KPMG LLP
Suite 2800
One Biscayne Tower
Two South Biscayne Boulevard
Miami, FL 33131

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Miami-Dade County, Florida (the County), as of and for the year ended September 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of (1) Miami-Dade Housing Finance Authority; (2) Jackson Memorial Foundation, Inc.; (3) Miami-Dade Housing Agency Public Housing Division; (4) Public Heath Trust of Miami-Dade County; (5) Miami-Dade Water and Sewer Department; (6) Miami-Dade County Clerk of the Circuit and County Courts Special Revenue and Agency Funds; and (7) Pension Trust Fund which represent the percentage of assets and revenues of the opinion units listed below:

	Percentage of opinion unit	
	Total assets	Total revenues
Governmental activities:		
Miami-Dade Housing Agency Public Housing Division – Special Revenue Fund	5.48%	8.36%
Miami-Dade County Clerk of the Circuit and County Courts – Special Revenue Fund	0.11%	1.69%
	5.59%	10.05%
Business-type activities:		
Miami-Dade Water and Sewer Department	30.36%	14.74%
Public Health Trust of Miami-Dade County	9.21%	40.77%
Miami-Dade Housing Agency Public Housing Division	0.26%	0.29%
	39.83%	55.80%
Major funds:		
Miami-Dade Water and Sewer Department	100.00%	100.00%
Public Health Trust of Miami-Dade County	100.00%	100.00%
Discretely presented component units:		
Miami-Dade Housing Finance Authority	55.64%	34.57%
Jackson Memorial Foundation, Inc.	44.36%	65.43%
	100.00%	100.00%
Aggregate remaining fund information:		
Miami-Dade Housing Agency Public Housing Division – Special Revenue Fund	13.31%	10.44%
Miami-Dade Housing Agency Public Housing Division – Enterprise Fund	1.35%	0.28%
Miami-Dade County Clerk of the Circuit and County Courts – Special Revenue Fund	0.27%	2.12%
Miami-Dade County Clerk of the Circuit and County Courts – Agency Fund	4.77%	N/A
Pension Trust Fund	5.01%	N/A
	24.71%	12.84%

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These financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the activities, component units, and funds indicated above, are based on the reports of the other auditors.

We conducted our audit 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. The financial statements of the Jackson Memorial Foundation, Inc. were not audited in accordance with *Government Auditing Standards.* An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Miami-Dade County, Florida, as of September 30, 2005, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

As described in note 11 to the basic financial statements, the County adopted the provisions of the Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures.*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2006 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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, budgetary comparison information, and schedule of employer contributions on pages 4 through 22 and pages 113 through 116 and page 117, respectively, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We and the other auditors 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements taken as a whole. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by OMB Circular A-133, Section 215.97, *Florida Statutes,* and Chapter 10.550, *Rules of the Auditor General,* and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance has been subjected to the auditing procedures applied by us and in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG LLP

April 10, 2006
Certified Public Accountants