rate cash settlement swap payment related to the issuance on Bond Series 2006 of $3.1 million. The overall increase was partially offset by the capitalization of interest of $17.8 million.

For fiscal year 2006, the increase was due to an increase in existing Bond Series interest payments and the full year of interest expense related to Bond Series 2004 and partial 2005. The increase was partially offset by the capitalization of interest of $15.2 million.

Disposal of assets were $750,000 and $1.4 million for fiscal years 2007 and 2006, respectively. In fiscal year 2007, the Authority wrote off $500,000 of debris removal expenses related to a capital project and in fiscal year 2006 eliminated all automatic coin machines throughout the entire System.

## Debt Ratios

The Authority's debt service ratio for all bonds outstanding was 2.47 in fiscal year 2007, 2.14 in fiscal year 2006, and 1.78 in fiscal year 2005. The Authority's ratio of net revenue to debt service and fund payments was 2.01 in fiscal year 2007, 1.80 in fiscal year 2006 and 1.57 in fiscal year 2005.

The ratios in fiscal years 2007 and 2006 were positively affected by an increase in non-operating revenue due to the increase in investment income of $10.6 million and $7.2 million, respectively.

## Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Miami Dade Expressway Authority, 3790 N.W. 21st Street, Miami, FL 33142.

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## MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
## D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX

Statements of Net Assets

June 30, 2007 and 2006

| | 2007 | 2006 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 40,320 | $ 1,027,845 |
| Cash and cash equivalents held by trustee | 3,008,874 | 25,264,162 |
| Restricted cash and cash equivalents held by trustee | 35,442,144 | 20,298,509 |
| Investments | 21,754,734 | 4,814,550 |
| Accounts receivable, net | 8,675,707 | 1,672,800 |
| Accrued interest receivable | 5,133,808 | 178,074 |
| Prepaid operating and maintenance cost | 718,738 | 655,097 |
| Total current assets | 74,774,325 | 53,911,037 |
| RESTRICTED NON-CURRENT ASSETS: | | |
| Restricted cash and cash equivalents held by trustee | 119,121,975 | 109,899,911 |
| Restricted investments held by trustee | 304,175,442 | 112,193,975 |
| Total restricted non-current assets | 423,297,417 | 222,093,886 |
| CAPITAL ASSETS: | | |
| Non-depreciable capital assets: | | |
| Land | 121,501,562 | 101,349,843 |
| Construction in progress | 427,930,113 | 339,118,047 |
| Total non-depreciable capital assets | 549,431,675 | 440,467,890 |
| Depreciable capital assets, net | 146,456,280 | 127,592,658 |
| Total capital assets, net | 695,887,955 | 568,060,548 |
| OTHER ASSETS: | | |
| Rights to operate the Miami-Dade County Expressway System, net | 56,420,747 | 58,336,887 |
| Unamortized bond issue costs, net | 15,275,476 | 10,299,831 |
| Total other assets | 71,696,223 | 68,636,718 |
| Total non-current assets | 1,190,881,595 | 858,791,152 |
| TOTAL ASSETS | $ 1,265,655,920 | $ 912,702,189 |

(Continued)

See accompanying notes to financial statements

## MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
## D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX

Statements of Net Assets

June 30, 2007 and 2006

| | 2007 | 2006 |
|---|---|---|
| **LIABILITIES AND NET ASSETS** | | |
| CURRENT LIABILITIES: | | |
| Accounts and contracts payable | $ 33,353,441 | $ 36,835,209 |
| Accrued expenses | 1,710,243 | 639,866 |
| Accrued interest | 16,612,394 | 9,055,882 |
| Current portion of revenue bonds payable | 7,161,666 | 6,806,666 |
| Current portion of loans due to other governments | 11,668,084 | 4,435,961 |
| Total current liabilities | 70,505,828 | 57,773,584 |
| NON-CURRENT LIABILITIES: | | |
| Revenue bonds payable, net of current portion, bond discount/premium and deferred cost | 940,600,058 | 632,700,209 |
| Loans due to other governments, net of current portion | 49,561,665 | 55,915,605 |
| Arbitrage rebates payable | 1,453,617 | 182,180 |
| Total non-current liabilities | 991,615,340 | 688,797,994 |
| TOTAL LIABILITIES | 1,062,121,168 | 746,571,578 |
| NET ASSETS: | | |
| Invested in capital assets, net of related debt | 87,192,817 | 72,876,904 |
| Restricted for debt service | 43,469,374 | 35,497,751 |
| Restricted for renewal and replacement | 9,967,660 | 6,218,976 |
| Unrestricted | 62,904,901 | 51,536,980 |
| TOTAL NET ASSETS | $ 203,534,752 | $ 166,130,611 |

(Concluded)

See accompanying notes to financial statements

# MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
# D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX

Statements of Revenues, Expenses and Changes in Net Assets

Years Ended June 30, 2007 and 2006

| | 2007 | 2006 |
|---|---|---|
| OPERATING REVENUES: | | |
| Toll Revenues | $ 82,029,539 | $ 77,461,639 |
| Other | 922,179 | 156,953 |
| Total operating revenues | 82,951,718 | 77,618,592 |
| OPERATING EXPENSES: | | |
| Operations and maintenance expenses | 23,672,565 | 15,974,887 |
| Contracted services | 2,491,657 | 2,432,908 |
| Administration | 3,330,896 | 2,961,507 |
| Depreciation and amortization | 13,752,403 | 12,562,393 |
| Total operating expenses | 43,247,521 | 33,931,695 |
| Operating income | 39,704,197 | 43,686,897 |
| NONOPERATING REVENUES (EXPENSES): | | |
| Investment Income | 23,366,643 | 12,747,227 |
| Interest expense | (29,778,213) | (16,460,563) |
| Federal Grant - FHWA | 4,857,717 | — |
| Disposal of assets | (746,203) | (1,421,322) |
| Total nonoperating (expenses) - net | (2,300,056) | (5,134,658) |
| CHANGE IN NET ASSETS | 37,404,141 | 38,552,239 |
| NET ASSETS, BEGINNING OF YEAR | 166,130,611 | 127,578,372 |
| NET ASSETS, END OF YEAR | $ 203,534,752 | $ 166,130,611 |

See accompanying notes to financial statements

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Statements of Cash Flows

Years Ended June 30, 2007 and 2006

| | | 2007 | | 2006 |
|---|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Cash received from customers | $ | 81,795,707 | $ | 76,931,182 |
| Payments to suppliers | | (26,370,791) | | (20,240,439) |
| Payments to employees | | (5,208,481) | | (4,381,794) |
| Other operating revenues | | 1,001,610 | | 143,099 |
| Net cash flows provided by operating activities | | 51,218,045 | | 52,452,048 |
| CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES: | | None | | None |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Acquisition and construction of capital assets | | (107,041,098) | | (138,112,577) |
| Proceeds (payment) on joint participation construction of capital assets | | (1,907,719) | | 64,273,897 |
| Acquisition of Land | | (15,070,830) | | (11,900,160) |
| Proceeds from government advances | | 5,314,144 | | 12,798,855 |
| Payment of principal on government advances | | (4,435,961) | | (2,443,427) |
| Proceeds from sale of revenue bonds, net of premium & underwriter disc. | | 313,231,438 | | — |
| Payment of bond issuance costs | | (653,380) | | (30,642) |
| Payment of bond insurance | | (3,466,857) | | — |
| Payment of principal on revenue bonds | | (6,806,666) | | (6,456,667) |
| Payment of swap settlement | | (3,105,000) | | — |
| Interest paid on revenue bonds | | (35,642,485) | | (31,734,294) |
| Net cash flows provided (used) by capital and related financing activities | | 140,415,586 | | (113,605,015) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchase of investments | | (549,766,576) | | (236,430,123) |
| Proceeds from investments | | 342,062,009 | | 295,432,002 |
| Interest & dividends received | | 17,193,822 | | 10,914,558 |
| Net cash provided (used) by investing activities | | (190,510,745) | | 69,916,437 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 1,122,886 | | 8,763,470 |
| Cash and cash equivalents at beginning of year | | 156,490,427 | | 147,726,957 |
| Cash and cash equivalents at end of year: | $ | 157,613,313 | $ | 156,490,427 |
| Unrestricted | | 3,049,194 | | 26,292,007 |
| Restricted | | 154,564,119 | | 130,198,420 |
| | $ | 157,613,313 | $ | 156,490,427 |
| RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | | |
| Operating income | $ | 39,704,197 | $ | 43,686,897 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | | 13,752,403 | | 12,562,393 |
| Changes in assets and liabilities: | | | | |
| Accounts receivable | | (237,470) | | (530,457) |
| Unearned other revenue | | 83,069 | | (13,854) |
| Prepaid operating and maintenance cost | | (63,641) | | 133,686 |
| Accounts/contracts payable and accrued expenses | | (2,020,513) | | (3,386,617) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | $ | 51,218,045 | $ | 52,452,048 |

See accompanying notes to financial statements

## Note 1 - Summary of Organization and Significant Accounting Policies

### *(a) Organization and Purpose*

The Miami-Dade County Expressway Authority d/b/a Miami-Dade Expressway Authority and MDX (the "Authority") is an agency of the State of Florida, a body politic and corporate and a public instrumentality, and was created on December 13, 1994 pursuant to Chapter 348, Part I, Florida Statutes, as amended, for the purposes and having the powers, among others, to (1) acquire, hold, construct, improve, maintain, operate, own and lease an expressway system located in Miami-Dade County, Florida (the "County"); and (2) to fix, alter, change, establish and collect tolls, rates, fees, rentals, and other charges for the services and facilities of such system. The governing body of the Authority consists of thirteen (13) members. All members of the Authority are voting members, except for the secretary of Florida Department of Transportation ("FDOT"). Seven members are appointed by the governing body of the County. At the County's discretion, up to two of the members appointed by the governing body of the County may be elected officials residing in the County. Five members are appointed by the Governor of the State of Florida. One member is the District Secretary of the State of Florida Department of Transportation – District VI. This member is an ex officio voting member of the Authority. Except for the District Secretary of the State of Florida Department of Transportation – District VI, all members must be residents of the County. Members of the Authority are entitled to receive from the Authority their travel and other necessary expenses incurred in connection with the business of the Authority as provided by law, but they may not draw salaries or other compensation.

The State of Florida's expressway system, located in the boundaries of the County (the "expressway system"), was operated by the FDOT through December 9, 1996. Effective December 10, 1996 and pursuant to a Transfer Agreement (the "Transfer Agreement") entered into between the Authority and the FDOT, the Authority assumed the rights and the responsibilities for operating the expressway system and obtained certain identifiable fixed assets (excluding the expressway system's infrastructure) and cash reserves from the FDOT. In exchange, the Authority made a payment to the FDOT which was sufficient to defease certain bonded indebtedness of the State of Florida. This transaction was consummated through the Authority's issuance of $80,000,000 in aggregate principal amount of its Toll System Revenue Bonds, Series 1996 (Taxable) (the Series 1996 Bonds). In addition, the Authority assumed a liability from the State of Florida in the amount of $11,843,000.

The Transfer Agreement gives the Authority the right, in perpetuity, to the toll revenue generated by the expressway system and grants the Authority the right to operate and maintain such expressway system.

### *(b) Reporting Entity*

As a special purpose government engaged solely in business-type activities, the Authority's financial statements are prepared similarly to those of an Enterprise Fund, a type of Proprietary Fund. Proprietary Funds are used to account for operations of governmental entities that are financed and operated in a manner similar to private business enterprises; these funds use the accrual basis of accounting and the economic resources measurement focus. Enterprise Funds are used to account for operations where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

### *(c) Basis of Accounting*

The Authority is accounted for on the flow of economic resources measurement focus and, therefore, prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The accounting for enterprise funds is similar to those for private business enterprises. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

The assets, liabilities and net assets of the Authority are reported in a self-balancing set of accounts which include restricted and unrestricted resources, representing funds available for support of the Authority's operations.

Equity is classified as net assets and displayed in three components:

Invested in capital assets, net of related debt – capital assets, including restricted capital assets, net of accumulated depreciation and reduced by outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net assets – net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. This includes net assets restricted for debt service and renewal and replacement.

Unrestricted net assets – all other net assets that do not meet the definition of "invested in capital assets, net of related debt" and "restricted net assets".

It is the Authority's policy to first use restricted net assets when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

The Authority defines operating revenue as revenues earned from the expressway system operations and charged to customers. The principal operating revenues of the Authority are toll collections. Non operating revenue includes interest and dividend earnings and all other income not meeting the previous definition.

The Authority defines operating expenses as expenses incurred for operations, maintenance, contracted services, and administration, as well as depreciation and amortization. Non-operating expenses include interest expense and all other expenses not meeting the previous definition.

Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, offers the option of following all Financial Accounting Standards Board (FASB) standards issued after November 30, 1989, unless they conflict with or contradict GASB pronouncements, or not following FASB standards issued after such date. The Authority elected the option not to follow FASB standards issued after November 30, 1989.

### *(d) Restricted Assets*

Restricted assets of the Authority represent bond proceeds and revenue to be set aside per the Trust Indenture which requires the following funds: Revenue Fund, Sinking Fund, General Fund (Partially Restricted), Debt Service Reserve Fund, Renewal and Replacement Fund, Cost of Issuance Fund, Construction Fund and Rebate Fund.

### *(e) Capital Assets*

The Authority does not have title to the expressway system's infrastructure, and, therefore, it is not reflected in these financial statements. Capital assets acquired through the Transfer Agreement as well as capital assets acquired or constructed since the transfers are recorded at historical cost. Expenses incurred to acquire additional capital assets which replace existing assets or otherwise prolong their useful lives are capitalized. The Authority's capitalization policy requires a $2,000 threshold.

Costs related to right-of-way acquisition as well as costs related to construction of highways and bridge substructures (road sub base, grading, land clearing, embankments, and other related costs), when incurred, are considered non-depreciable costs.

Interest costs incurred during construction are capitalized on assets acquired with debt. Amounts capitalized represent interest expense incurred from the borrowing date to completion of the project, offset with interest earned on invested proceeds over the same period. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the assets as follows:

| | |
|---|---|
| Furniture and fixtures | 7 years |
| Equipment and improvements | 7 – 15 years |
| Asphalt | 15 years |
| Buildings, toll facilities and leasehold improvements | 30 years |
| Bridges and other roadway assets | 50 years |
| Vehicles | 5 years |
| Software | 3 years |

### *(f) Bond Discounts, Bond Premiums and Issuance Costs*

Bond discounts, premiums and issuance costs associated with the issuance of bonds are amortized either on a straight-line basis or the interest method over the life of the bonds. Bond discounts and premiums are presented as an addition to and a reduction of, respectively, the face amount of revenue bonds payable whereas issuance costs are recorded as other assets.

### *(g) Compensated Absences*

The Authority accounts for compensated absences by accruing a liability for employees' compensation for future absences according to the guidelines of Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*. The Authority's vacation and sick leave accrual policies grant a specific number of days of vacation and sick leave with pay. In addition, these policies provide for paying a regular employee their accumulated unused vacation upon termination which is limited to a maximum of 480 hours. These policies also provide for accumulated sick leave hours to be paid upon separation from the Authority after 10 years or more of continuous service which is limited to a maximum of one-quarter of the amounts accumulated, up to 480 hours. These hours are payable at the employee's current rate and are accounted for in accrued expenses.

### *(h) Employee Benefits*

As an agency of the State of Florida, the Authority's employees are allowed to participate in the State's group health insurance plan under the same program and group rates available to State employees. In addition, in accordance with an interlocal agreement between the Authority and the County, the Authority's employees are allowed to participate in the County's group dental and life insurance program under the same providers and group rates available to County employees. Any full-time regular or part-time employees, working at least

60 hours biweekly, are eligible for group insurance coverage on the first day of the month following or coincident to 90 days of continuous active service.

### *(i) Risk Management*

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions and natural disasters for which the Authority carries commercial insurance. Settled claims have not exceeded the Authority's coverage in any of the past three fiscal years.

### *(j) Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *(k) Cash and Cash Equivalents and Investments*

The carrying amount of the Authority's cash balances was $157,613,314 and $156,490,427 and the bank balance was $157,714,884 and $156,253,537 at June 30, 2007 and 2006, respectively. The difference between these two balances is created by timing differences due to the float on disbursements and deposits which have not yet cleared the bank and cash in transit.

The Authority considers highly liquid debt instruments (including restricted assets) with an original maturity of three months or less to be cash equivalents.

The investments of the Authority consist of restricted and unrestricted investments and are stated at fair value, which is either a quoted market price or the best available estimate. Unrealized gains or losses due to variations in fair value are recorded as income or charged to operations for the applicable year in accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investments Pool.*

### *(l) Reclassifications*

Certain prior year amounts have been reclassified to conform to the current year's presentation.

### *(m) Single Audit*

The Authority is subject to a Single Audit that is not included is this Comprehensive Annual Financial Report. The Single Audit requires the independent auditor to report on the fair presentation of the financial statements and also on the internal controls and compliance with legal requirements, with emphasis on the administration of federal and state assistance.

## Note 2 – Cash, Cash Equivalents and Investments

### Deposits

Under Chapter 280 Florida Statutes, as amended, “Florida Security for Public Deposits Act,” all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository’s collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository’s financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

Exempt from Chapter 280 are public deposits deposited in a bank or savings association by a trust department or trust company which are fully secured through the trust business laws, public deposits held outside the United States, wire transfers and transfers of funds for periods less than seven days for the purpose of paying registrars and paying agents. Investments, including State Board of Administration accounts and repurchase agreements, are not public deposits. At June 30, 2007, all of the Authority’s bank deposits were in qualified public depositories and as such the deposits are not exposed to custodial credit risks.

At June 30, 2007 and 2006, total unrestricted and restricted cash and cash equivalents and investments were comprised of the following:

| | 2007 | 2006 |
|---|---|---|
| Cash Deposits | $ 40,320 | $ 1,027,845 |
| Cash equivalents | 3,008,874 | 25,264,162 |
| Restricted cash Deposits | 2,009,157 | 759,713 |
| Restricted cash equivalents | 152,554,962 | 129,438,707 |
| Investments | 21,754,734 | 4,814,550 |
| Restricted investments | 304,175,442 | 112,193,975 |
| | $ 483,543,489 | $ 273,498,952 |

### Investments and Cash Equivalents

The State of Florida allows investments in Local Government Surplus Fund Trust Fund, direct investment in U.S. government, federal agency, and instrumentality obligations at a price not to exceed the market price at the time of purchase, Securities and Exchange Commission registered money markets funds with highest quality rating from a nationally recognized rating agency, and other investments by law or by resolution of the Authority.

As of June 30, 2007, the maturity values are as follows:

| | | Remaining Maturity (in years) | |
|---|---|---|---|
| | Fair Value | Less Than 1 | 1-5 |
| Goldman Sachs Financial Square Fund (money market) | $ 43,997,573 | $ 43,997,573 | $ - |
| Morgan Stanley (money market) | 679,391 | 679,391 | - |
| Investment in State Board of Administration Pool | 110,886,871 | 110,886,871 | - |
| JP Morgan Repurchase Agreements | 10,515,000 | - | 10,515,000 |
| Royal Bank of Canada (Repurchase Agreement) | 175,621,581 | - | 175,621,581 |
| Federal National Mortgage Association | 31,036,503 | 31,036,503 | - |
| Federal Home Loan Bank | 47,429,678 | 47,429,678 | - |
| Federal Home Loan Mortgage Corporation | 32,809,900 | 32,809,900 | - |
| GE Capital Corp Commercial Paper | 14,834,685 | 14,834,685 | - |
| Toyota Motor Credit Commercial Paper | 6,801,697 | 6,801,697 | - |
| UBS Finance (DE) LLC Commercial paper | 6,881,133 | 6,881,133 | - |
| Total | $ 481,494,012 | $ 295,357,431 | $ 186,136,581 |

As of June 30, 2006, the maturity values are as follows:

| | | Remaining Maturity (in years) | |
|---|---|---|---|
| | Fair Value | Less Than 1 | 1-5 |
| Goldman Sachs Financial Square Fund (money market) | $ 43,119,497 | $ 43,119,497 | $ - |
| Investment in State Board of Admnistration Pool | 96,662,872 | 96,662,872 | - |
| JP Morgan Repurchase Agreements | 10,515,000 | - | 10,515,000 |
| Federal National Mortgage Association | 27,761,289 | 27,761,289 | - |
| Federal Home Loan Bank | 21,473,600 | 19,527,350 | 1,946,250 |
| Federal Home Loan Mortgage Corporation | 52,451,401 | 52,451,401 | - |
| GE Capital Corp Commercial Paper | 19,727,735 | 19,727,735 | - |
| Total | $ 271,711,394 | $ 259,250,144 | $ 12,461,250 |

*Interest Rate Risk* – In accordance with the Authority's investment policy, its portfolio is structured so that securities mature to meet the Authority's scheduled cash flow requirements, thereby avoiding the need to sell securities prior to their scheduled maturity dates. The cash flow requirement limits investment maturities as a means of managing the Authority's exposure to fair value losses arising from increasing interest rates.

*Credit Risk* – The Authority's investment policy is to apply the "prudent person" rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and avoid speculative investments. The Authority's investment policy limits investments of U.S. agencies to ratings of "A" or better by Moody's and S&P. Commercial Paper investments are limited to no more than 270 days rated at the time of purchase "P-1" by Moody's and "A-1" or better by S&P. Investments in repurchase agreements are limited to those collateralized by direct obligations, Government National Mortgage Association (GNMAs), FNMAs or FHLMCs with any registered broker/dealer subject to Securities Investors' Protection Corporation jurisdiction or any commercial bank insured by the Federal Deposit Insurance Corporation, if such broker/dealer or bank has an uninsured, unsecured and unguaranteed obligation rate "P-1" or "A3" or better by Moody's and "A-1" or "A-" or better by S&P. The Authority's investment Policy allows investment in the Local Government Surplus Funds Trust Fund administered by the State Board of Administration of Florida.

As of June 30, 2007, the Authority's investments in mutual funds were rated AAA/Aaa by Standard & Poor's and Moody's. The Authority's investments in Federal National Mortgage Association, Federal Home Loan Bank and Federal Home Loan Mortgage Corporation were rated AAA by Standard & Poor's and Aaa by Moody's. The Authority's investment in Commercial Paper amounts to approximately 6% of overall investments, which were rated A-1+ by Standard & Poors and P-1 by Moody's.

The investment in the State Board of Administration's Local Government Surplus Trust Fund, also known as the Local Government Investment Pool, is governed by Chapter 19-7f the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Investment Pool. Additionally, the Office of the Florida Auditor General performs the operational audit of the activities and investments of the State Board Administration. The Local Government Investment Pool is not a registrant with the Securities and Exchange Commission (SEC); however, the funds have adopted operating procedures consistent with the requirement for a 2a-7 Fund and are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

*Concentration of credit risk* – The Authority's investment policy limits its investments in collateralized mortgage obligations (CMOs) up to 5%. The Authority places no limit on the amount the Authority may invest in any one issuer. More than 5% of the Authority's investments are in FNMA, FHLB, FHLMC and Commercial Paper securities. These investments are 6%, 10%, 7%, and 6%, respectively, of the Authority's total investments for fiscal year 2007; and 10%, 8%, 19% and 7% of the total investments for fiscal year 2006.

*Custodial credit risk – investments* – For an investment, this is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are exposed to custodial credit risk if they are uninsured, are not registered in the Authority's name, and are held by either the counterparty to the investment purchase or are held by the counterparty's trust department or agent but not held in the Authority's name. None of the Authority's investments, as of June 30, 2007, were subject to custodial credit risk.

The Authority's investments are made in accordance with Chapter 218.415, Florida Statutes.

## Note 3 - Receivables and Payables

### Receivables

As of June 30, 2007 and 2006, accounts receivable totaled $8,675,707 and $1,672,800, respectively, in the following categories:

| | 2007 | 2006 |
|---|---|---|
| Toll revenue receivables | $ 1,370,554 | $ 1,136,722 |
| Other receivables | 2,447,436 | 536,078 |
| Grants receivable-FHWA | 4,857,717 | - |
| | $ 8,675,707 | $ 1,672,800 |

As of June 30, 2007 and 2006, toll revenue receivables were comprised of third-party electronic toll revenues collected by SunPass™ of $1,370,554 and $1,136,722, respectively.

As of June 30, 2007 and 2006, other receivables were primarily comprised of (a) costs associated with the 137th Avenue construction project, reimbursable from the Florida Department of Transportation, of $472,500 and $535,950, respectively, (b) pass-through construction costs for 127th Ave construction, due from Beacon Lakes Community Development District, of $1,515,244 and $0 respectively, (c) costs related primarily to the construction of a water and sewer main aerial crossing and lift station, due from the Miami-Dade County School Board of $422,701 and $0, respectively, and (d) miscellaneous receivables of $36,991 and $128, respectively.

As of June 30, 2007, FHWA grant receivable represented costs for repairs resulting from Hurricanes Wilma and Katrina, reimbursable from the Federal Highway Administration (FHWA), of $4,857,717. The Authority's Asset Management Contractor is obligated to reimburse the Authority for any costs deemed ineligible by FHWA.

### Payables

As of June 30, 2007 and 2006, accounts/contracts and accrued expenses payable totaled $51,676,078 and $46,530,957, respectively, in the following categories:

| | 2007 | 2006 |
|---|---|---|
| Due to vendors | $ 33,353,441 | $ 36,835,209 |
| Due to employees | 388,282 | 502,719 |
| Accrued interest | 16,612,394 | 9,055,882 |
| FDOT | 1,086,141 | - |
| Other | 235,820 | 137,147 |
| | $ 51,676,078 | $ 46,530,957 |

## Note 4 - Capital Assets

A summary of capital assets activity and changes in accumulated depreciation for the years ended June 30, 2007 and 2006 follows:

| | Balance at June 30, 2006 | Additions | Transfers/ Deletions | Balance at June 30, 2007 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 101,349,843 | $ 20,151,719 | $ - | $ 121,501,562 |
| Construction in progress | 339,118,047 | 139,629,817 | (50,817,751) | 427,930,113 |
| Total capital assets, not being depreciated | 440,467,890 | 159,781,536 | (50,817,751) | 549,431,675 |
| Capital assets being depreciated: | | | | |
| Furniture and fixtures | 2,773,745 | 100,515 | - | 2,874,260 |
| Equipment and improvements | 23,617,170 | 7,440,108 | - | 31,057,278 |
| Buildings, toll facilities, and leasehold improvements | 24,908,290 | 168,816 | - | 25,077,106 |
| Asphalt | 10,821,107 | 3,875,771 | - | 14,696,878 |
| Bridges | 40,538,243 | 6,019,502 | - | 46,557,745 |
| Other roadway assets | 43,634,282 | 12,097,359 | - | 55,731,641 |
| Vehicles | 368,988 | 23,144 | - | 392,132 |
| Total capital assets being depreciated | 146,661,825 | 29,725,215 | - | 176,387,040 |
| Less accumulated depreciation for: | | | | |
| Furniture and fixtures | (1,064,443) | (384,094) | - | (1,448,537) |
| Equipment and improvements | (9,689,542) | (6,197,526) | - | (15,887,068) |
| Buildings, toll facilities, and leasehold improvements | (2,986,365) | (1,160,582) | - | (4,146,947) |
| Asphalt | (1,843,568) | (831,561) | - | (2,675,129) |
| Bridges | (1,188,415) | (935,207) | - | (2,123,622) |
| Other roadway assets | (2,146,279) | (1,288,282) | - | (3,434,561) |
| Vehicles | (150,555) | (64,341) | - | (214,896) |
| Total accumulated depreciation | (19,069,167) | (10,861,593) | - | (29,930,760) |
| Net depreciable capital assets | 127,592,658 | 18,863,622 | - | 146,456,280 |
| Net capital assets | $ 568,060,548 | $ 178,645,158 | $ (50,817,751) | $ 695,887,955 |

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| | Balance at June 30, 2005 | Additions | Transfers/ Deletions | Balance at June 30, 2006 |
|---|---|---|---|---|
| Capital assets not being depreciated: | | | | |
| Land | $ 56,996,386 | $ 44,424,238 | $ (70,781) | $ 101,349,843 |
| Construction in progress | 237,197,430 | 176,222,743 | (74,302,126) | 339,118,047 |
| Total capital assets, not being depreciated | 294,193,816 | 220,646,981 | (74,372,907) | 440,467,890 |
| Capital assets being depreciated: | | | | |
| Furniture and fixtures | 2,811,284 | - | (37,539) | 2,773,745 |
| Equipment and improvements | 24,179,980 | 923,366 | (1,486,176) | 23,617,170 |
| Buildings, toll facilities, and leasehold improvements | 24,577,474 | 459,118 | (128,302) | 24,908,290 |
| Asphalt | 9,034,964 | 1,788,828 | (2,685) | 10,821,107 |
| Bridges | 21,131,204 | 19,407,039 | - | 40,538,243 |
| Other roadway assets | 35,888,126 | 7,796,074 | (49,918) | 43,634,282 |
| Vehicles | 229,990 | 138,998 | - | 368,988 |
| Total capital assets being depreciated | 117,853,022 | 30,513,423 | (1,704,620) | 146,661,825 |
| Less accumulated depreciation for: | | | | |
| Furniture and fixtures | (698,765) | (387,042) | 21,364 | (1,064,443) |
| Equipment and improvements | (3,986,034) | (5,844,754) | 141,246 | (9,689,542) |
| Buildings, toll facilities, and leasehold improvements | (1,929,780) | (1,058,971) | 2,386 | (2,986,365) |
| Asphalt | (1,181,719) | (661,849) | - | (1,843,568) |
| Bridges | (559,198) | (629,217) | - | (1,188,415) |
| Other roadway assets | (1,292,986) | (853,293) | - | (2,146,279) |
| Vehicles | (88,573) | (61,982) | - | (150,555) |
| Total accumulated depreciation | (9,737,055) | (9,497,108) | 164,996 | (19,069,167) |
| Net depreciable capital assets | 108,115,967 | 21,016,315 | (1,539,624) | 127,592,658 |
| Net capital assets | $ 402,309,783 | $ 241,663,296 | $ (75,912,531) | $ 568,060,548 |

Depreciation expense was $10,861,593 in fiscal year 2007 and $9,497,108 in fiscal year 2006.

The capitalized interest amounted to $17,797,221 in 2007 and $15,248,512 in 2006.

The Authority allocates certain costs incurred in the acquisition, design and construction of capital assets such as salaries, benefits, general expenses and contracted services to the related capital asset. For the fiscal year ended June 30, 2007 and 2006, the Authority capitalized $1,700,501 and $1,354,449, respectively, in contracted service expenses and $1,770,267, and $1,534,278, respectively, in salaries, benefits and general expenses.

As of June 30, 2007 and 2006, unspent debt proceeds restricted for capital projects of $356,705,385 and $168,191,083, respectively, are included in net assets invested in capital assets, net of related debt in the accompanying financial statements.

**Note 5 - Rights to Operate the Miami-Dade County Expressway System**

As discussed in Note 1, the Authority obtained the rights to operate the State of Florida's expressway system located within the boundaries of the County.

The difference between the net book value of tangible assets received less the net book value of liabilities assumed and consideration paid, amounting to approximately $76,646,000, is reflected in these financial statements, net of amortization, as an intangible asset (Rights to Operate the Miami-Dade County Expressway System) and is being amortized on the straight-line method over a period of 40 years.

The cost to obtain such rights and its accumulated amortization are as follows:

| | 2007 | 2006 |
|---|---|---|
| Original cost | $ 76,645,605 | $ 76,645,605 |
| Less accumulated amortization | (20,224,858) | (18,308,718) |
| | $ 56,420,747 | $ 58,336,887 |

**Note 6 - Unamortized Bond Issue Costs**

The Authority has deferred costs of issuance associated with the outstanding revenue bonds. These costs are comprised of (a) professional services costs of issuance (b) underwriters' discount (c) surety insurance premiums and (d) bond insurance premiums. The deferred costs are amortized over the life of the bonds by an annual allocation of the unamortized costs at the beginning of the year. The allocation is based on the interest expense for the year to the total interest expense over the life of the bonds (interest allocation method).

Unamortized bond issuance costs and its accumulated amortization are as follows:

| | 2007 | 2006 |
|---|---|---|
| Original cost | $ 17,913,314 | $ 12,063,333 |
| Less accumulated amortization | (2,637,838) | (1,763,502) |
| | $ 15,275,476 | $ 10,299,831 |

## Note 7 – Long-term liabilities

A summary of changes in long-term liabilities is as follows:

| | Balance at June 30, 2006 | Additions | Reductions | Balance at June 30, 2007 | Due Within One Year |
|---|---|---|---|---|---|
| **Revenue bonds** | | | | | |
| Series 1999 | $ 5,999,998 | $ - | $ (666,667) | $ 5,333,331 | $ 666,666 |
| Series 2000 | 34,325,000 | - | (3,085,000) | 31,240,000 | 3,235,000 |
| Series 2001A | 89,345,000 | - | - | 89,345,000 | - |
| Series 2002 | 33,955,000 | - | (255,000) | 33,700,000 | 260,000 |
| Series 2004A | 65,600,000 | - | (2,800,000) | 62,800,000 | 3,000,000 |
| Series 2004B | 175,000,000 | - | - | 175,000,000 | - |
| Series 2005A | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005B | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005C | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005D | 38,500,000 | - | - | 38,500,000 | - |
| Series 2005E | 38,500,000 | - | - | 38,500,000 | - |
| Series 2006 | - | 304,335,000 | - | 304,335,000 | - |
| | 645,624,998 | 304,335,000 | (6,806,667) | 943,153,331 | 7,161,666 |
| Add bond premium, net | 4,236,350 | 10,626,186 | (604,129) | 14,258,407 | - |
| Less bond discount, net | (2,260,162) | - | 133,382 | (2,126,780) | - |
| Less refunding losses, net | (8,094,311) | - | 571,077 | (7,523,234) | - |
| Total revenue bonds, net | 639,506,875 | 314,961,186 | (6,706,337) | 947,761,724 | 7,161,666 |
| **Loans due to other governments** | | | | | |
| Toll facilities revolving trust fund #1 | 784,834 | - | (168,084) | 616,750 | 168,084 |
| Toll facilities revolving trust fund #2 | 1,500,000 | - | - | 1,500,000 | - |
| Toll facilities revolving trust fund #3 | - | 1,500,000 | - | 1,500,000 | - |
| State of Florida, Dep. of Transportation | 1,267,877 | - | (1,267,877) | - | - |
| State of Infrastructure Bank Loan #1 | 11,000,000 | - | (3,000,000) | 8,000,000 | 6,000,000 |
| State of Infrastructure Bank Loan #2 | 18,000,000 | - | - | 18,000,000 | 5,500,000 |
| State of Infrastructure Bank Loan #3 | 20,000,000 | - | - | 20,000,000 | - |
| State of Infrastructure Bank Loan #4 | 7,798,855 | 3,814,145 | - | 11,613,000 | - |
| Total loans due to other governments | 60,351,566 | 5,314,145 | (4,435,961) | 61,229,750 | 11,668,084 |
| **Arbitrage rebates payable** | 182,180 | 1,271,437 | - | 1,453,617 | - |
| Total long-term liabilities | $ 700,040,621 | $ 321,546,768 | $ (11,142,298) | $ 1,010,445,091 | $ 18,829,750 |

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| | Balance at June 30, 2005 | Additions | Reductions | Balance at June 30, 2006 | Due Within One Year |
|---|---|---|---|---|---|
| **Revenue bonds** | | | | | |
| Series 1999 | $ 6,666,665 | $ - | $ (666,667) | $ 5,999,998 | $ 666,666 |
| Series 2000 | 37,265,000 | - | (2,940,000) | 34,325,000 | 3,085,000 |
| Series 2001A | 89,345,000 | - | - | 89,345,000 | - |
| Series 2002 | 34,205,000 | - | (250,000) | 33,955,000 | 255,000 |
| Series 2004A | 68,200,000 | - | (2,600,000) | 65,600,000 | 2,800,000 |
| Series 2004B | 175,000,000 | - | - | 175,000,000 | - |
| Series 2005A | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005B | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005C | 54,800,000 | - | - | 54,800,000 | - |
| Series 2005D | 38,500,000 | - | - | 38,500,000 | - |
| Series 2005E | 38,500,000 | - | - | 38,500,000 | - |
| | 652,081,665 | - | (6,456,667) | 645,624,998 | 6,806,666 |
| Add bond premium, net | 4,525,215 | - | (288,865) | 4,236,350 | - |
| Less bond discount, net | (2,393,975) | - | 133,813 | (2,260,162) | - |
| Less refunding losses, net | (8,669,991) | - | 575,680 | (8,094,311) | - |
| | | | | | - |
| Total revenue bonds, net | 645,542,914 | - | (6,036,039) | 639,506,875 | 6,806,666 |
| **Loans due to other governments** | | | | | |
| Toll facilities revolving trust fund #1 | 952,918 | - | (168,084) | 784,834 | 168,084 |
| Toll facilities revolving trust fund #2 | 1,500,000 | - | - | 1,500,000 | - |
| State of Florida, Dep. of Transporation | 2,543,220 | - | (1,275,343) | 1,267,877 | 1,267,877 |
| State of Infrastructure Bank Loan #1 | 12,000,000 | - | (1,000,000) | 11,000,000 | 3,000,000 |
| State of Infrastructure Bank Loan #2 | 13,000,000 | 5,000,000 | - | 18,000,000 | - |
| State of Infrastructure Bank Loan #3 | 20,000,000 | - | - | 20,000,000 | - |
| State of Infrastructure Bank Loan #4 | - | 7,798,855 | - | 7,798,855 | - |
| Total loans due to other governments | 49,996,138 | 12,798,855 | (2,443,427) | 60,351,566 | 4,435,961 |
| **Arbitrage rebates payable** | 70,603 | 111,577 | - | 182,180 | - |
| Total long-term liabilities | $ 695,609,655 | $ 12,910,432 | $ (8,479,466) | $ 700,040,621 | $ 11,242,627 |

## A. Revenue Bonds Payable

### *(1) $10,000,000 Toll System Revenue Bond, Series 1999*

On November 1, 1999, the Authority issued $10,000,000 Toll System Revenue Bond, Series 1999 (Non-Taxable) (the Series 1999 Bond). The Series 1999 Bond was issued for the purpose of providing funds to (a) pay a portion of the cost of certain improvements to the system included within the current five-year work program of the Authority in effect from time to time; (b) fund a portion of the Debt Service Fund Requirement in respect of the Series 1999 Bond; and (c) pay certain costs associated with the issuance of the Series 1999 Bond. The bond matures on January 1, 2015 with annual principal installments of $666,667 beginning January 1, 2001 through January 1, 2015, with semiannual interest payments at 4.94% per annum, due each January 1 and July 1. The Series 1999 Bond is secured by the revenue generated by the Authority's existing expressway system subject to the terms and limitations set forth in the Indenture, excluding amounts deposited in the Rebate Fund, if any.

***(2) $150,000,000 Toll System Revenue Bonds, Series 2000***

On January 1, 2000, the Authority issued $150,000,000 Toll System Revenue Bonds, Series 2000 (Non-Taxable) (the Series 2000 Bonds). The bonds were issued for the purpose of providing funds to (a) pay a portion of the cost of certain improvements to the system included in the five-year work program of the Authority in effect from time to time; (b) fund a deposit to the Debt Service Reserve Fund in an amount equal to the increase in the Debt Service Reserve Fund Requirement resulting from the issuance of the Series 2000 Bonds; and (c) pay costs and expenses relating to the issuance of the Series 2000 Bonds. The Series 2000 Bonds, net of unamortized net premium totaling $2,809,283, consist of (a) $40,070,000 serial bonds maturing between July 1, 2004 and July 1, 2014, bearing interest between 4.8% and 6%; (b) $30,485,000 fixed term bonds at 6%; and (c) $79,445,000 fixed term bonds at 6.375%, with semiannual interest payments each January 1, and July 1. The Series 2000 Bonds are secured by the revenue generated by the Authority's existing expressway system subject to the terms and limitations set forth in the Indenture on a parity with the Series 1999 Bonds, excluding amounts deposited in the Rebate Fund, if any.

***(3) $89,345,000 Toll System Refunding Revenue Bonds, Series 2001A***

On July 11, 2001, the Authority issued $89,345,000 Toll System Refunding Revenue Bonds, Series 2001A (Non-Taxable) (the Series 2001A Bonds). The Series 2001A Bonds were issued and placed in an irrevocable trust for the purpose of providing funds to (a) refund $79,445,000 principal amount of the Series 2000 Bonds; and (2) pay costs and expenses relating to the issuance of the Series 2001A Bonds and the refunding of the Refunded Series 2000 Bonds. The Series 2001A Bonds consist of (1) $13,000,000 serial bonds maturing between July 1, 2012 and July 1, 2021, bearing interest between 4.5% and 5%; (b) $34,370,000 fixed term bonds at 5.125%; and (c) $41,975,000 fixed term bonds at 5.125%. The Series 2001A Bonds are secured under the Indenture on parity with the Series 1999 Bond, the Series 2000 Bonds outstanding after issuance of the Series 2001A Bonds and any other Bonds hereafter issued under the Indenture.

The transaction resulted in a $6,130,809 deferred charge to be amortized over the life of the new debt. This refunding has resulted in an economic gain of $3,781,501. The difference between the cash flows received to service the old debt and the cash flows required to service the new debt is $4,788,116.

***(4) $34,650,000 Toll System Refunding Revenue Bonds, Series 2002***

On August 22, 2002, the Authority issued $34,650,000 Toll System Refunding Revenue Bonds, Series 2002 (Non-Taxable) (the Series 2002 Bonds). The Series 2002 Bonds were issued for the purpose of providing funds to (a) refund $30,485,000 principal amount of the Refunded Series 2000 Bonds; and (2) pay costs and expenses relating to the issuance of the Series 2002 Bonds and the refunding of the Refunded Series 2000 Bonds. The Series 2002 Bonds consist of $34,650,000 Serial Bonds maturing between July 1, 2003 and July 1, 2020, bearing interest between 1.35% and 4.625%. The Series 2002 Bonds are secured under the Indenture on parity with the Series 1999 Bond, the Series 2000 Bonds and the Series 2001A Bonds outstanding after issuance of the Series 2002 Bonds and any other Bonds hereafter issued under the Indenture.

The transaction resulted in a $3,502,380 deferred charge to be amortized over the life of the new debt. This refunding has resulted in an economic gain of $1,100,672. The difference between the cash flows received to service the old debt and the cash flows required to service the new debt is $2,243,369.

***(5) $68,200,000 Toll System Refunding Revenue Bonds, Series 2004A***

On July 29, 2004, the Authority issued Toll System Refunding Revenue Bonds, Series 2004A (Non-Taxable) (the Series 2004A Bonds). The Series 2004A Bonds were issued for the purpose of providing funds to refund the total outstanding principal amount of the (Taxable) Series 1996 Bonds. The Series 2004A Bonds consist of $68,200,000 Serial Bonds maturing between July 1, 2005 and July 1, 2019. The Series 2004A Bonds were issued in the form of Dutch Auction Rate Bonds bearing interest at a Dutch Auction Rate. The Series 2004A Bonds will be dated their date of delivery and after the initial Dutch Auction Rate Period, will be in a Standard Auction Period of 35 days, subject to conversion in whole only to another Auction Period or in whole or in part to another Interest Mode as the Authority shall determine. The Series 2004A Bonds is connected to an interest rate swap agreement under which the Authority will owe a fixed rate of 5.352% to the counterparty of the swap. The Series 2004A Bonds are secured under the Indenture on parity with the Series 1999 Bond, the Series 2000 Bonds, the Series 2001A Bonds and the Series 2002 Bonds outstanding after issuance of the Series 2004A Bonds and any other Bonds hereafter issued under the Indenture.

The transaction resulted in an $833,000 deferred charge to be amortized over the life of the new debt. This refunding has resulted in an economic gain of $5,184,414.

***(6) $175,000,000 Toll System Refunding Revenue Bonds, Series 2004B***

On July 29, 2004, the Authority issued $175,000,000 Toll System Revenue Bonds, Series 2004B (Non-Taxable) (the Series 2004B Bonds). The Series 2004B Bonds were issued for the purpose of providing funds to (a) pay a portion of the cost of certain improvements to the System included in the five-year work program of the Authority in effect from time to time; (b) pay at maturity the Authority's outstanding Toll System Commercial Paper Notes; and (c) pay costs and expenses relating to the issuance of the Series 2004B Bonds. The Series 2004B Bonds consist of (a) $103,445,000 Serial Bonds maturing between July 1, 2014 and July 1, 2027, bearing interest between 3.85% and 5.25%; and (b) $71,555,000 fixed term bonds at 5%, with semi-annual interest payments each January 1 and July 1. The Series 2004B Bonds are secured under the Indenture on parity with the Series 1999 Bond, the Series 2000 Bonds, the Series 2001A Bonds, the Series 2002 Bonds and the Series 2004A Bonds outstanding after issuance of the Series 2004B Bonds and any other Bonds hereafter issued under the Indenture.

***(7) $241,400,000 Toll System Refunding Revenue Bonds, Series 2005***

On March 1, 2005, the Authority issued Toll System Revenue Bonds, Series 2005 (Non-Taxable) (the Series 2005 Bonds) in five sub-series for a total of $241,400,000, including Series 2005A-C in the amount of $54,800,000 each series and Series 2005D-E in the amount of $38,500,000 each series. Each Series of the 2005 Bonds was initially issued in the form of Dutch Auction Rate Bonds bearing interest at a Dutch Auction Rate. Each Series of 2005 Bonds will be dated their date of delivery and after the initial Auction Period for such Series, will be in an Auction Period of seven days, subject to conversion in whole only to another Auction Period or to another Interest Mode as the Authority shall determine. The series 2005 Bonds are connected to an interest rate swap agreement under which the Authority will owe a fixed rate of 4.313% to the counterparty of the swap. The Series 2005 Bonds were issued to (a) pay a portion of the cost of certain improvements to the System included in the Five-Year Work Program of the Authority in effect from time to time, including capitalized interest of $13,304,881 on the series 2005 Bonds through July 1, 2007; and (b) pay costs and expenses relating to the issuance of the Series 2005 Bonds. The Series 2005 Bonds are secured under the Indenture on parity with the Series 1999 Bond, the Series 2000 Bonds, the Series 2001A Bonds, the Series 2002 Bonds, the Series 2004A Bonds and the Series 2004B Bonds outstanding after issuance of the Series 2005 Bonds and any other Bonds hereafter issued under the Indenture.

***(8) $304,335,000 Toll System Revenue Bonds, Series 2006***

On September 21, 2006, the Authority issued Toll System Revenue Bonds, Series 2006 (Non taxable) (the Series 2006 Bonds). The Bonds were issued to (a) pay a portion of the cost of certain improvements to the System included in the Five-Year Work Program of the Authority in effect from time to time, including capitalized interest of $11,570,728 on the Bonds for the period through July 1, 2007, (b) pay the swap termination payments of $3,105,000 for the cash settlement swap entered into on July 18, 2005 in anticipation of the issuance of the Bonds as a means of preserving the work program capacity, and (c) pay costs and expenses relating to the issuance of the Bonds. The Series 2006 Bonds net of unamortized net premium totaling $10,626,184 consist of (a) $91,865,000 serial bonds maturing between July 1, 2020 and July 1, 2029, bearing interest between 4.125% and 5.0%; (b) $174,125,000 fixed term bonds at 5.0% maturing on July 1, 2030, July 1, 2037, and July 1, 2039; and (c) $38,345,000 fixed term bonds at 4.50% maturing on July 1, 2033. Interest on the bonds is paid semi-annually each January 1, and July, 1. The Series 2006 Bonds are secured under the Trust Indenture on parity with the series 1999 Bonds, the Series 2000 Bonds, the Series 2001A Bonds, the Series 2002 Bonds, the Series 2004A Bonds, the Series 2004B Bonds, and the Series 2005 Bonds outstanding after issuance of the Series 2006 Bonds and any other Bonds hereafter issued under the indenture.

The annual revenue bonds' debt service requirements as of June 30, 2007 are summarized as follows:

| Year ending June 30 | Revenue Bonds Principal | Revenue Bonds Interest |
|---|---|---|
| 2008 | $ 7,161,667 | $ 45,566,843 |
| 2009 | 7,536,667 | 44,960,068 |
| 2010 | 7,911,667 | 44,547,198 |
| 2011 | 8,311,667 | 44,105,073 |
| 2012 | 8,816,667 | 43,614,569 |
| 2013-17 | 76,049,996 | 208,046,175 |
| 2018-22 | 132,300,000 | 182,553,263 |
| 2023-27 | 192,065,000 | 144,631,680 |
| 2028-32 | 264,430,000 | 91,319,175 |
| 2033-37 | 187,555,000 | 33,571,616 |
| 2038-39 | 51,015,000 | 3,857,250 |
| | 943,153,331 | 886,772,910 |
| Plus premium, net | 14,258,407 | - |
| Less bond discount, net | (2,126,780) | - |
| Less refunding loss, net | (7,523,234) | - |
| | $ 947,761,724 | $ 886,772,910 |

**Refunded and Defeased Debt**

In July 2001, the Authority defeased $79,445,000 of its Series 2000 Bonds scheduled to mature on July 1, 2029 by placing the proceeds of the Series 2001A Bonds in an irrevocable trust monitored by U.S. Bank. Such proceeds are invested in open market securities and will provide for all future debt service payments on the defeased bonds. Accordingly, the trust account's assets and the liability for the defeased bonds are not included in the accompanying financial statements.

In August 2002, the Authority defeased $30,485,000 of its Series 2000 Bonds scheduled to mature on July 1, 2020 by placing the proceeds of the Series 2002 Bonds (plus other monies) in an irrevocable trust monitored by The Bank of New York . Such proceeds are invested in State and Local Government securities ("SLGS") and will provide for all future debt service payments on the defeased bonds. Accordingly, the trust account's assets and the liability for the defeased bonds are not included in the accompanying financial statements.

At June 30, 2007, all defeased bonds remain outstanding.

On July 29, 2004, the Authority issued Bond Series 2004A for the purpose of refunding the total outstanding principal amount of the (Taxable) Series 1996 Bonds. The amount refunded was $68,200,000. As of June 30, 2007, the Series 1996 Bonds were repaid in its entirety.

**Interest Rate Swap Agreements**

**Series 2004A Bonds**

**Objective of the Swap:**

As a means to lower borrowing costs, the Authority entered into an interest rate swap agreement in connection with the $68,200,000 Toll System Revenue Bond Series 2004A Bonds. The agreement which was entered into on June 30, 2004 amended and restated the terms and conditions of a transaction executed on April 12, 2002 (the "Original Transaction). The new transaction had an initial notional value of $68,200,000. Under the swap agreement, the Authority will owe interest at a fixed rate of 5.352% to the counterparty of the swap; in return, the counterparty will owe the Authority interest based on the variable BMA Municipal Swap Index rate that approximates the tax-exempt variable rate. The bond principal will not be exchanged; it is only the basis on which the interest payments were calculated. The Authority will continue to pay interest to the bondholders at the variable rate provided by the bonds. However, during the term of the swap agreement, the Authority will effectively pay a fixed rate on the debt. The swap's total notional amount equals the outstanding principal amounts of the Series 2004A Bonds. As the principal amount of the bonds declines, the total notional amount of the swap will also decline by the same amount. As of June

30, 2007 the notional amount is $62,800,000. The termination date of the swap is July 1, 2019.

The counterparty of the Swap, Citigroup Inc, has a Moody's credit rating of Aa1/P-1 and a S&P credit rating of AA/A-1+.

Fair Value:

Because interest rates have declined since execution of the swap, the swap had a negative fair market value of $5,148,403 as of June 30, 2007. Swaps are not normally valued through exchange-type markets with easily accessible quotation systems and procedures. The fair market value was calculated using information obtained from generally recognized sources with respect to quotations, reporting of specific transactions and market conditions, and based on accepted industry standards and methodologies.

Credit Risk:

As of June 30, 2007, the Authority was not exposed to credit risk because the swap had a negative fair value. All swap payments and termination amounts are insured by Financial Guaranty Insurance Corporation (FGIC).

Basis Risk:

The swap exposes the Authority to basis risk should the variable tax exempt rate differ from the variable BMA rate received from the swap.

Termination Risk:

The maximum exposure terminating the swap is its fair market value. All swap payments and termination amounts are insured by Financial Guaranty Insurance Corporation (FGIC) which substantially mitigates the Authority's basis risk.

Debt service requirements of the variable rate debt and net swap payments, assuming interest rates as of June 30, 2007 remain the same for their term, are as follows. As rates vary, variable rate debt interest payments will vary.

| Fiscal Year Ending June 30, | Variable-Rate Bonds Principal | Variable-Rate Bonds Interest | Interest Rate Swaps, net | Total |
|---|---|---|---|---|
| 2008 | $ 3,000,000 | $ 3,357,783 | $ 991,323 | $ 7,349,106 |
| 2009 | 3,200,000 | 3,167,889 | 929,428 | 7,297,317 |
| 2010 | 3,400,000 | 2,982,392 | 881,240 | 7,263,632 |
| 2011 | 3,600,000 | 2,780,576 | 822,189 | 7,202,765 |
| 2012 | 3,900,000 | 2,566,065 | 757,611 | 7,223,676 |
| 2013-2017 | 23,500,000 | 9,028,001 | 2,680,614 | 35,208,615 |
| 2018-2021 | 22,200,000 | 1,519,226 | 477,404 | 24,196,630 |
| Total | $ 62,800,000 | $ 25,401,932 | $ 7,539,809 | $ 95,741,741 |

**Series 2005 Bonds**

**Objective of the Swap:**

As a means to lower borrowing costs, the Authority entered into three interest rate swap agreements in connection with the $241,400,000 Toll System Revenue Series 2005 Bonds. The agreements were executed on October 28, 2004 with initial notional values of $80,463,333; $80,463,334; and $80,473,333 totaling $241,400,000. Under the swap agreements, the Authority will owe interest at a fixed rate of 4.313% to the counterparties of the swaps. In return, the counterparties will owe the Authority interest based on the variable BMA Municipal Swap Index rate that approximates the tax-exempt variable rate. The bond principal will not be exchanged; it is only the basis on which the interest payments were calculated. The Authority will continue to pay interest to the bondholders at the variable rate provided by the bonds. However, during the term of the swap agreements, the Authority will effectively pay a fixed rate on the debt. The swaps' total notional amount matches the total outstanding amount of the Series 2005 Bonds. As the principal amount of the bonds declines, the total notional amount of the swaps will also decline by the same amount. As of June 30, 2007, the notional amount totals $241,400,000. The termination date of the swaps is July 1, 2034.

The counterparties of the swaps are Citibank, N.A., with credit ratings by Moody's of Aaa/P1 and S&P AA+/A-1+; The Bear Stearns Companies Inc., with credit ratings Moody's A1/A-1 and S&P A+/A-1; and UBS AG, Stamford, with credit ratings Moody's Aaa/P1 and S&P AA+/A-1.

Fair Value:

Because interest rates have declined since execution of the swaps, the swaps had a negative fair market value of $2,952,576 as of June 30, 2007. Swaps are not normally valued through exchange-type markets with easily accessible quotation systems and procedures. The fair market value was calculated using information obtained from generally recognized sources with respect to quotations, reporting of specific transaction and market conditions, and based on accepted industry standards and methodologies.

Credit Risk:

As of June 30, 2007, the Authority was not exposed to credit risk because the swaps had a negative fair value. All swap payments and termination amounts are insured by American Municipal Bond Assurance Corporation ("AMBAC").

Basis Risk:

The swaps expose the Authority to basis risk should the variable tax-exempt rate differ from the variable BMA rate received from the swap.

Termination Risk:

The maximum exposure terminating the swap is its fair market value. All swap payments and termination amounts are insured by AMBAC which substantially mitigates the Authority's risk.

Debt service requirements of the variable rate debt and net swap payments, assuming interest rates as of June 30, 2007 remain the same for their term, are as follows. As rates vary, variable rate debt interest payments will vary. These amounts are included in the annual debt service requirements schedule below.

| | Variable-Rate Bonds | | Interest Rate | |
|---|---|---|---|---|
| **Fiscal Year Ending June 30,** | **Principal** | **Interest** | **Swaps, net** | **Total** |
| 2008 | $ - | $ 10,729,714 | $ 1,447,251 | $ 12,176,965 |
| 2009 | - | 10,527,266 | 1,471,743 | 11,999,009 |
| 2010 | - | 10,527,266 | 1,471,743 | 11,999,009 |
| 2011 | - | 10,527,266 | 1,471,743 | 11,999,009 |
| 2012 | - | 10,527,266 | 1,447,251 | 11,974,517 |
| 2013-2017 | 6,000,000 | 52,710,467 | 7,317,585 | 66,028,052 |
| 2018-2022 | 30,650,000 | 49,631,250 | 6,900,367 | 87,181,617 |
| 2023-2027 | 39,175,000 | 42,638,990 | 5,932,685 | 87,746,675 |
| 2028-2032 | 112,075,000 | 26,958,168 | 3,784,545 | 142,817,713 |
| 2033-2035 | 53,500,000 | 3,551,591 | 537,458 | 57,589,049 |
| Total | $ 241,400,000 | $ 228,329,244 | $ 31,782,371 | $ 501,511,615 |

## B. Commercial Paper Notes

On March 23, 2004, the Board authorized the issuance of up to $105,000,000 in Toll System Commercial Paper Notes (the "Notes") with maturities not to exceed 270 days from the date of issuance. The Notes are secured by an Irrevocable Letter of

Credit (LOC) with an expiration date of March 23, 2007. The proceeds of the Notes will provide short-term funding of the Authority's capital improvement program. The Notes and accrued interest are payable solely from future bond issuances.

On March 31, 2007, the Board authorized the renewal of the LOC in the amount of $75 million, with an additional option of $25 million capacity. The LOC will expire in three years March 31, 2010. As of June 30, 2007 and 2006, the Authority had no outstanding commercial paper notes.

### C. Loans Due to Other Governments

#### *(1) Toll Facilities Revolving Trust Fund Loan*

On May 26, 1998, MDX entered into an unsecured, non-interest bearing Toll Facilities Revolving Trust Fund loan payable under an agreement authorizing the Authority to borrow up to $1,000,000 to conduct preliminary engineering studies, traffic and revenue studies, environmental impact studies, financial advisory services, engineering design, right-of-way map preparation, project-related professional services, and advanced right-of-way requisition activities. Principal balance outstanding is due from future bond proceeds, if elected by the Authority, or on the basis of repayment schedules. Repayment of principal and investment interest earnings shall begin no later than 7 years after the date of the advance, provided repayment is completed no later than 12 years after the date of the advance. As of June 30, 2007, MDX has an outstanding balance on this loan of $616,750.

On December 31, 2003, MDX entered into an unsecured, non-interest bearing Toll Facilities Revolving Trust Fund loan payable under an agreement authorizing the Authority to borrow $1,500,000. Principal balance outstanding is due from future bond proceeds, if elected by the Authority, or on the basis of repayment schedules. Repayment of principal and investment interest earnings shall begin no later than 7 years after the date of the advance, provided repayment is completed no later than 12 years after the date of the advance. As of June 30, 2007, MDX has an outstanding balance on this loan of $1,500,000.

On December 5, 2006, MDX entered into an unsecured, non-interest bearing Toll Facilities revolving Trust Fund loan payable under an agreement authorizing the Authority to borrow $1,500,000. Principal balance outstanding is due from future bond proceeds, if elected by the Authority, or on the basis of repayment schedules. Repayment of principal and investment interest earnings shall begin no later than 7 years after the date of the advance, provided repayment is completed no later than 12 years after the date of the advance. As of June 30, 2007, MDX has an outstanding balance on this loan of $1,500,000.

***(2) State of Florida, Department of Transportation Loan***

On December 10, 1996, the FDOT transferred operational and financial control of the roadways and certain physical assets detailed in the MDX/FDOT Transfer Agreement to MDX. The system includes SR's 112, 836, 874, 878 and 924, and certain other physical assets. Under the provisions of the Transfer Agreement, MDX agreed to pay to FDOT certain financial obligations in connection with the transfer of operational and financial control of the system in the amount of approximately $11.8 million. As of June 30, 2007 the Authority fulfilled its obligation and repaid the loan in its entirety.

***(3) State Infrastructure Bank Loans***

On April 30, 2002, MDX entered into an unsecured, non-interest bearing State Infrastructure Bank (SIB) loan agreement with FDOT in the amount of $12,000,000 (SIB Loan No. 1). Under the loan agreement, three installments will be made: $700,000 no earlier than April 2002, $900,000 no earlier than April 2003 and $10,400,000 no earlier than April 2004. SIB Loan No. 1 requires annual principal payments beginning October 1, 2005 and ending October 1, 2008 of $1,000,000, $3,000,000, $6,000,000 and $2,000,000, respectively. As of June 30, 2007, MDX has an outstanding balance totaling $8,000,000.

On February 14, 2003, MDX entered into an unsecured, non-interest bearing State Infrastructure Bank loan agreement with FDOT in the amount of $18,000,000 (SIB Loan No. 2). Under the loan agreement, three installments will be made: $9,000,000 no earlier than April 2003, $4,000,000 no earlier than April 2004 and $5,000,000 no earlier than April 2006. SIB Loan No. 2 requires, per an amendment to the Loan agreement requested by FDOT, annual principal payments beginning October 1, 2007 and ending October 1, 2009 of $5,500,000, $6,500,000 and $6,000,000, respectively. As of June 30, 2007, MDX has an outstanding balance totaling $18,000,000.

On August 4, 2003, the Authority entered into an unsecured State Infrastructure Bank loan agreement with the FDOT in the amount of $20,000,000 (SIB Loan No. 3). The loan will be made in two installments of $12,500,000 no earlier than April 2004 and $7,500,000 no earlier than April 2005. SIB Loan No. 3 requires, per an amendment to the Loan agreement requested by the Department, annual principal payments beginning October 1, 2010 and ending October 1, 2012 of $7,000,000, $9,000,000 and $4,000,000, respectively. As of June 30, 2007, MDX has an outstanding balance totaling $20,000,000.

On November 2, 2004, the Authority entered into an unsecured State Infrastructure Bank loan agreement with the FDOT in the amount of $11,613,000 at an interest rate of 2.5% (SIB Loan No. 4). The loan will be made in installments based on the reimbursable construction expenditures made by the Authority on the project specific to the loan agreement. SIB Loan No. 4 requires annual principal payments beginning October 1, 2013. As of June 30, 2007, MDX has received installments totaling $11,613,000.

The annual debt service requirements for outstanding loans due to other governments as of June 30, 2007 are summarized as follows:

| | Principal | Interest |
|---|---|---|
| 2008 | $ 11,668,084 | $ 298,894 |
| 2009 | 8,668,084 | 290,325 |
| 2010 | 6,168,084 | 290,325 |
| 2011 | 7,112,498 | 290,325 |
| 2012 | 9,250,000 | 290,325 |
| 2013-2018 | 18,363,000 | 1,165,802 |
| | $ 61,229,750 | $ 2,625,996 |

### D. Arbitrage Rebates Payable

The Authority has reported in the accompanying financial statements obligations to rebate arbitrage interest earnings on certain toll revenue bonds. The proceeds of the bonds were used to finance a portion of the cost of certain improvements to the Miami-Dade County Expressway System included within the current five-year work program.

The rebate to the federal government at June 30, 2007, required to be paid within five years from the date of issuance and each five years thereafter, is estimated to be $1,453,617. The ultimate amount of the Authority's liability will be determined based on actual interest earned.

## Note 8 – Retirement Plans

**Florida Retirement System Plans** - The Authority participates in the State of Florida Retirement System (the "FRS"), a multiple-employer cost sharing defined benefit retirement plan or defined contribution retirement plan, administered by the Florida Department of Administration, Division of Retirement. The FRS was established in 1970, and, as a general rule, membership in the FRS is compulsory for all employees working in a regular established position for a state agency, county government, district school board, state university, community college or a participating city or special district within the State of Florida.

Benefit provisions and all other requirements are established by Chapter 121, Florida Statutes and any amendments thereto can be made only by an act of the Florida Legislature.

Employees of the FRS may participate in either the Public Employee Optional Retirement Program (the "Investment Plan"), a defined contribution retirement program or in the defined benefit retirement plan ("Pension Plan").

Eligible members of the Investment Plan are vested after one year of service and are directed to choose their investment product with a third party administrator selected by the State board of Administration.

Employees participating in the Pension Plan have their benefits computed on the basis of age, average final compensation and service credit. Benefits under the Plan vest after six years of service. Employees who retire at or after age 62, with six years of credited service, are entitled to an annual retirement benefit, payable monthly for life. A post-retirement health insurance subsidy is also provided to eligible retired employees through the FRS defined benefit retirement plan.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. A copy of the latest available report may be obtained by writing to the State of Florida Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000 or from the website www.frs.state.fl.us.

The FRS is noncontributory for members. Contributions, required by all governmental employers, are based on statewide contribution rates. For fiscal year 2007, the contribution rate range – as defined by the State of Florida – was between 9.85% and 13.12% of gross salaries.

For fiscal years ended June 30, 2007, June 30, 2006 and June 30, 2005, the Authority contributed 100% of the required contributions. These contributions aggregated $326,442, $225,283 and $165,494, respectively. Therefore, the Authority does not have a pension asset or liability as stipulated in GASB 27.

**Note 9 - Commitments and Contingencies**

At June 30, 2007, the Authority had in process various uncompleted construction projects with remaining balances totaling $45,744,814.

In addition, the Authority is obligated, under a real estate lease expiring in the year 2047, to make annual payments of $300.

As of June 30, 2007, there were a number of claims and lawsuits pending against the Authority. In the opinion of management and legal counsel, the ultimate outcome of such actions will not have a material effect on the financial condition of the Authority.

**Note 10 - Related Party Transactions**

As of June 30, 2007, one of the Authority Board Member's immediate family members serves as a consultant to a construction contractor of the Authority. The original contract was awarded prior to the Board Member serving on the Authority's Board. As of June 30, 2007, the contract value is approximately $56.7 million with outstanding billings of approximately $4.9 million.

**Note 11 – Subsequent Events**

The Board has entered into a lease agreement with Rinker Materials of Florida for MDX Parcel 11205-169. The parcel is 150,400 square feet and the rental for the first year is set at $2.55 per square foot. The rental rate increase is 3.5% per year. The lease initial term will expire on December 31st, 2015. The lease provides for an extended term up to December 31st, 2017 should the property not be required for a public purpose. The approval of the lease occurred at the October 2007 Board meeting.

The Authority entered into a Joint Participation Agreement (JPA) with the Florida Department of Transportation (FDOT) for the construction of the interchange of SR 826 and SR 836. The Authority's contribution will allow the improvements to be expedited and completed in a shorter period of time. This project is of great significance to Miami-Dade County as it will improve mobility by reducing congestion and enhancing operations in the area. The $196,500,000 contribution will be budgeted within the 5 year work program.

On November 1, 2007, the Authority was awarded an unsecured State Infrastructure Bank loan from FDOT in the amount of $15,000,000 at an interest rate of 2.0% (SIB Loan No. 5) for the JPA listed above. The Board is expected to approve the agreement at the December, 2007 meeting.

# MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
# **D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Schedule of Calculation of Net Revenue and Financial Ratios

As Defined and Requred by the Trust Indenture

(Unaudited)

Year Ended June 30, 2007

| | | |
|---|---|---|
| REVENUE: | | |
| Tolls | $ | 82,029,539 |
| * Investment Income | | 22,095,206 |
| FHWA Grant | | 4,857,716 |
| Other | | 922,179 |
| | | 109,904,640 |
| EXPENSES: | | |
| Operating, general, and administrative | | 29,495,118 |
| Net revenue | $ | 80,409,522 |
| ACTUAL DEBT SERVICE FOR ALL BONDS OUTSTANDING | $ | 32,518,170 |
| ACTUAL DEBT SERVICE AND FUND PAYMENTS AS SPECIFIED BY TRUST INDENTURE | $ | 39,911,916 |
| RATIO OF NET REVENUE TO DEBT SERVICE FOR ALL BONDS OUTSTANDING (minimum ratio requirement per trust indenture is 1.20) | | 2.47 |
| RATIO OF NET REVENUE TO CERTAIN DEBT SERVICE AND FUND PAYMENTS (minimum ratio requirement per trust indenture is 1.00) | | 2.01 |

* Per the Statement of Revenues, Expenses and Changes in Net Assets, investment income was approximately $23.4 million; investment income reflected in the above schedule is net of arbitrage expense of approximately $1.3 million.

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Schedule of Toll Revenues and Expense Summary

(In Thousands)

Years Ended June 30,

| | Fiscal Year | Revenues: Toll | Revenues: Investment & Miscellaneous | Total Revenues | Expenses: Operations | Expenses: Maintenance | Expenses: Admin. & Cont. Svcs. | Total Expenses | Net Revenues |
|---|---|---|---|---|---|---|---|---|---|
| | 2003 | $ 44,259 | $ 4,464 | $ 48,723 | $ 8,836 | $ 6,565 | $ 3,164 | $ 18,565 | $ 30,158 |
| | 2004 | 49,411 | 2,183 | 51,594 | 7,844 | 4,743 | 5,070 | 17,657 | 33,937 |
| | 2005 | 58,652 | 5,742 | 64,394 | 7,884 | 5,047 | 4,416 | 17,347 | 47,047 |
| | 2006 | 77,462 | 12,904 | 90,366 | 10,354 | 5,621 | 5,394 | 21,369 | 68,997 |
| * | 2007 | 82,030 | 24,289 | 106,319 | 12,469 | 11,204 | 5,822 | 29,495 | 76,824 |

* Fiscal Year 2007 maintenance expenses includes $4,105 million in reimburseable hurricane expenses related to Hurricane Katrina and Wilma.

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# Statistical Section

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

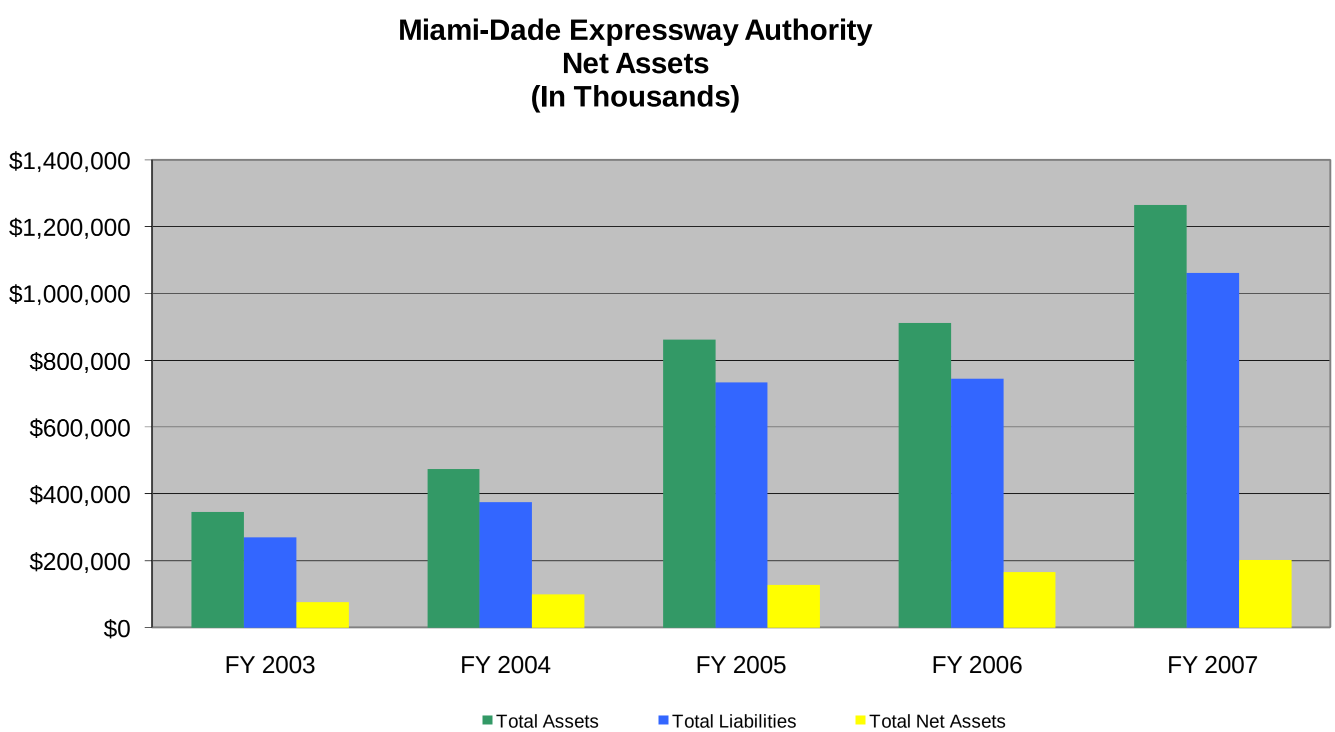
Net Assets

Fiscal Year 2003 through 2007

(In Thousands)

| | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Current and Other Assets | $ 94,844 | $ 101,850 | $ 182,574 | $ 102,249 | $ 111,028 |
| Restricted Assets | 91,929 | 83,516 | 277,361 | 242,392 | 458,740 |
| Capital Assets, net of Accumulated Depreciation | 160,838 | 290,270 | 402,310 | 568,061 | 695,888 |
| **Total Assets** | **347,611** | **475,636** | **862,245** | **912,702** | **1,265,656** |
| **Liabilities** | | | | | |
| Current Liabilities | 21,862 | 31,967 | 48,274 | 57,774 | 70,506 |
| Long-Term Debt Outstanding and Other Liabilities | 249,195 | 344,676 | 686,393 | 688,798 | 991,615 |
| **Total Liabilities** | **271,057** | **376,643** | **734,667** | **746,572** | **1,062,121** |
| **Net Assets** | | | | | |
| Invested in Capital Assets, Net of Related Debt | 39,614 | 35,832 | 55,799 | 72,877 | 87,193 |
| Restricted | 15,278 | 15,439 | 31,951 | 41,717 | 53,437 |
| Unrestricted | 21,663 | 47,722 | 39,828 | 51,537 | 62,905 |
| **Total Net Assets** | **$ 76,555** | **$ 98,993** | **$ 127,578** | **$ 166,131** | **$ 203,535** |

As indicated in the graph below, net assets have continued to increase reflecting the MDX's strong financial position.




Sources:
- Audited Financial Statements
- MDX Finance Office

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Changes in Net Assets

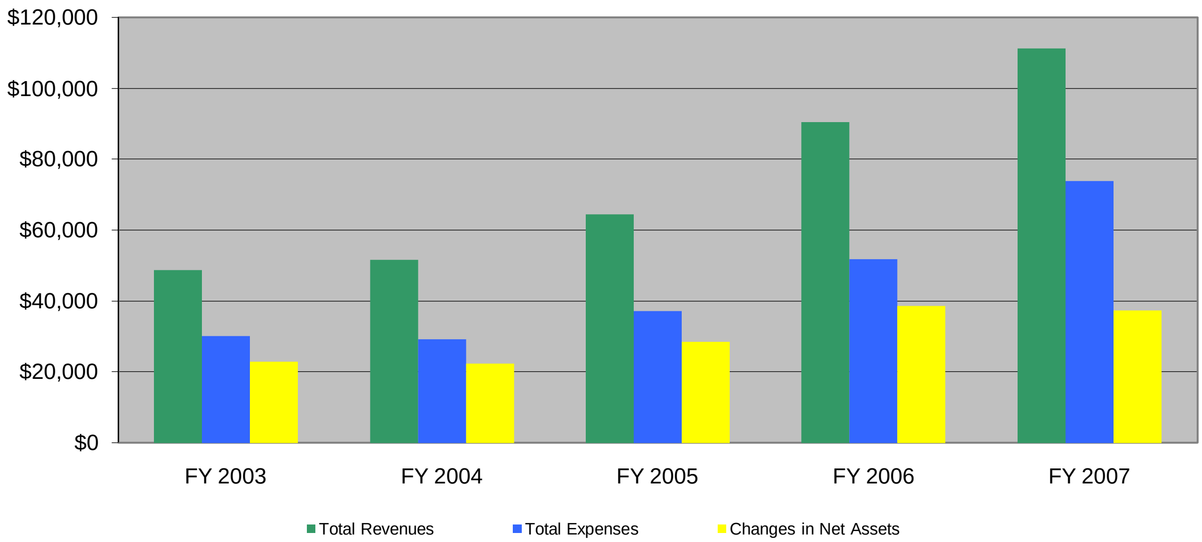
Fiscal Year 2003 through 2007

(In Thousands)

| | **FY 2003** | **FY 2004** | **FY 2005** | **FY 2006** | **FY 2007** |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Toll Revenues | $ 44,259 | $ 49,411 | $ 58,652 | $ 77,462 | $ 82,030 |
| Interest and Miscellaneous Income | 4,464 | 2,183 | 5,742 | 12,904 | 29,147 |
| **Total Revenues** | **48,723** | **51,594** | **64,394** | **90,366** | **111,177** |
| **Expenses** | | | | | |
| Operations | 8,836 | 7,844 | 7,884 | 10,354 | 12,469 |
| Maintenance | 6,565 | 4,743 | 5,047 | 5,621 | 11,204 |
| Administrative & Contracted Services | 3,164 | 5,070 | 4,416 | 5,394 | 5,823 |
| Nonoperating | 11,530 | 11,497 | 19,829 | 30,445 | 44,277 |
| **Total Expenses** | **30,095** | **29,154** | **37,176** | **51,814** | **73,773** |
| Income Before Capital Contributions and Extraordinary Items | 18,628 | 22,440 | 27,218 | 38,552 | 37,404 |
| Gain on Escrow Restructuring | 4,285 | - | - | - | - |
| Contributions for Capital Projects | - | - | 1,367 | - | - |
| **Increase in Net Assets** | **22,913** | **22,440** | **28,585** | **38,552** | **37,404** |
| Net Assets, Beginning of Year | 53,641 | 76,555 | 98,993 | 127,578 | 166,131 |
| **Net Assets, End of Year** | **$ 76,555** | **$ 98,993** | **$ 127,578** | **$ 166,131** | **$ 203,535** |

Total revenues have increased over the last five years. The significant increase in toll revenue in FY 2005 and FY 2006 is primarily attributed to toll rate increases implemented in March 2004 and July 2005.

**Miami-Dade Expressway Authority**
**Revenues, Expenses and Changes in Net Assets**
**(In Thousands)**




Sources:

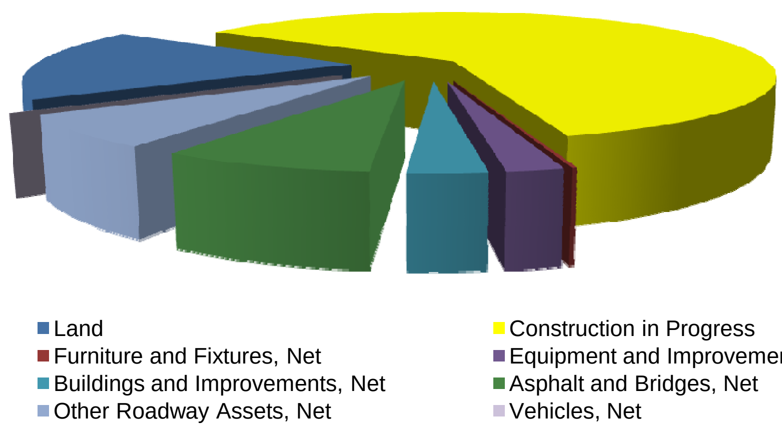
Audited Financial Statements

MDX Finance Office

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**
Capital Assets, Net of Depreciation
Fiscal Year 2003 through 2007
(In Thousands)

| | **FY 2003** | **FY 2004** | **FY 2005** | **FY 2006** | **FY 2007** |
|---|---|---|---|---|---|
| Land | $ 7,735 | $ 31,281 | $ 56,996 | $ 101,350 | $ 121,502 |
| Construction in Progress | 138,129 | 190,030 | 237,197 | 339,118 | 427,930 |
| Furniture and Fixtures, Net | 746 | 701 | 2,112 | 1,710 | 1,425 |
| Equipment and Improvements, Net | 5,264 | 2,213 | 20,194 | 13,927 | 15,170 |
| Buildings and Improvements, Net | 8,897 | 23,010 | 22,647 | 21,922 | 20,930 |
| Asphalt and Bridges, Net | - | 15,536 | 28,426 | 48,328 | 56,457 |
| Other Roadway Assets, Net | - | 27,360 | 34,596 | 41,488 | 52,297 |
| Vehicles, Net | 67 | 139 | 142 | 218 | 177 |
| **Total Net Capital Assets** | **$ 160,838** | **$ 290,270** | **$ 402,310** | **$ 568,061** | **$ 695,888** |

**Miami-Dade Expressway Authority**
**Net Capital Assets**
**Fiscal Year 2007**




Sources:
Audited Financial Statements
MDX Finance Office

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Schedule of Historical Toll Rates by Vehicle Class

Fiscal Year 1997 through 2007

| | Fiscal Year | Motor Vehicles Axles 2 | 3 | 4 | 5 | Each Additional |
|---|---|---|---|---|---|---|
| | 1997-1999 | $ 0.25 | $ 0.50 | $ 0.75 | $ 1.00 | $ 0.25 |
| (1) | 2000 | 0.50 | 0.75 | 1.00 | 1.25 | 0.25 |
| | 2001 | 0.50 | 0.75 | 1.00 | 1.25 | 0.25 |
| (2) | 2002 | 0.75 | 1.00 | 1.25 | 1.50 | 0.25 |
| | 2003 | 0.75 | 1.00 | 1.25 | 1.50 | 0.25 |
| (3) | 2004 | 1.00 | 2.00 | 3.00 | 4.00 | 1.00 |
| | 2005 | 1.00 | 2.00 | 3.00 | 4.00 | 1.00 |
| (4) | 2006 | 1.25 | 2.50 | 3.75 | 5.00 | 1.25 |
| | 2007 | 1.25 | 2.50 | 3.75 | 5.00 | 1.25 |

(1) Effective July 11, 1999 for the System. SunPass users receive a 10% discount from the Toll rates provided.

(2) Effective July 1, 2001 for the East-West (Dolphin) Expressway, the South Dade (Don Shula) Expressway and the Gratigny Parkway. The Toll rates on the Airport Expressway were not affected. SunPass users receive a 10% discount from the Toll rates provided.

(3) Effective March 7, 2004 for the East-West (Dolphin) Expressway, the South Dade (Don Shula) Expressway and the Gratigny Parkway. The Toll rates determined by N-1 tolling rates. Airport Expressway increase .25 per motor vehicle axles.

(4) Effective July 3, 2005 toll adjustment equalized toll rates on all MDX's expressways. SunPass users are tolled 25 cents less from the toll rates provided.

Sources:

MDX Finance Office

MDX Toll Operations

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Revenue by Expressway

Fiscal Year 2004 through 2007

**Total Annual Revenue**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | $ 9,043,281 | $ 10,931,974 | $ 13,231,595 | $ 13,468,537 |
| Don Shula (SR 874) North | 9,329,022 | 10,570,916 | 13,667,274 | 14,702,265 |
| Don Shula (SR 874) South | 9,099,447 | 10,306,996 | 13,230,941 | 14,505,122 |
| Dolphin (SR836) | 12,971,911 | 15,378,400 | 19,387,138 | 20,614,552 |
| 17th Avenue | 1,972,205 | 1,980,806 | 2,655,121 | 2,826,649 |
| Airport (SR112) | 6,291,078 | 7,157,412 | 11,436,321 | 12,066,545 |
| MDX System * | $ 48,706,945 | $ 56,326,504 | $ 73,608,390 | $ 78,183,670 |

**Average Daily Revenue**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | $ 24,708 | $ 29,951 | $ 36,251 | $ 36,900 |
| Don Shula (SR 874) North | 25,489 | 28,961 | 37,445 | 40,280 |
| Don Shula (SR 874) South | 24,862 | 28,238 | 36,249 | 39,740 |
| Dolphin (SR836) | 35,442 | 42,133 | 53,115 | 56,478 |
| 17th Avenue | 5,389 | 5,427 | 7,274 | 7,744 |
| Airport (SR112) | 17,189 | 19,609 | 31,332 | 33,059 |
| MDX System Average | $ 133,079 | $ 154,319 | $ 201,667 | $ 214,202 |

**Average Revenue Peak Hour (Monday-Friday)**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | $ 3,572 | $ 3,604 | $ 4,410 | $ 4,292 |
| Don Shula (SR 874) North | 2,907 | 2,863 | 4,063 | 4,133 |
| Don Shula (SR 874) South | 2,771 | 2,730 | 3,658 | 3,874 |
| Dolphin (SR836) | 3,345 | 3,562 | 4,422 | 4,507 |
| 17th Avenue | 667 | 633 | 816 | 870 |
| Airport (SR112) | 2,583 | 2,634 | 3,151 | 3,323 |
| MDX System Peak Hour Average | $ 15,845 | $ 16,026 | $ 20,520 | $ 20,999 |

In December 2002 the Authority began transitioning the System's toll plazas to the new MDX Toll Management System. System wide implementation was completed in the latter part of fiscal year 2003. As a result, transaction data is only available as of fiscal year 2004.

*Violation revenues are not included in the above figures since they are not allocated by plaza.

Sources:
- MDX Finance Office
- MDX Toll Operations

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Traffic by Expressway

Fiscal Year 2004 through 2007

**Total Annual Traffic**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | 12,094,667 | 12,490,035 | 11,981,074 | 12,120,191 |
| Don Shula (SR 874) North | 12,857,861 | 12,862,007 | 13,002,486 | 13,874,197 |
| Don Shula (SR 874) South | 12,565,470 | 12,837,211 | 12,715,178 | 13,699,104 |
| Dolphin (SR836) | 17,845,382 | 18,637,782 | 18,022,153 | 19,197,337 |
| 17th Avenue | 2,692,684 | 2,411,316 | 2,528,500 | 2,723,125 |
| Airport (SR112) | 12,195,774 | 11,678,787 | 10,569,479 | 11,111,583 |
| MDX System | 70,251,838 | 70,917,138 | 68,818,870 | 72,725,537 |

**Average Daily Traffic**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | 33,058 | 34,851 | 33,637 | 33,224 |
| Don Shula (SR 874) North | 35,134 | 35,805 | 36,482 | 38,021 |
| Don Shula (SR 874) South | 34,339 | 35,753 | 35,686 | 37,547 |
| Dolphin (SR836) | 48,772 | 51,880 | 50,564 | 52,611 |
| 17th Avenue | 7,358 | 6,729 | 7,105 | 7,464 |
| Airport (SR112) | 33,320 | 32,500 | 29,655 | 30,474 |
| MDX System average | 191,981 | 197,518 | 193,129 | 199,341 |

**Average Traffic Peak Hour (Monday-Friday)**

| Expressway | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|
| Gratigny (SR924) | 4,062 | 4,206 | 4,048 | 3,974 |
| Don Shula (SR 874) North | 3,272 | 3,309 | 3,718 | 3,807 |
| Don Shula (SR 874) South | 3,119 | 3,155 | 3,347 | 3,568 |
| Dolphin (SR836) | 3,758 | 4,083 | 3,994 | 4,112 |
| 17th Avenue | 745 | 729 | 744 | 803 |
| Airport (SR112) | 2,859 | 2,974 | 2,847 | 3,022 |
| MDX System Peak Hour Average | 17,815 | 18,456 | 18,698 | 19,286 |

In December 2002 the Authority began transitioning the System's toll plazas to the new MDX Toll Management System. System wide implementation was completed in the latter part of fiscal year 2003. As a result, transaction data is only available as of fiscal year 2004.

Sources:
- MDX Finance Office
- MDX Toll Operations

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

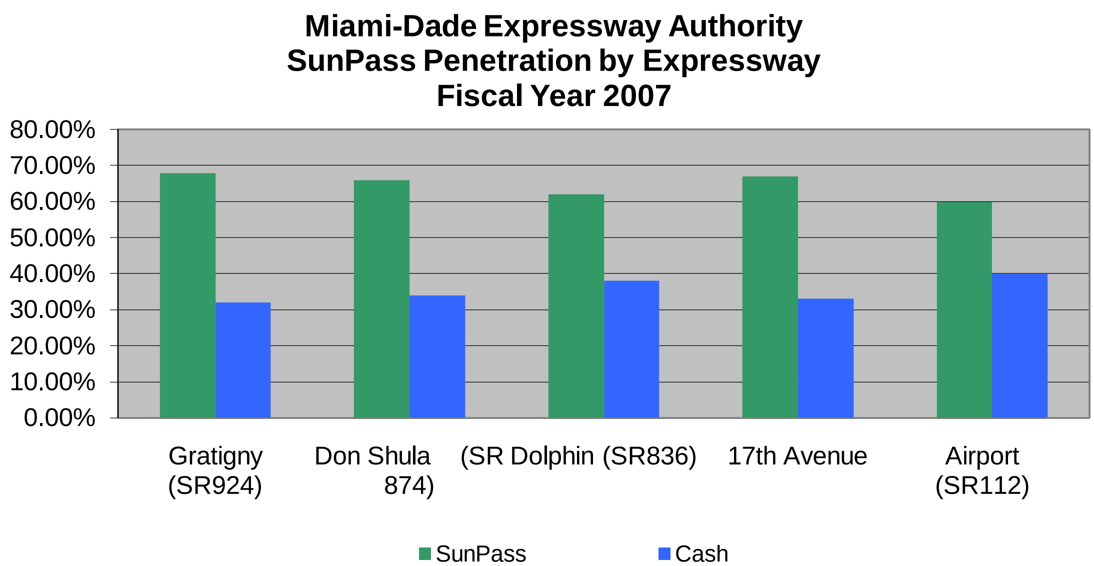
SunPass Pentration

Fiscal Year 2004 through 2007

**SunPass Penetration by Expressway**

| Expressway | | FY 2004 | FY 2005 | FY 2006 | FY 2007 |
|---|---|---|---|---|---|
| Gratigny (SR924) | SunPass | 48% | 57% | 64% | 68% |
| | Cash | 52% | 43% | 36% | 32% |
| Don Shula (SR 874) | SunPass | 45% | 54% | 63% | 66% |
| | Cash | 55% | 46% | 37% | 34% |
| Dolphin (SR836) | SunPass | 44% | 51% | 57% | 62% |
| | Cash | 56% | 49% | 43% | 38% |
| 17th Avenue | SunPass | 42% | 53% | 61% | 67% |
| | Cash | 58% | 47% | 39% | 33% |
| Airport (SR112) | SunPass | 39% | 46% | 54% | 60% |
| | Cash | 61% | 54% | 46% | 40% |

In December 2002 the Authority began transitioning the System's toll plazas to the new MDX Toll Management System. System wide implementation was completed in the latter part of fiscal year 2003. As a result, full year transaction data is only available as of fiscal year 2004.




The Authority's strategic goal is to increase Sunpass penetration.

Sources:

MDX Finance Office

MDX Toll Operations

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Ratios of Outstanding Debt

Fiscal Year 2003 through 2007

(In Thousands)

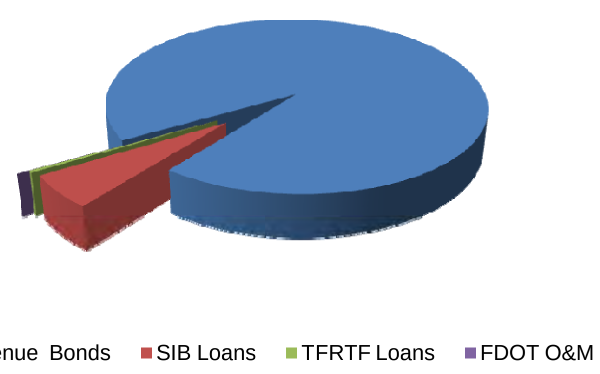
**Outstanding Debt**

| Fiscal Year | Revenue Bonds | SIB Loans | TFRTF Loans | FDOT O&M | Commercial paper | Total Debt |
|---|---|---|---|---|---|---|
| **2003** | $ 234,677 | $ 10,600 | $ 1,009 | $ 6,147 | | $ 252,433 |
| **2004** | 232,013 | 37,500 | 1,009 | 5,793 | $ 80,000 | 356,315 |
| **2005** | 645,543 | 45,000 | 2,453 | 2,543 | | 695,539 |
| **2006** | 639,507 | 56,799 | 2,285 | 1,268 | | 699,858 |
| **2007** | 947,762 | 57,613 | 3,617 | | | 1,008,991 |

**Debt Ratios**

| Fiscal Year | Center Line Miles | Lane Miles | Gross Operating Revenue | Debt Per Center Line Mile | Debt Per Lane Mile | Debt Per $ Operating Revenue |
|---|---|---|---|---|---|---|
| **2003** | 31.2 | 205.8 | $ 53,009 | $ 8,091 | 1,227 | $ 4.76 |
| **2004** | 31.2 | 209.2 | 67,594 | 11,420 | 1,703 | 5.27 |
| **2005** | 31.2 | 209.2 | 64,394 | 22,293 | 3,325 | 10.80 |
| **2006** | 31.2 | 209.2 | 90,366 | 22,431 | 3,345 | 7.74 |
| **2007** | 33.7 | 222.6 | 105,047 | 29,973 | 4,538 | 9.62 |

**Miami-Dade Expressway Authority**
**Outstanding Debt**
**Fiscal Year 2007**




Sources:
Audited Financial Statements
MDX Finance Office
MDX Engineering Department

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Total Debt Per Transaction Ratio

Fiscal Year 2004 through 2007

(In Thousands)

**Total Debt Per Transaction**

| | Outstanding Debt | | | | | | | Debt |
|---|---|---|---|---|---|---|---|---|
| **Fiscal Year** | **Revenue Bonds** | **SIB Loans** | **TFRTF Loans** | **FDOT O&M** | **Commercial paper** | **Total Debt** | **Total Toll Transactions** | **Per Transaction** |
| **2004** | $ 232,013 | $ 37,500 | $ 1,009 | $ 5,793 | $ 80,000 | $ 356,315 | 70,251 | $ 5.07 |
| **2005** | 645,543 | 45,000 | 2,453 | 2,543 | | 695,539 | 70,917 | 9.81 |
| **2006** | 639,507 | 56,799 | 2,285 | 1,268 | | 699,858 | 68,819 | 10.17 |
| **2007** | 947,762 | 57,613 | 3,617 | | | 1,008,991 | 72,725 | 13.87 |

In December 2002 the Authority started to transition the different toll plazas to the new MDX Toll Management System. System wide implementation was completed in the latter part of the fiscal year. As a result, full year transaction data is only available as of July 1, 2003.

Sources:
- Audited Financial Statements
- MDX Finance Office
- MDX Toll Operations

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY

**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**

Debt Covenants

Fiscal Year 2003 through 2007

(In Thousands)

| Fiscal Year | Gross Revenues | Operating General & Administrative Expenses | Net Revenues Available for Debt Service | Total Debt Service | Senior Coverage Ratio | Total Coverage Ratio |
|---|---|---|---|---|---|---|
| 2003 | 53,009 | 18,565 | 34,444 | 16,079 | 2.14 | 1.91 |
| 2004 | 67,594 | 17,657 | 49,936 | 18,431 | 2.71 | 2.44 |
| 2005 | 64,394 | 17,346 | 47,047 | 26,392 | 1.78 | 1.57 |
| 2006 | 90,366 | 21,369 | 68,997 | 32,194 | 2.14 | 1.80 |
| 2007 | 109,905 | 29,495 | 80,410 | 32,518 | 2.47 | 2.01 |

Revenue Bonds are issued for the purpose of funding improvements to the expressway system which are included in the 5-year Work Program and/or refund the outstanding principal of prior series bonds. Debt payments are payable solely from net revenues. The Trust Indenture and MDX Board requires a minimum coverage of 1.20 and 1.40, respectively. It is the objective of the Authority to maintain a minimum senior debt coverage of 1.50 as recommended by the rating agencies. As indicated on the above chart, the Authority has consistently maintained coverage well above minimum requirements.

Sources:

Audited Financial Statements

MDX Finance Office

MIAMI-DADE COUNTY EXPRESSWAY AUTHORITY
**D/B/A MIAMI-DADE EXPRESSWAY AUTHORITY AND MDX**
Demographic and Economic Statistics
Last Five Years

**Demographic and Economic Statistics**

| **Miami-Dade County** | | | | | |
|---|---|---|---|---|---|
| Year | Population (000) | Per-Capita Income | Consumer Price Index | Labor Force (000) | Unemployment Rate |
| 2002 | 2,317 | 26,780 | 175.5 | 1,080 | 6.6 |
| 2003 | 2,334 | 27,744 | 180.6 | 1,098 | 5.9 |
| 2004 | 2,354 | 29,955 | 185.6 | 1,115 | 5.4 |
| 2005 | 2,378 | 31,347 | 194.3 | 1,136 | 4.5 |
| 2006 * | 2,402 | - | 203.9 | 1,159 | 3.8 |

| **United States** | | | | | |
|---|---|---|---|---|---|
| Year | Population (000) | Per-Capita Income | Consumer Price Index | Labor Force (000) | Unemployment Rate |
| 2002 | 288,369 | 30,810 | 179.9 | 144,863 | 5.8 |
| 2003 | 290,810 | 31,484 | 184.0 | 146,510 | 6.0 |
| 2004 | 594,100 | 33,050 | 188.9 | 147,401 | 5.5 |
| 2005 | 296,410 | 34,586 | 195.3 | 149,320 | 5.1 |
| 2006 | 299,398 | 36,629 | 201.6 | 151,428 | 4.6 |

* Final Miami-Dade County Per-Capita Income not available for 2006.

Sources:
U.S. Department of Labor, Bureau of Labor and Statistics
U.S. Department of Commerce, Bureau of Economic Analysis
Florida Agency for Workforce Innovation, Labor Market Information
U.S. Department of Commerce, Census Bureau. Miami-Dade County Depatment of Planning & Zoning, Research Section, 2005.