2010 Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2010

Department of Solid Waste Management

A Department of Miami-Dade County, Florida

AT SOLID WASTE MANAGEMENT EVERY DAY IS EARTH DAY

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2010

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A Department of Miami-Dade County, Florida

Prepared by the Accounting Division

2010

Mission Statement

To provide our customers with exceptional waste collection, recycling and disposal services that protect, preserve and improve our environment and the quality of life in our community.

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A Department of Miami-Dade County, Florida
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Introductory Section

(UNAUDITED)

MIAMI-DADE COUNTY

Mayor

BOARD OF COUNTY COMMISSIONERS

Joe A. Martínez
Chairman

Audrey M. Edmonson
Vice Chairperson

Barbara J. Jordan
District 1

Jean Monestime
District 2

Audrey M. Edmonson
District 3

Sally A. Heyman
District 4

Bruno A. Barreiro
District 5

Rebeca Sosa
District 6

Vacant
District 7

Lynda Bell
District 8

Dennis C. Moss
District 9

Senator Javier D. Souto
District 10

Joe A. Martínez
District 11

José "Pepe" Díaz
District 12

Vacant
District 13

Harvey Ruvin
Clerk of Courts

Pedro J. Garcia
Property Appraiser

Alina T. Hudak
County Manager

Robert A. Cuevas Jr.
County Attorney

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Miami, Florida 33147
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April 18, 2011

The Honorable Chairperson and Members
Board of County Commissioners

Ms. Alina T. Hudak
County Manager

Mr. Harvey Ruvin, Clerk
Board of County Commissioners
Miami-Dade County, Florida

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (the "Report") from the Department of Solid Waste Management (the "Department"/"DSWM") for the fiscal year ended September 30, 2010 is hereby submitted. This report is published in accordance with Florida Statutes and the resolution covering the issuance of indebtedness by the Department. Pursuant to those requirements, we have issued this Report of the Department presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by a firm of licensed certified public accountants.

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

MIAMI-DADE COUNTY
Delivering Excellence Every Day

Clean TRUCK
It all adds up to cleaner air
Miami-Dade green
I'm a fuel efficient hybrid automated garbage truck

The Department's financial statements have been audited by KPMG LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Department for the fiscal year ended September 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Department's financial statements for the fiscal year ended September 30, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this Report.

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

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

Profile Of The Department Of Solid Waste Management

The Department

In January 1989, the Board passed Administrative Order 9-1 creating the Metropolitan Dade County Department of Solid Waste Management (now the Miami-Dade County Department of Solid Waste Management), by merging the Department of Solid Waste Collection and the Solid Waste Disposal Division of the Public Works Department into a single agency. The Department of Solid Waste Management's principal responsibilities may be categorized as: (1) collection, (2) transfer, (3) disposal and (4) recycling of municipal solid waste.

The Department primarily provides solid waste services to single-family residential units (including certain multi-family units such as duplexes) and a small number of commercial and multi-family accounts in the unincorporated portions of the County and the 9 municipalities listed below. The Department has entered into long-term interlocal agreements with 18 municipalities to provide solid waste disposal services and 12 municipalities for curbside recycling. It also provides solid waste collection services to the City of Aventura, the City of Doral, the City of Miami Gardens, the City of Sunny Isles Beach, the City of Sweetwater, the Town of Cutler Bay, the Town of Miami Lakes, the Village of Palmetto Bay and the Village of Pinecrest. The Department receives waste from 27 of the 35 municipalities in the County.

The Department is responsible for the operation of a variety of facilities, including Resources Recovery (waste-to-energy facility), landfills, transfer stations and neighborhood trash & recycling centers (T & R Centers). The Department is also responsible for meeting the State's countywide environmental compliance objectives, such as the State's waste reduction goal of 75% by 2020, to be achieved primarily through recycling.

The System

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

The System does not include, at the option of the County, any solid waste system facility or equipment which may

be acquired by the County subsequent to the date of the Original Ordinance and designated by the County as a "Separate System" on or prior to the date of acquisition.

The Department's Disposal and Collection Activities

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

Operations, Facilities and Regulatory Responsibilities

Operations

The residential garbage collection program provides twice-weekly garbage collection for residential units in unincorporated Miami-Dade County, the City of Sweetwater under an interlocal agreement, the City of Doral, the City of Miami Gardens, the City of Sunny Isles Beach, the Town of Cutler Bay, the Town of Miami Lakes, the Village of Palmetto Bay and the Village of Pinecrest (all of these pursuant to Ordinance No. 96-30), and the City of Aventura. Commercial and multi-family residential establishments may contract with the Department for collection services; the multi-family curbside garbage service provides for twice-per-week garbage collection.

The Department provides two types of residential container service: "automated residential container service" and "manual residential container service." The automated residential container service provides containerized set-out utilizing a county provided container. The residential customer may purchase additional containers or request smaller containers for their use. All materials must be placed inside the containers and the lids must be closed in order to be serviced by the automated garbage collection vehicle. The manual residential container service provides un-containerized set-out of bags or containers of waste and bundled tree limbs (four (4) feet in length or under; no single item over 50 pounds).

The Department's residential service also includes access to any of the 13 T & R Centers located throughout the unincorporated portion of the County. On an annual basis, residents can also request two bulky waste pickups of up to 25 cubic yards each or one combined pick-up of 50 cubic yards. Curbside collection of bulky waste for commercial accounts is also available for an additional fee.

The Department of Solid Waste Management continues to operate its highly successful residential curbside recycling program, which provides every-other-week single-stream collection service. Residents place all recyclable materials (paper products, plastic containers, glass containers, metals, etc.) in one wheeled cart. This program serves more than 340,000 households, which includes the unincorporated area, the nine cities in the Waste Collection Service Area and 11 municipalities (serviced through interlocal agreements). In October 2010, the twelfth municipality will start service, adding more than 8,000 households.

Annual tons collected through this program continue to increase over previous fiscal years. During fiscal year 2010, residents recycled approximately 60,300 tons of material.

This activity reflects the costs of the recycling program including the acquisition cost of recycling carts, if any and other costs such as collection (payment to contractors), administration, public education and promotional efforts. In addition to the annual calendar mailing and ongoing recycling education activities conducted in fiscal year 2010, the Department produced a 30-second promotional spot entitled "The Recycling Machine." The ad, which ran in area theaters for eight weeks during the summer and was made available on the Department's web page, encourages participation in the curbside recycling program.

There are three types of commercial collection services: "commercial minimum collection service," "commercial automated collection service" and "commercial container service." The commercial minimum collection service provides for twice per week service, limited to two (2) garbage cans or plastic bags per collection, per waste unit charged. The commercial automated collection service provides for twice per week service limited to an automated service cart per waste unit charged. The commercial container service provides for uncompacted rollaway

container service with a varying number of pickups and container sizes.

The Department is responsible for operation and management of the County-owned solid waste disposal facilities with the exception of the Resources Recovery Facility, which is operated under a long-term agreement with Covanta Southeastern Florida Renewable Energy LLC ("Covanta"), formerly known as Montenay-Dade, Ltd. ("Montenay"), a subsidiary of Veolia ES Waste-to-Energy, Inc.

A portion of the solid waste generated in the County is delivered to the County's transfer stations by Department, municipal, and private collection vehicles, where it is reloaded into large transfer trailers for transportation to one of the County's three disposal sites or contracted private disposal facilities. The transfer stations were designed to serve several purposes within the overall System.

These include the following:

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

Code Enforcement is the front line in the battle of controlling blight within our communities. Without an attractive environment, economic development and viable residential communities become stagnant or non-existent. Effective, efficient consistent code enforcement is vital for the Miami-Dade County community's health, safety and welfare. To maintain a cleaner, safer, better place to live and conduct business for over 2.5 million residents of Miami-Dade County, it's important that the regulatory arm of the Department of Solid Waste Management be focused.

The Enforcement Division's areas of concentration are focused on upholding the Department's Mission Statement and exceeding the expectations of the customers which we serve by:

- Educating the public through community awareness and outreach to achieve voluntary compliance and prevent or resolve code violations in an expedient manner.
- Identifying cost effective methods and streamline processes for optimal operation of the Division.
- Creating and revising goals through innovative socially responsible projects that promote sustainability.
- Establish community, governmental and business partnerships that are mutually beneficial.
- Develop and implement significant community-oriented initiatives that are results driven and measurable.

The Department's Enforcement Division (ED) is comprised of Waste Enforcement Officers (WEO) along with Administrative and Clerical Support staff. The ED's core responsibility is to enforce Chapter 15 of the Miami-Dade County Code. Chapter 15 empowers the Division to regulate unauthorized disposal and collection of trash, debris, and commercial recycling. Additionally, the Division is responsible for researching, processing and placement of liens, permitting landscapers, general haulers, waste tire generators and transporters. The ED's authority applies to residential communities and commercial entities as well as Department owned and privately operated disposal and collection facilities. The authority to issue civil violation notices is contained in Chapter 8CC which governs fee and fine schedules. In addition to the Enforcement powers, the Division can effect the immediate removal of debris.

During fiscal year 2009, a Universal Code Enforcement Officer (UCEO) approach was implemented to enforce Chapter 15 throughout Miami-Dade County. This new innovative approach required all Waste Enforcement Officers to be cross-trained to increase their knowledge base so they are versed in not only DSWM operations but other governmental entities that may affect their processes when conducting investigations or addressing and resolving community issues. The entire county was sub-divided into 39 zones with a fundamental focus on balancing quality customer service with consistent fair enforcement.

In addition to performing the duties of the WEO as mentioned above, the more evolved Universal Code Enforcement Officers are cross trained in the following disciplines:

- Facilities Enforcement is conducted at three main disposal facilities (North Dade Landfill, South Dade

Landfill and Resources Recovery).The officers work closely with the Department's Environmental Compliance Division and other regulatory agencies to ensure all vehicles using the facilities have the required operating permits and the debris for disposal is acceptable.

- Permit Enforcement ensures that general haulers, waste tire generators and transporters, and landscapers have the required operating permits and licenses to conduct business in Miami-Dade County.
- Commercial recycling ensures that property owners and owner/operators of commercial establishments and multifamily residents in incorporated and unincorporated Miami-Dade County provide a standard or modified recycling program.
- Commercial outreach continues to address litter and insufficient garbage service and overflowing dumpsters by continuing to visit businesses distributing brochures concerning litter. The Enforcement Division is instrumental in providing public information to constituents by continuing to conduct presentations to the community and other county departments regarding the DSWM.
- Administration as mentioned above is responsible for timely processing of all paperwork generated by the UCEO. Administrative staff is also responsible for lien processing, responding to constituent's requests and staffing the switchboard.
- The Enforcement Division plays a significant role in the recovery efforts for hurricanes, tornadoes, or any other significant occurrences. During hurricane recovery, officers and administrative staff are assigned many different duties, which include, but are not limited to, training of monitors, hurricane debris identification, monitoring and follow-up of areas to be cleaned, supervising private contractors and hauling monitors, measuring truck capacity, data entry of voucher information and responding to all complaints received by the Enforcement Division. The Division is versed and experienced in working with FEMA to ensure that Federal procedures and directives are adhered to in accordance with established guidelines.

For 2010, the Enforcement Division is pleased to report this proactive Universal Enforcement Officer approach along with a new 4x10 work schedule has had a tremendous positive impact with the following results:

- Improvement in productivity resulting in a 50% increase in enforcement actions.
- Significant reduction in illegal dumping "hot spots" that once plagued Miami-Dade County.
- An increase in community confidence by elevating and addressing issues in a timely manner.

The following enhancements were implemented in 2010 to ensure the Department's Mission Statement continues to be emulated in the Division's day to day operation:

- Established strategically placed satellite field offices throughout Miami-Dade County within DSWM owned facilities which house UCEO's resulting in less travel time to assigned zones, decreased fuel usage and vehicle wear and tear, decreased probability for accidents and increased productivity.
- Templates of routine forms were created resulting in consistency, eliminating free form writing, fewer mistakes and grammatical errors; Templates were uploaded to Division computers for quicker processing.
- GPS installations in field vehicles, which provide efficiency information for process improvements and the location of vehicles related to safety or mechanical problems.
- Structured office and field schedules resulting in improved time management thereby increasing productivity.

The Enforcement Division is committed to developing best practices, reviewing and updating codes, implementing sustainable efficiencies and educating the public.

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

During fiscal year 2010, there was one incident at the RRF resulting in an enforcement action by the Florida Department of Environmental Protection (FDEP) and two incidents under enforcement by the Florida Reliability Coordinating Council (FRCC), a federally em-

powered, regional regulatory agency having jurisdiction over the generation, transmission, distribution and sale of electric power produced by the RRF.

On June 2, 2010 the FDEP issued Warning Letter WL10-0004AV13SED related to the boilers not having the rating and manufacturer name plaque affixed to each boiler. A response was filed with FDEP on June 18, 2010 by Covanta, the current plant operator, detailing the corrective actions taken, which amounted to affixing brass plaques to the boilers with the appropriate information. FDEP closed the case on July 14, 2010 without taking further enforcement action.

In response to the widespread blackouts in the Midwest and eastern portion of the United States in 2005, caused by a regulated electric utility operation in the Midwest, the Federal Power Act was amended. This amendment resulted in the Federal Energy Regulation Commission (FERC) adopting new rules governing electric power generation, transmission, distribution and sale including power generated by a small power producers such as RRF, which was previously exempt from most of these regulations. The North American Electricity Reliability Corporation (NERC) and its eight subordinate, regional agencies are responsible for enforcing these standards. Since June 18, 2007, the RRF has had to comply with the NERC standards. The intent of the standards is to increase the reliability of the bulk electric system nationwide. The FRCC is the regional administrator governing activities in Miami-Dade County. FRCC manages compliance with standards through a series of mechanisms including self-reporting, spot check audits and onsite audits.

The first violation of the electric reliability standards involved the Generator Owner (DSWM) and stemmed from a spot check audit. On July 31, 2008, FRCC sent a list of four standards all registered entities had to respond to. This included standard PRC-005 with two requirements, covering generator protection. DSWM as the generator owner submitted documents obtained from the facility's former operator, Veolia Environmental Services, as evidence for compliance. Subsequently, FRCC sent requests for further documentation. The submitted documentation was deemed only partially sufficient. On June 1, 2009, FRCC sent the spot check audit findings letter, stating that DSWM was found with possible violations of the standard. Mitigation plans were submitted by DSWM which were accepted by FRCC on August 3, 2009. On June 25, 2009, FRCC sent the initial notice of violation, NERC tracking number FRCC200910006. DSWM requested a settlement meeting on July 2, 2009. At the settlement meeting held on August 16, 2010, FRCC concluded that a violation of PRC-005-1 R1 had occurred and issued a Determination of Alleged Violation Summary on August 16, 2010 (NERC Violation ID #: FRCC200910006/FRCC Violation ID# MDC-2009-1). FRCC officials and DSWM officials agreed to settle the violation with the payment of $4,500 in penalties and improvements to the RRF's Internal Compliance Plan by March 1, 2011. Approval by the two superior regulatory bodies, NERC and FERC, is pending.

The second violation of electric reliability standards involved the Generator Operator, Covanta, and was a probable violation of elements of VAR-002-1. This violation was self reported when discovered by Covanta and resulted from an automatic voltage regulator associated with the generator being left in manual mode longer than permissible after the generator was returned to service after an outage. It is currently under review by FRCC.

With respect to other Department facilities, no incidents resulting in enforcement actions by FDEP or other environmental regulatory agencies having jurisdiction occurred during fiscal year 2010.

Significant environmental programs such as the operation of landfill gas control systems, groundwater remediation systems, groundwater monitoring, wetlands monitoring, exotics control, and maintenance of the restored coastal and freshwater wetlands associated with the South Dade Landfill, Old South Dade Landfill, 58th Street Landfill and the Resources Recovery Ashfill continued in fiscal year 2010. The groundwater remediation systems, which are operated by a contractor, achieved excellent availability with continuous operation except for minor interruptions.

The Department's waste reduction and recycling programs are designed to meet the requirements of the State of Florida's Energy, Climate Change and Economic Se-

curity Act of 2008 which established a new statewide recycling goal – reduce the disposal of recyclables by 75% by 2020. The Department continues to provide recycling programs that target all waste generators. The Department's waste reduction programs include programs for curbside recycling collection, home chemical collection, electronic recycling, and a recyclable materials procurement policy that requires all County Departments to use recycled and recyclable materials where feasible. Recycling highlights include the recycling of approximately 17,600 tons of aluminum, ferrous and non-ferrous metal recovered at the Resources Recovery Facility. In addition, drop-off programs at neighborhood T & R Centers contributed approximately 2,100 tons. Approximately 60,300 tons of recyclable materials were collected in the residential curbside recycling program using the single-stream method in fiscal year 2010. This material included 33,300 tons of paper (including cardboard, junk mail and cereal boxes). In seven of the twelve months of the fiscal year residents set out recyclables in excess of 5,000 tons, an objective that was reached only once in the entire dual-stream program.

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

During fiscal year 2010, at the Home Chemical Collection Centers and mobile events, Miami-Dade residents safely disposed of 147,527 pounds of chemical wastes and 364,190 pounds of latex paint. They also disposed of 27,461 gallons of used oil by means of the Used Oil Collection sites at three different T & R Centers (Moody Drive, Golden Glades and Snapper Creek) and the two permanent HC2 Centers. Lastly, 2,683,432 pounds of electronic waste, such as CPUs, computer monitors, TVs, etc. (collectively termed "e-waste"), were recycled through a program conducted at eight Trash and Recycling Centers, a drop off station at the City of Homestead's Solid Waste Operations yard, and the permanent HC2 Centers.

The Department delivered trash to the County's Resources Recovery Facility to be converted into a marketable biomass fuel. The Recyclable Trash Improvement (RTI) plant has a contracted capacity of 240,000 tons per year. This biomass fuel product is used to power the Okeelanta plant, a co-generation facility in the City of South Bay, Florida. Since November 2001 biomass fuel has been also delivered to Ridge Energy in Auburndale, Florida. CEMEX, a cement production company located in Miami-Dade County, Florida accepted fuel for test burns as an alternate to pulverized coal to produce cement. Evaluation of both the efficacy of the fuel and air emissions associated with its use is underway. The annual amount of biomass fuel produced using the RTI system is contingent upon these facilities' demand for the fuel product. The Resources Recovery Facility produced approximately 60,000 tons of biomass for export during fiscal year 2010.

Facilities

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

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

cated in Pompano Beach, Florida (Broward County) owned and operated by Waste Management.

Landfills The Department operates three landfills: the South Dade Landfill, the North Dade Landfill, and the Ash Landfill. The South Dade Landfill is permitted to accept garbage, trash and special wastes such as asbestos, sterile medical wastes, sewage sludge, shredded tires, pathological waste (dead animals), ash, and contaminated soil. The North Dade Landfill is permitted to accept only waste that is not expected to produce leachate, which poses a threat to public health or the environment, such as trash, yard trash, shredded tires, and construction/demolition debris. The Ash Landfill, which is located at the RRF, accepts the ash from this facility and some ash from the co-generation facility in the City of South Bay.

Transfer Facilities The regional transfer facilities are an essential part of the County's integrated solid waste management system, increasing the efficiency of disposal of solid waste generated in the incorporated and unincorporated areas of the County.

The County operates three regional transfer stations: (1) the Northeast Transfer Station, located at 18701 N.E. 6th Avenue west of North Miami Beach; (2) the West Transfer Station, located at 2900 S.W. 72nd Avenue; and (3) the Central Transfer Station, located at 1150 N.W. 20th Street, Miami, Florida. The transfer stations are strategically located throughout the County and are referred to by location as the Northeast Transfer Station, West Transfer Station, and Central Transfer Station.

In addition to the three regional transfer stations, the Department has ongoing transfer operations at the Resources Recovery Facility, the South Dade Landfill and the North Dade Landfill for the transport of waste and waste derived by-products, such as yard trash, tires, rejects, nonprocessables, process unders, etc., between facilities.

Regulatory Responsibilities

In accordance with the 1985 State of Florida Growth Management Act, the Department must plan for providing a specific level of solid waste service, a process generally referred to as "concurrency." Under the 1988 State of Florida Solid Waste Management Act, as amended, and certain provisions of the Florida Administrative Code, the Department is responsible for planning to ensure that disposal needs are met in both the incorporated and the unincorporated areas of the County. The County's System, which includes County-owned solid waste disposal facilities and those operated under contract with the County for disposal, must collectively maintain a solid waste disposal capacity sufficient to accommodate waste flows committed to the System through long-term interlocal agreements or contracts with municipalities and private waste haulers, and anticipated non-committed waste flows, for a minimum of five (5) years.

The County is required by the United States Environmental Protection Agency (USEPA) and FDEP to close and perform postclosure care for its landfills in compliance with current regulations. Along with stringent regulations for "capping" and closing landfills, postclosure care of a site is mandated for 30 years after the closure is accepted by USEPA and FDEP.

Currently, the County is designing landfill cells for additional disposal capacity. Two such design projects are underway. They are: Cell 5 at the South Dade Landfill and Cell 20 at the Resources Recovery Ash Monofill. During fiscal year 2010 the Department completed construction of the FDEP approved closures of Cells 17 and 18 of the Resources Recovery Facility Ash Monofill and Cell 3 of the South Dade Landfill. Also, during fiscal year 2010, the Department continued environmental remediation programs for its closed landfills.

Budgetary Control

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

Factors Affecting Financial Condition

Local Economy

This ECONOMIC CONDITION AND OUTLOOK report outlines the status of these conditions throughout fiscal year 2010 and forecasts the area's economic outlook for fiscal year 2011.

One year ago, in the report on fiscal year 2009, it was anticipated that fiscal year 2010 would be a year of hope amid signs of recovery for the Miami-Dade County economy and its most vital industries, including trade, transportation, tourism, and real estate. It was also mentioned that employment would lag behind other indicators as employers remain cautious about hiring and that full recovery would probably be several years away. That outlook turned out to be a fairly accurate portrait of the past year as most indicators improved and employment remained weak. Fiscal year 2009 displayed a weak performance for the economy marked by the deep national recession that occurred in nine out of twelve months of the year. Real gross domestic product (GDP) contracted by 3.4 percent and deflation was in the order of 0.3 percent. By contrast, fiscal year 2010, with the eighteen-month recession behind, at least in official terms, saw the various economic indicators improve and the nation's GDP increase by 2.2 percent to a level comparable to fiscal 2007, but still below fiscal 2008 in a low inflation environment. Given this macroeconomic environment most Miami-Dade County indicators improved on a year-over-year basis.

On the employment front, payroll employment declined for the third year in a row recording an overall loss of approximately 22,000 jobs. Even though there was an increase in the labor force, at the same time the unemployment rate continued to climb throughout the year. The annual average unemployment rate for the year stood at 12.1 percent, compared to 9.8 percent a year earlier. With a continuing high level of unemployment, consumer spending remained modest during fiscal year 2010. The indication that consumers acted cautiously and held back on their spending is reflected in taxable sales which increased by only 2.0 percent. That was still weak, but better than the previous fiscal year when taxable sales declined by almost 9.7 percent.

During the past fiscal year, the performance of the real estate market was mixed. The value of construction taking place in the County went up, but the number of building permits issued declined by 1.8 percent. Sales of existing single family homes increased 11.3 percent helped by a decline in the median sales price of 5.3 percent. A much larger jump occurred in the sales of condominiums with a 49.4 percent increase helped by a 15.0 percent decline in the median sales price. At the same time, the number of foreclosure filings declined by almost a third. For fiscal year 2011, the outlook on housing remains tepid with low expectations for a significant improvement in the housing market.

In transportation, air and cruise passenger levels were up at both the Airport and Seaport. Similarly, in the area of international trade, the value of merchandise trade for the Miami Customs District increased by 14.9 percent. This increase was also reflected in the activity levels at Miami International Airport and the Seaport, as freight and cargo tonnage at these trade facilities displayed similar results. In conjunction with the increase in passenger traffic, Miami-Dade County hosted 3.6 percent more visitors in 2010 than the number recorded a year earlier. Along with this trend, hotel booking activity registered some improvements as hotel occupancy rates increased on a year-round basis moving in the opposite direction from the declines of a year ago.

Overall, fiscal year 2011 is slated to be similar to fiscal 2010 continuing on a slow recovery path with low job creation. At this time, the threat of a "double dip" recession seems low, but the prospects for a strong rebound also look slim. Because trends in income and jobs are not bouncing back in growth as in previous recessions, it is expected that the economy will continue to grow at a slow, but upward trending path. At the national level, the incoming Congress will likely focus more on engaging in austerity measures and cutting the deficit than increasing spending for new programs to stimulate the economy.

There are a number of other factors that would play out in the determination of the outlook for 2011. One positive factor is the recent passage of the law keeping the former president's tax cuts intact for another two years. This

along with the extension of jobless benefits and cuts in payroll taxes ensures a policy that should encourage business and consumer expenditures. As a corollary, the Federal Reserve, with interest rates already close to zero, will monitor the current conditions and hope for a successful outcome for its recently unveiled policies of "quantitative easing" (QE). These efforts are for making loans less costly and spurring businesses and people to spend more.

Unfortunately, there are some negative factors that could influence the outlook for 2011. For one thing, employment gains, so far, have been anemic and this does not bode well for a pickup in spending by consumers. Also, the rise in prices of oil and many food commodities could bring a rise in inflation and this, in turn, could reduce capital investments and put a damper on people's purchases.

Looking out into fiscal year 2011, the pace of the Miami-Dade's economic recovery appears to remain steady but slow in the face of persistently high unemployment. Because there are a large number of factors that could influence the pace of recovery, there is little agreement among experts on what lies ahead. Assuming that the improving trends in most of the economic indicators will continue and that government policies to help the economy will prevail, the Miami-Dade's economy will most likely perform at a similar or a bit higher level to the performance experienced in 2010.

For fiscal year 2011, the Department projects no increase in the Collections Fund revenues due to substantially no growth and the uncertainty of the local housing market. The inability to obtain an increase in the Waste Collection fee presents a challenge to deliver the same level of services. Therefore, the Department continues to monitor expenditures and look for operating efficiencies to sustain the Collection Operations for another fiscal year.

The Disposal Fund has also faced revenue challenges due to continuous low full fee revenue tons and a marginal Consumer Price Index (CPI) increase of 0.9% CPI South All Urban Consumers, which was applied to contracts and interlocal agreements appropriately. As a result of these factors the Disposal Fund continues to face financial challenges until further growth in the economy is experienced.

Long-term Financial Planning

The DSWM continues to maintain long-term financing for the construction and acquisition of long-term assets. The fiscal year 2011 Adopted Capital Budget and Multi-Year Capital Improvement Plan includes programmed expenditures for fiscal year 2009-2010 and the next five fiscal years through fiscal year 2015-16 totaling $112.125 million. These projects include approximately $39.150 million in groundwater remediation, closure and other environmental improvement projects at the Department's facilities, $27.325 million in other collection and disposal facility improvements, which include landfill cell construction and transfer station improvements and approximately $45.65 million for the Virginia Key municipal landfill closure grant project. These projects will be funded with both operating funds and debt proceeds as necessary.

Major capital projects programmed to commence or continue in fiscal year 2011 include:

- Closure of Resource Recovery Landfill Cells 17 and 18.
- Construction to complete renovation of the 58 street building.
- Completion of the South Dade Landfill Cell 3 Closure.
- Replacement of the Central Transfer Station Compactors.
- Capital improvements at the Resources Recovery administrative building.

The Series 1996 Bonds issued for $109.55 million, matured October 1, 2010 by payments from Solid Waste's net operating revenues. The proceeds were used to retire the 1978 State Loan, defease the Series 1985A Bonds and refund the Series 1986 Bonds.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Department of Solid Waste Management, a Department of Miami-Dade County, Florida, for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2009. This was the sixteenth consecutive year that the Department has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial re-

port. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

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

Respectfully submitted,

Kathleen Woods-Richardson
Director

Paul Mauriello
Deputy Director Operations

Christopher Rose
Deputy Director Administration

Aneisha Daniel
Assistant Director, Administration

Maria Sanchez, CPA
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Department of Solid Waste Management, A Department of Miami-Dade County, Florida

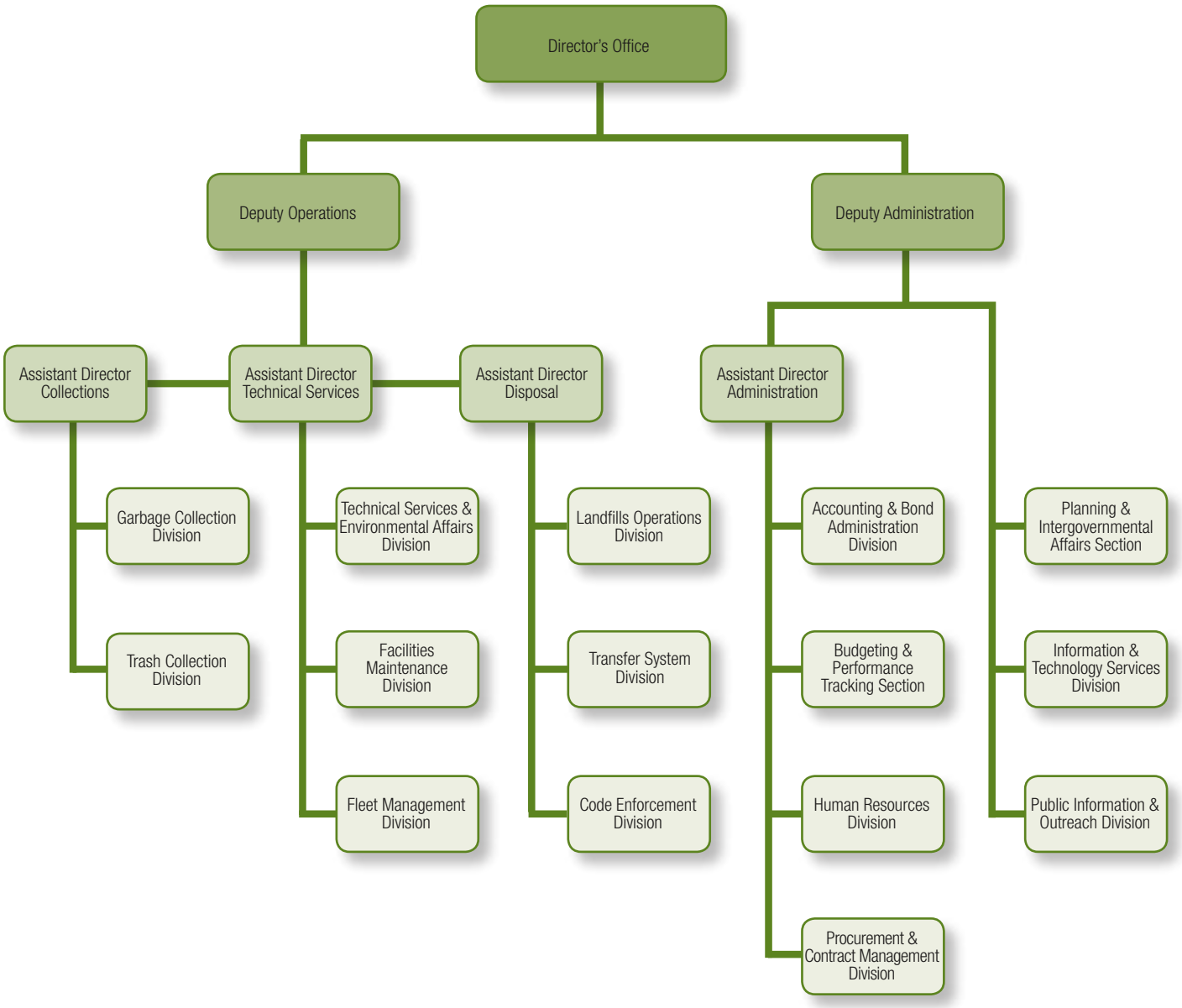
For its Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

Miami-Dade County
Department of Solid Waste Management
Table of Organization: FY 2010



Financial Section

KPMG LLP
Suite 2000
200 South Biscayne Boulevard
Miami, FL 33131

Independent Auditors' Report

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

We have audited the accompanying financial statements of the Miami-Dade County Department of Solid Waste Management (the Department), an enterprise fund of Miami-Dade County, Florida, as of and for the years ended September 30, 2010 and 2009, as listed in the table of contents. These financial statements are the responsibility of the Department'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 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 Department'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 audits provide a reasonable basis for our opinion.

As discussed in note 1, the financial statements present only the Department and do not purport to, and do not, present fairly the financial position of Miami-Dade County, Florida, as of September 30, 2010 and 2009, and the changes in its financial position and, where applicable, its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Miami-Dade County Department of Solid Waste Management, an enterprise fund of Miami-Dade County, Florida, as of September 30, 2010 and 2009, and the changes in financial position and cash flows thereof for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2011 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

The management's discussion and analysis on pages 4 through 24 and the schedule of funding progress for the retiree health plan on page 69 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. 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.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Miami-Dade County Department of Solid Waste Management, an enterprise fund of Miami-Dade County, Florida. The introductory section, supplementary financial section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary financial section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

As discussed in note 1, effective October 1, 2009, the Department adopted the provisions of Governmental Accounting Standards Board Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The 2009 financial statements have been restated to be consistent with the 2010 presentation.

KPMG LLP

April 18, 2011
Certified Public Accountants

Management's Discussion and Analysis (Unaudited)

The Miami-Dade County, Florida (the "County"), Department of Solid Waste Management (the "Department", "DSWM") presents the following Management's Discussion and Analysis (MD&A). Our discussion of the Department's financial performance provides an overview of the financial activities for the fiscal years ended September 30, 2010 and 2009. The information presented in this MD&A should be considered in conjunction with the information furnished in the Letter of Transmittal included in the Introductory Section, the Department's financial statements in this section and the various summaries of activities and financial performance included in the Supplemental Schedules (supplementary financial information) and the Statistical Section of this report.

Highlights

Financial Highlights

Fiscal Year 2010

- At September 30, 2010, the assets of the Department exceeded its liabilities by $183.7 million ("net assets") as compared to $165.7 million at September 30, 2009 (as restated; see Note 15 to the financial statements). Of the total $183.7 million in net assets as of September 30, 2010, $32.5 million was invested in capital assets, net of related debt; $112.5 million was restricted for debt service, groundwater protection, closure grants and reserves; the remaining balance of $38.7 million represented unrestricted net assets.

- Total net assets increased by $18 million, reflecting total revenues in excess of total expenses for the fiscal year ended September 30, 2010.

- For the fiscal year ended September 30, 2010, the Department's operating revenues increased by $4 million.

- For the fiscal year ended September 30, 2010:
  - Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills decreased $19.4 million.
  - Depreciation expense decreased $2.9 million.
  - Closure and postclosure care costs for inactive landfills increased $7.3 million.
  - Non-operating expenses net of non-operating revenues decreased $971 thousand.
  - There were no contributions in fiscal year 2010. Therefore, contributions decreased by $739 thousand.
  - There were no transfers in during fiscal year 2010. Therefore, transfers in decreased by $2.2 million.

- The Department's bonds and notes payable decreased by $14.9 million during the fiscal year ended September 30, 2010.

Fiscal Year 2009

The fiscal year 2009 Management's Discussion and Analysis herein has been revised pursuant to the restatement of the fiscal year 2009 financial statements. This resulted from the implementation in fiscal year 2010 of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53). See Note 15 to the financial statements.

- At September 30, 2009, the assets of the Department exceeded its liabilities by $165.7 million ("net assets") as compared to $ 161.7 million at September 30, 2008. Of the total $165.7 million in net assets

as of September 30, 2009, $39.3 million was invested in capital assets, net of related debt; $114.8 million was restricted for debt service, groundwater protection, closure grants and reserves; the remaining balance of $11.6 million (as restated) represented unrestricted net assets.

- Total net assets increased by $3.9 million, reflecting total revenues in excess of total expenses for the fiscal year ended September 30, 2009, as well as, the recognition of $3.8 million in Investment in Derivative Instruments, pursuant to the restatement of the fiscal year 2009 financial statements in connection with the implementation of GASB 53 in fiscal year 2010.

- For the fiscal year ended September 30, 2009, the Department's operating revenues decreased by $5.1 million.

- For the fiscal year ended September 30, 2009:
  - — Operating expenses before depreciation and closure and postclosure care costs for the inactive landfills decreased $9.5 million.
  - — Depreciation expense decreased $2.8 million.
  - — Closure and postclosure care costs for inactive landfills decreased $10 million.
  - — Non-operating expenses net of non-operating revenues increased $7.5 million.
  - — Contributions increased by $523 thousand.
  - — Transfers in decreased by $343 thousand.

- The Department's bonds and notes payable decreased by $14.2 million during the fiscal year ended September 30, 2009.

Department of Solid Waste Management's Highlights

Fiscal Year 2010

- During the fiscal year ended September 30, 2010, the Department serviced approximately 324,000 residential units, approximately 3,800 household/commercial accounts and approximately 1,000 commercial accounts. This represents an overall increase of 0.18% over the fiscal year ended September 30, 2009.

- The annual fee for curbside collection remained at $439 per household in fiscal year 2010.

- During fiscal year ended September 30, 2010, disposal equivalent revenue tons totaled approximately 1.56 million tons, a 2.5% decrease when compared to the fiscal year ended September 30, 2009.

- The disposal contract tipping fee was $59.77 per ton during the fiscal year ended September 30, 2010, a decrease of 1.1% over the fiscal year ended September 30, 2009.

- The Department contributed $11.3 million to capital projects during fiscal year 2010.

Fiscal Year 2009

- During the fiscal year ended September 30, 2009, the Department serviced approximately 323,500 residential units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts. This represents an overall increase of 0.15% over the fiscal year ended September 30, 2008.

- The annual fee for curbside collection remained at $439 per household in fiscal year 2009.

- During fiscal year ended September 30, 2009, disposal equivalent revenue tons totaled approximately 1.6 million tons, an 11% decrease when compared to the fiscal year ended September 30, 2008.

- The disposal contract tipping fee was $60.43 per ton during the fiscal year ended September 30, 2009, an increase of 4.99% over the fiscal year ended September 30, 2008.

- The Department contributed $11.8 million to capital projects during fiscal year 2009.

Overview of the Financial Statements

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

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

The Statements of Net Assets include all of the Department's assets and liabilities providing information about the nature and amounts of resources (assets) and obligations to creditors (liabilities) with the difference between the two reported as net assets at September 30, 2010 and 2009, respectively. The increases and decreases in net assets may serve as a valuable indicator of whether the financial position of the Department is improving or deteriorating. These statements also provide the basis for assessing the liquidity and financial flexibility of the Department along with its capital structure.

All of the Department's revenues and expenses are reflected on the Statements of Revenues, Expenses and Changes in Fund Net Assets for the fiscal years ended September 30, 2010 and September 30, 2009, respectively. These statements measure the level of success by the Department's operations in fiscal years 2010 and 2009, respectively. These may be used to evaluate the Department's profitability and credit worthiness and to determine whether the Department has successfully recovered all its costs through its user fees and other charges.

The Department's Statements of Cash Flows provide information about the Department's cash receipts and cash disbursements during the fiscal years ended September 30, 2010 and 2009, respectively. These statements report sources, uses and net changes in cash resulting from operating, investing, capital and non-capital financing activities.

Financial Analysis of the Department

As previously mentioned, the Statements of Net Assets and the Statements of Revenues, Expenses and Changes in Fund Net Assets reflect information about the Department's activities, which may serve as a useful indicator of whether the financial position of the Department is improving or deteriorating. These two set of statements report the net assets of the Department and changes in them. The difference between assets and liabilities is one way to measure financial health or financial position. Over time, increases or decreases in the Department's net assets are one indicator of whether its

financial health is improving or deteriorating. In addition, consideration must be given to non-financial factors including but not limited to population growth, economic conditions, changes in regulatory requirements and legislation.

The analysis below focuses on the Department's net assets (Table I) at the end of the fiscal years 2010, 2009 and 2008 and changes in net assets (Table II) during the fiscal years 2010, 2009 and 2008.

The Department's assets exceeded liabilities by $183.7 million, $165.7 million and $161.7 million at September 30, 2010, 2009 and 2008, respectively. Fiscal year 2009 has been restated herein pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53). See Note 15 to the financial statements.

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

Table I

Net Assets

	At September 30,		
	2010	2009	2008
		(In thousands)	
ASSETS			
CURRENT ASSETS			
Total Unrestricted Assets	**$ 160,072**	$ 138,277	$ 147,289
Total Restricted Assets	**23,083**	24,476	22,125
Total Current Assets	**183,155**	162,753	169,414
NON-CURRENT ASSETS			
Total Unrestricted Assets	**2,900**	3,770	–
Total Restricted Assets	**127,653**	128,447	135,548
Total Capital Assets	**180,608**	204,293	220,733
Total Other Assets	**7,822**	9,004	8,826
Total Non-Current Assets	**318,983**	345,514	365,107
TOTAL ASSETS	**502,138**	508,267	534,521
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Total Payable from Unrestricted Assets	**23,961**	29,624	34,362
Total Payable from Restricted Assets	**23,083**	24,476	22,125
Total Current Liabilities	**47,044**	54,100	56,487
LONG-TERM LIABILITIES			
Total Long-Term Liabilities	**271,424**	288,517	316,302
TOTAL LIABILITIES	**318,468**	342,617	372,789
NET ASSETS			
Investment in Capital Assets, net of Related Debt	**32,484**	39,343	39,864
Restricted	**112,498**	114,755	118,935
Unrestricted	**38,688**	11,552	2,933
TOTAL NET ASSETS	**$ 183,670**	$ 165,650	$ 161,732

Fiscal Year 2010

As of September 30, 2010, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 18% of the Department's net assets.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Total invested in capital assets, net of related debt decreased to $32.5 million at September 30, 2010, from $39.3 million at September 30, 2009. This decrease reflects the combined effects of capital assets deletions and deductions for the increase in accumulated depreciation, offset by capital assets additions, the decrease in the related debt and a minor increase in unused debt proceeds. Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net assets represents resources that are subject to external restrictions on how they may be used. At September 30, 2010, total restricted net assets amounted to $112.5 million as compared to $114.8 million at September 30, 2009. This decrease reflects lower closure grant and operating reserve account balances partially offset by higher debt service account and groundwater protection receivable account balances. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of $38.7 million at September 30, 2010, is reported as unrestricted net assets. Unrestricted net assets generally represent balances, which may be used to meet the Department's obligations to customers, employees and creditors. This $38.7 million balance, at September 30, 2010, increased from $11.6 million at September 30, 2009 (as restated), reflecting the recognition of investments in derivative instruments pursuant to GASB 53 (see Note 15 to the financial statements) and the benefits of lower balances in unrestricted current and long term liabilities (excluding bonds and notes payable) combined with higher balances in current unrestricted assets, partially offset by lower other assets (net of issuance costs). These balances in unrestricted net assets reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling $96 million and $100 million as of September 30, 2010 and 2009, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

Fiscal Year 2009

As of September 30, 2009, capital assets such as land, buildings, construction in progress, machinery and equipment (net of any debt outstanding used to acquire these assets) constituted 24% of the Department's net assets.

The Department uses these assets to provide services to customers; therefore, these assets are not available for future spending. It should be noted that while these capital assets are reported net of related debt, the resources required to repay this debt must be provided annually from operations, since it is unlikely the capital assets themselves will be liquidated to pay these liabilities. Total invested in capital assets, net of related debt decreased to $39.3 million at September 30, 2009, from $39.9 million at September 30, 2008. This decrease reflects the combined effects of capital assets additions, capital assets deletions, deductions for the increase in accumulated depreciation, the decrease

in the related debt and decrease in unused debt proceeds. Additional information concerning the Department's capital assets and long-term debt can be found in Notes 3 and 4 to the financial statements.

An additional portion of the Department's net assets represents resources that are subject to external restrictions on how they may be used. At September 30, 2009, total restricted net assets amounted to $114.8 million as compared to $118.9 million at September 30, 2008. This decrease reflects lower closure grant and construction account balances partially offset by higher debt service account, groundwater protection receivable account and operating expense reserve fund balances. Additional information concerning the Department's restricted assets can be found in Note 5 to the financial statements.

The remaining balance of $11.6 million (as restated) at September 30, 2009, is reported as unrestricted net assets. Unrestricted net assets generally represent balances, which may be used to meet the Department's obligations to customers, employees and creditors. This $11.6 million balance, at September 30, 2009, increased from $2.9 million at September 30, 2008, reflecting the recognition of $3.8 million in Investment in Derivative Instruments (pursuant to the restatement of the fiscal year 2009 financial statements in connection with the implementation of GASB 53 in fiscal year 2010) along with the benefits of lower balances in unrestricted current and long term liabilities (excluding bonds and notes payable) partially offset by lower balances in unrestricted assets. These balances in unrestricted net assets reflect the impact of the Department's ongoing recognition of the liability for closure and postclosure care costs totaling $100 million and $114 million as of September 30, 2009 and 2008, respectively. Additional information concerning the Department's liability for closure and postclosure care costs can be found in Note 10 to the financial statements.

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

TABLE II

Changes In Fund Net Assets

	For Fiscal Years Ended September 30,		
	2010	2009	2008
		(In thousands)	
Operating revenues			
Solid waste disposal services	**$ 57,102**	$ 60,117	$ 65,617
Solid waste collection services	**149,900**	142,090	143,497
Utility service fees	**20,650**	19,559	18,067
Electricity sales	**26,461**	27,911	28,000
Other operating revenues	**15,019**	15,451	15,078
Total operating revenues	**269,132**	265,128	270,259
Interest income	**1,504**	4,820	8,971
Contributions	–	739	216
Transfers In	–	2,239	2,582
Total Revenues	**270,636**	272,926	282,028
Operating expenses excluding depreciation and closure & postclosure care costs for inactive landfills	**212,316**	231,739	241,190
Depreciation	**29,567**	32,487	35,284
Closure & postclosure care costs/(recovery) for inactive landfills	**45**	(7,211)	2,803
Interest expense	**8,381**	9,348	10,166
Closure grant	**1,865**	5,560	1,041
Other non-operating expenses, net	**442**	67	389
Total Expenses	**252,616**	271,990	290,873
Changes in Fund Net Assets	**18,020**	936	(8,845)
Total Net Assets, beginning of the year	**165,650**	164,714 (1)	170,577
Total Net Assets, end of the year	**$ 183,670**	$ 165,650	$ 161,732 (1)

Total net assets increased by $18 million and by $3.9 million in fiscal years 2010 and 2009 (as restated), respectively.

(1) The total net assets balance as of 10/1/2008, when compared to the balance as of 09/30/2008, reflects the fiscal year 2009 restatement pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53). See Note 15 to the financial statements.

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

Fiscal Year 2010

Operating revenues increased 1.5% from $265.1 million in fiscal year 2009 to $269 million in fiscal year 2010, reflecting an increase in two revenue components (with the most significant increase in Solid Waste Collection Services) partially offset by decreases in the other three operating revenue categories.

Disposal Services Revenues decreased to $57 million in the fiscal year ended September 30, 2010 from $60.1 million in fiscal year 2009. This decrease resulted from the combined effects of lower equivalent revenue tons and lower disposal tipping fees. Equivalent revenue tons decreased from 1.6 million tons in the fiscal year ended September 30, 2009 to 1.56 million tons in the fiscal year ended September 30, 2010. The decrease in equivalent revenue tons in fiscal year 2010, when compared to fiscal year 2009, is primarily attributable to the decline in the economy which continued during fiscal year 2010. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees decreased from fiscal year 2009 to fiscal year 2010, as follows: From $60.43 per ton to $59.77 per ton for contractual customers; from $79.68 per ton to $78.80 per ton for non-contractual customers; and from $11.90 per ton to $11.77 per ton for the additional fee paid by those customers utilizing the Department's transfer stations.

Solid Waste Collection Services Revenues increased from $142 million in the fiscal year 2009 to $150 million in the fiscal year 2010. This increase in collection services revenues was principally the result of higher collections of the waste fees on the Property Tax Bill by the Property Tax Collector combined with a minor increase (0.18%) in the waste collection units serviced in fiscal year 2010. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2010 as compared to fiscal year 2009, as follows: $439 per household for residential curbside collection, $339 per unit for residential container service and the rollaway service ranged from $236.11 to $956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2010, the Department serviced approximately 324,000 residential (household) units, approximately 3,800 household/commercial accounts and approximately 1,000 commercial accounts as compared to approximately 323,500 residential (household) units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts during the fiscal year ended September 30, 2009.

Utility Service Fee Revenues reflected an increase to $21 million in fiscal year 2010 from $19.6 million in the fiscal year ended September 30, 2009. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales decreased to $26 million in fiscal year 2010 from $27.9 million in the fiscal year ended September 30, 2009, reflecting the effects of lower kilowatt hours produced partially offset by higher capacity and energy

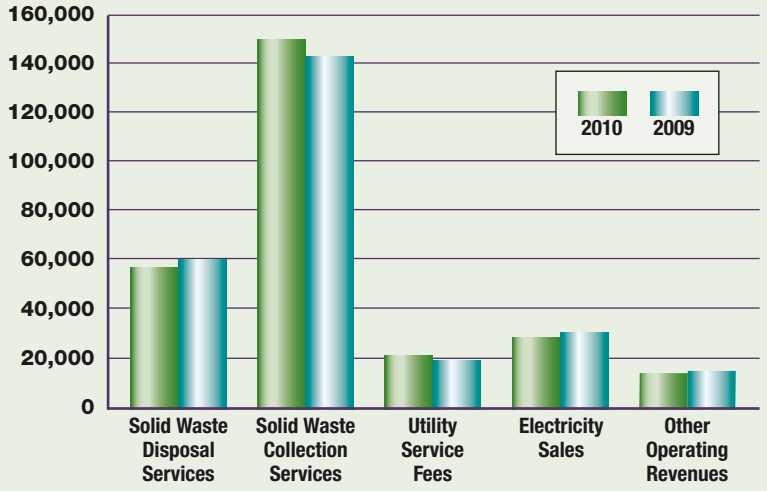
payment rates. The decrease in kilowatt hours produced was 27,975,000 KWH. Electrical revenues are generated pursuant to agreements with Progress Energy Inc. and Florida Power and Light Company ("FP&L") for the sale of electricity generated at the Resources Recovery Facility. These revenues from Progress Energy Inc., net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility's Operator.

Other Operating Revenues decreased to $15 million in fiscal year 2010 from $15.5 million in fiscal 2009. Other Operating Revenues include Disposal Facility Fee revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other. This decrease in fiscal year 2010, reflected lower revenue in 3 components of Other Operating Revenues (Disposal Facility Fee, permit fees and other) partially offset by higher revenue in the other 3 components (code enforcement fines, rental income and parking lot facilities revenue).

The following chart shows a comparison of operating revenues by source for the fiscal years ending September 30, 2010 and 2009.

Operating Revenues

(Dollar Amount in Thousands)



Fiscal Year 2009

Operating revenues decreased 2% from $270.2 million in fiscal year 2008 to $265.1 million in fiscal year 2009, reflecting a decrease in three revenue components (with the most significant decrease in Solid Waste Disposal Services) partially offset by increases in the other two operating revenue categories.

Disposal Services Revenues decreased to $60.1 million in the fiscal year ended September 30, 2009 from $65.6 million in fiscal year 2008. This decrease resulted from lower equivalent revenue tons partially offset by higher

disposal tipping fees. Equivalent revenue tons decreased from 1.8 million in the fiscal year ended September 30, 2008 to 1.6 million in fiscal year ended September 30, 2009. The decrease in equivalent revenue tons in fiscal year 2009, when compared to fiscal year 2008, is primarily attributable to the decline in the economy which continued in fiscal year 2009. Disposal tipping fees are collected from all users of the County's solid waste disposal facilities. Disposal tipping fees increased from fiscal year 2008 to fiscal year 2009, as follows: $57.56 per ton to $60.43 per ton for contractual customers; from $75.89 per ton to $79.68 per ton for non-contractual customers; and from $11.34 per ton to $11.90 per ton for the additional fee paid by those customers utilizing the Department's transfer stations.

Solid Waste Collection Services Revenues decreased from $143.5 million in the fiscal year 2008 to $142 million in the fiscal year 2009. This decrease in collection services revenues reflects the effects of lower direct billing and lower collection of legal judgments, coupled with the effects of a one time recycling education revenue (in fiscal year 2008) partially offset by a minor increase (.15%) in waste collection units serviced in fiscal year 2009. Collection services revenues are derived primarily from the curbside collection of garbage and trash. Fees for collection services remained the same in fiscal year 2009 as compared to fiscal year 2008, as follows: $439 per household for residential curbside collection, $339 per unit for residential container service and the rollaway service ranged from $236.11 to $956.39 depending on ownership, frequency of service and container size. During the fiscal year ended September 30, 2009, the Department serviced approximately 323,500 residential (household) units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts as compared to approximately 323,000 residential (household) units, approximately 3,800 household/commercial accounts and approximately 900 commercial accounts during the fiscal year ended September 30, 2008.

Utility Service Fee Revenues reflected an increase to $19.6 million in fiscal year 2009 from $18.1 million in the fiscal year ended September 30, 2008. The utility service fee is a fee assessed Countywide on water and wastewater bills. It is intended to provide a stable source of funding for groundwater protection activities related to the landfills in the System. These activities include, but are not limited to, ground water remediation, landfill closure and related 30 years postclosure care. The County, beginning with fiscal year 1996, increased the existing utility service fee collected on water and wastewater bills from 4% to 7.5%. The increase of 3.5% was assigned to the Department.

Electricity Sales decreased to $27.9 million in fiscal year 2009 from $28 million in the fiscal year ended September 30, 2008, reflecting the effects of lower kilowatt hours produced partially offset by higher capacity and energy payment rates. The decrease in kilowatt hours produced was 8,076,000 KWH. Electrical revenues are generated pursuant to agreements with Progress Energy Inc. and Florida Power and Light Company ("FP&L") for the sale of electricity generated at the Resources Recovery Facility. These revenues from Progress Energy Inc., net of costs to FP&L for services in connection with transmission, interconnection, Doral substation and other, are shared equally with the Facility's Operator.

Other Operating Revenues increased to $15.5 million in fiscal year 2009 from $15.1 million in fiscal 2008. This increase reflected higher revenues in all other operating revenue components for fiscal year 2009. Other Operating Revenues include Disposal Facility Fee revenues, office rental income, parking lot facilities revenue, code enforcement fines, permit fees and other.

Fiscal Year 2010

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills decreased by $19.4 million to $212 million in fiscal year 2010, from $231.7 million in fiscal year 2009.

A summary of the Department's Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care Costs for Inactive Landfills for the years ended September 30, 2010, 2009 and 2008, respectively, is as follows (Table III):

TABLE III

Summary of Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care for Inactive Landfills

for the Fiscal Years Ended September 30, 2010, 2009 and 2008 respectively, indicating the amount of change in Fiscal Year 2010 as compared to Fiscal Year 2009

Operating Expenses Prior to Depreciation Expense and Closure & Postclosure Care for Inactive Landfills	**2010**	2009	2008	Increase/ (Decrease)
		(In thousands)		
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills	**$ 19,420**	$ 16,438	$ 22,746	$ 2,982
Waste-to-energy	**65,444**	81,002	72,893	(15,558)
Transfer operations	**19,006**	26,395	28,635	(7,389)
Garbage collection	**36,141**	37,734	38,688	(1,593)
Trash collection	**21,912**	16,834	17,462	5,078
Recycling	**8,570**	16,250	25,250	(7,680)
Litter control & County wide lot clearing	**1,398**	1,634	1,281	(236)
Facility maintenance	**2,683**	2,281	1,900	402
Enforcement and environmental compliance	**8,121**	8,251	7,293	(130)
General and administrative	**29,621**	24,920	25,042	4,701
Total	**$ 212,316**	$ 231,739	$ 241,190	$ (19,423)

The $19.4 million decrease in operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills for fiscal year 2010, when compared to fiscal year 2009, resulted from decreases in waste-to-energy, recycling, transfer operations, garbage collection, litter control & county wide lot clearing and enforcement & environmental compliance components, which were partially offset by cost increases in trash collection, general and administrative, landfill and disposal operations and facility maintenance segments.

Waste-to energy expenses decreased approximately $15.6 million. This decrease primarily resulted from the recognition of $5.7 million in Recyclable Trash shortfalls as of September 30, 2009, as compared to the reversal of this $5.7 million liability in fiscal year 2010, pursuant to the January 28, 2010 Letter of Agreement for the

assignment of the Operations and Management (O&M) Agreement to a new operator of the Resources Recovery Plant. The impact of this $5.7 million reversal was combined with lower payments to the Operator for O&M and other. Recycling expenses decreased approximately $7.7 million. This decrease primarily resulted from lower costs associated with the new recycling carts (the majority of the recycling carts were acquired in fiscal years 2009 and 2008) combined with lower personnel, contractual and administrative costs. Transfer operations expenses decreased approximately $7.4 million. This decrease resulted from lower personnel, charges for county services and administrative costs. Garbage collection expenses decreased approximately $1.6 million primarily as a result of lower personnel costs, which were partially offset by higher supply costs for fire & safety equipment and miscellaneous other operating, insurance and county services. Litter control & County wide lot clearing costs decreased $236 thousand primarily as a result of lower personnel and maintenance costs. Enforcement and environmental compliance expenses decreased $130 thousand reflecting the effects of lower administrative costs partially offset by higher personnel and contractual services costs. Trash collection expenses increased approximately $5.1 million as a result of higher costs incurred for personnel, charges for county and contractual services. General and administrative expenses increased approximately $4.7 million primarily as a result of higher charges for county services, administrative expenses, personnel and contractual professional services. Landfill and disposal operations expense increased approximately $3 million. This increase primarily resulted from higher amortization of closure and postclosure care costs for the active landfills combined with higher contractual services which, were partially offset by decreases in charges for county and personnel services. The $402 thousand increase in facility maintenance primarily resulted from higher administrative and contractual services which were partially offset by lower repairs and personnel costs.

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

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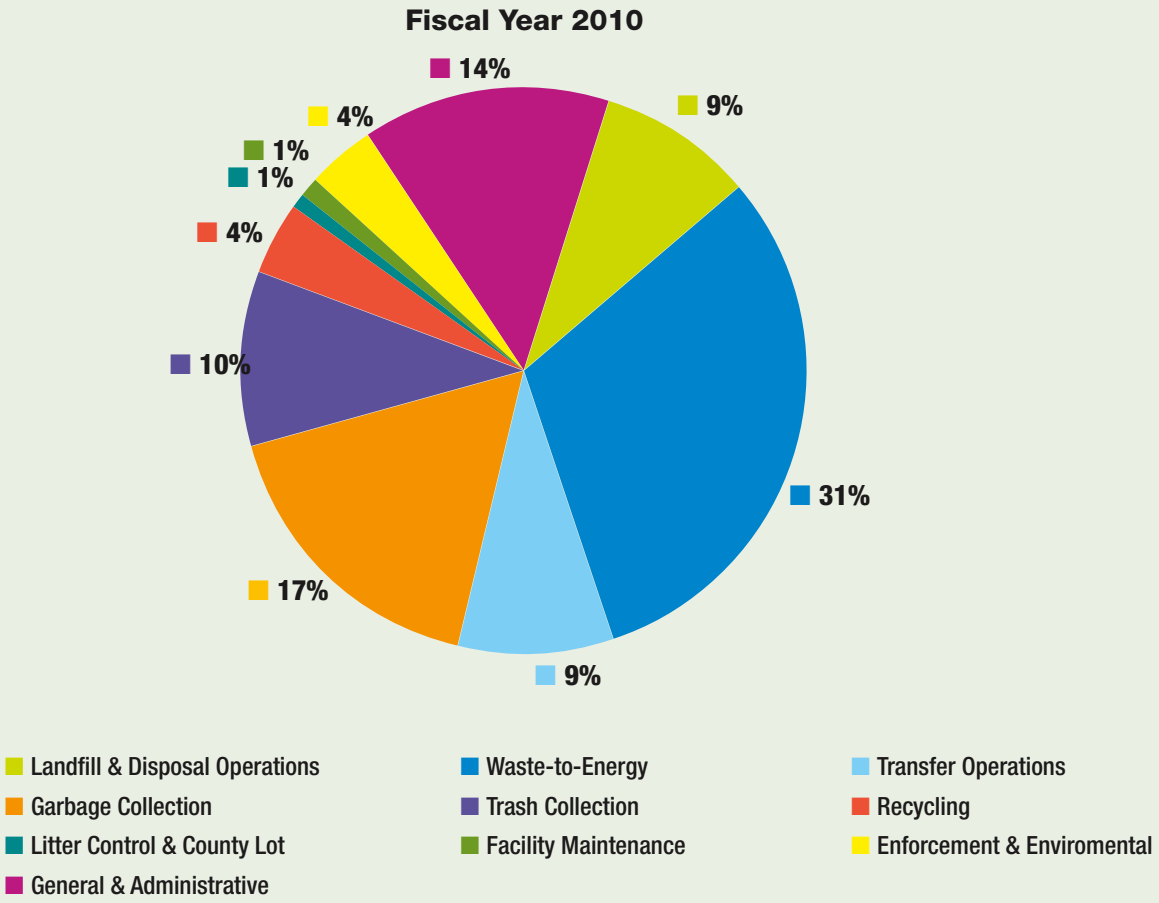
The following chart shows operating expenses before depreciation and costs for closure and postclosure care for inactive landfills for the fiscal year ended September 30, 2010.

Operating Expenses Before Depreciation and Closure and Postclosure Care Costs for Inactive Landfills

(As a Percentage of Total)



Depreciation expense decreased from approximately $32.5 million in fiscal year 2009 to approximately $30 million in fiscal year 2010. The decrease in fiscal year 2010, resulted from the combined effects of the disposal of depreciable plant and equipment, assets found fully depreciated and lower landfill depletion (corresponding to lower capacity used as a result of the lower tonnage received in fiscal year 2010), partially offset by additions to depreciable plant and equipment. Additional information concerning the Department's depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department's property plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year 2010 resulted in an expense of $45 thousand as compared to a credit (reduction to expense) of $7.2 million for fiscal year 2009. This component includes expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The $45 thousand expense reflects the recognition of expenses in connection with the Main Landfill. There were no expenses recognized in connection with Old South Dade or the Ojus Landfills in fiscal year 2010. The changes in estimates in fiscal year 2009 resulting in the $7.2 million credit was primarily as a result of a reduction in the number of ground water monitoring wells on site, to reflect the (current) permit conditions. Changes in estimates result from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non-operating expenses net of revenues in fiscal year 2010 totaled approximately $9.2 million as compared to $10.2 million in fiscal year 2009 (as restated). The components of this segment reflected decreases and increases as follows: interest income decreased $3.3 million (including investment income or loss in connection with the recognition of investment in derivative instruments pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" GASB 53, see Note 15 to the financial statements), interest expense decreased $967 thousand, closure grants (expense) decreased $3.7 million and other (expense), net increased $375 thousand.

Fiscal Year 2009

Operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills decreased by $9.5 million to $231.7 million in fiscal year 2009, from $241.2 million in fiscal year 2008.

The $9.5 million decrease in operating expenses prior to depreciation expense and closure and postclosure care costs for inactive landfills for fiscal year 2009, when compared to fiscal year 2008, resulted from decreases in landfill disposal operations, transfer operations, garbage collection, trash collection, recycling and general and administrative segments which were partially offset by cost increases in the waste to energy, litter control and county wide lot clearing, facility maintenance and enforcement and environmental compliance components.

Landfill and disposal operations expense decreased approximately $6.3 million. This decrease primarily resulted from lower amortization of closure and postclosure care costs and other contractual services. The $2.2 million decrease in transfer operations resulted from lower personnel and charges for county services costs. The decrease in garbage and trash collection ($954 and $628 thousand, respectively) resulted from lower costs associated with charges for county services which were partially offset by higher personnel costs. The $9 million decrease in the recycling segment resulted from lower costs associated with the new recycling carts (the majority of the carts were acquired in fiscal year 2008) combined with lower insurance costs. The $122 thousand decrease in general and administrative expenses resulted from lower costs associated with other post employment benefits combined with lower bad debt expenses which were partially offset by increases in contractual services, rental, costs associated with the funding for community based organizations and maintenance and repair costs. Waste-to energy expenses increased approximately $8.1 million. This increase resulted from the recognition of $5.7 million in Recyclable Trash shortfalls as of September 30, 2009, combined with higher payments to the Operator of the Resources Recovery Plant and to

other contractors. The $353 thousand increase in litter control and county wide lot clearing costs is attributed to the reimbursement (from the County) for the county wide lot clearing activity in fiscal year 2008 (which was discontinued for fiscal year 2009) partially offset by lower costs associated with county wide lot clearing activities. The $381 thousand increase in facility maintenance resulted from higher personnel costs. The $958 thousand increase in enforcement and environmental compliance resulted from higher personnel and contractual costs.

Additional information concerning the Department's other post employment benefits can be found in Note 8 to the financial statements and additional information concerning the Department's closure and postclosure care costs for active landfills can be found in Note 10 to the financial statements.

Depreciation expense decreased from approximately $35 million in fiscal year 2008 to approximately $32.5 million in fiscal year 2009. The decrease in fiscal year 2009, resulted from the combined effects of the disposal of depreciable plant and equipment, assets found fully depreciated and lower landfill depletion (corresponding to lower capacity used as a result of the lower tonnage received in fiscal year 2009), partially offset by additions to depreciable plant and equipment. Additional information concerning the Department's depreciation policy can be found in Note 1 of the financial statements and additional information concerning the Department's property plant and equipment can be found in Note 3 to the financial statements.

Changes in estimates for closure and postclosure care for inactive landfills in fiscal year 2009 resulted in a credit (reduction to expense) of $7.2 million as compared to a $2.8 million expense in fiscal year 2008. This component includes expenses associated with the closure and postclosure care of the Main Landfill at N. W. 58th Street (Main) and the assumption of responsibility for the closure and postclosure care of the Old South Dade Landfill site (OSD) and the Ojus Landfill (Ojus). OSD and Ojus have been undergoing closure enhancements. The $7.2 million credit in fiscal year 2009 reflected the combined effects of approximately $257 thousand credit in postclosure care estimates for Ojus Landfill, approximately $4.145 million credit for the Old South Dade Landfill site and approximately $2.809 million credit in postclosure care estimates for the Main Landfill. The changes in estimates resulted from the Department's postclosure care experience. Additional information concerning the Department's closure and postclosure care costs for inactive landfills can be found in Note 10 to the financial statements.

Non-operating expenses net of revenues in fiscal year 2009 (as restated) totaled $10.2 million as compared to $2.6 million in fiscal year 2008. The components of this segment reflected decreases and increases as follows: interest income decreased $4.2 million, interest expense decreased $818 thousand, closure grants (expense) increased $4.5 million and other (expense), net decreased $322 thousand. The interest income for fiscal year 2009 has been restated herein pursuant to the implementation in fiscal year 2010 of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53). See Note 15 to the financial statements.

Fiscal Year 2010

Contributions

There were no contributions received during fiscal year 2010.

Transfers In

There were no transfers in during fiscal year 2010.

Fiscal Year 2009

Contributions

During fiscal year 2009, the Department received $739 thousand in contributions. This represented funding for the South Dade Landfill Cell 5 construction from the County's General Obligation Bonds.

Transfers In

On December 29, 2008, the Department entered into an interdepartmental agreement with Miami-Dade County Police Department for the sale of 19.81 acres located in the Main Landfill (inactive landfill) for $2.3 million. This acreage had a book value of approximately $58 thousand. As a result of this transaction, the Department received approximately $1.1 million in cash and recorded a loan receivable for the $1.2 million balance in September 2009.

Capital Assets And Debt Administration

Capital Assets

Fiscal Year 2010

As of September 30, 2010, the Department had approximately $181 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents a decrease of $23 million from $204 million at September 30, 2009. This decrease reflects the combined effects of depreciation expense, sales and disposal of assets partially offset by asset additions during fiscal year 2010.

Major capital assets activity during fiscal year 2010 included the following:

- Projects continued in connection with the Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, Truck Wash Facility, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facilities Improvements, 58 Street Guardhouse & Drainage Improvements, Disposal Scalehouse Expansion Project, Disposal Facility Back-up Generator, Northeast Compactor Phase II, Northeast Transfer Station - Tunnel Roof, Northeast Transfer Station - Surge Pit Tipping Floor Roof, Northeast Transfer Station - New Ramp, miscellaneous projects at the Resources Recovery Facility, South Dade Ground Water Trench, South Dade Landfill Cell 5 Construction, West Transfer Station - Tipping Floor. In addition, the following projects commenced during fiscal year 2010, Collection 3A New Facility, Collection 58 Street Building Renovation, Northeast Transfer Station-3A New Facility and Resources Recovery Cell 20 Construction. The projects listed herein exclude the closure projects discussed below.

- It should be noted that while included in the Department's capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, the costs of closure projects incurred in fiscal year 2010 have been excluded from property plant and equipment in the summary below. During fiscal year 2010, the Department contributed approximately $6.8 million to these closure projects. Additional information concerning the Department's closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.

- Contributions to capital projects during fiscal year 2010 totaled $11.3 million.

During fiscal year 2010, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department's capital assets.

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

TABLE IV

Capital Assets and Accumulated Depreciation

	At September 30,		
	2010	2009	2008
		(In thousands)	
Buildings and improvements	**$ 480,281**	$ 479,411	$ 479,411
Machinery and equipment	**163,388**	162,913	160,286
Capital Assets, depreciable	**643,669**	642,324	639,697
Accumulated depreciation	**(503,832)**	(477,201)	(452,256)
Land	**22,847**	22,847	22,905
Construction in progress	**17,924**	16,323	10,387
Capital Assets	**$ 180,608**	$ 204,293	$ 220,733

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

Fiscal Year 2009

As of September 30, 2009, the Department had $204 million invested in capital assets including landfills, the Resources Recovery Facility, transfer stations, Trash and Recycling Centers (T&R Centers), construction in progress and machinery and equipment. This amount represents a decrease of $17 million from $221 million at September 30, 2008. This decrease reflects the combined effects of depreciation expense, sales and disposal of assets partially offset by asset additions during fiscal year 2009.

Major capital assets activity during fiscal year 2009 included the following:

- Projects continued in connection with the Collection Facility Improvements, T&R Centers Improvements, West and Southwest T&R Center, Truck Wash facility, Central Transfer Station Compactor-Phase II, Environmental Improvements, Disposal Facilities Improvements, 58 Street Guardhouse & Drainage Improvements, Disposal Scalehouse Expansion Project, Disposal Facility Back-up Generator, Northeast Compactor Phase II, Northeast Transfer Station - Tunnel Roof, Northeast Transfer Station - Surge Pit Tipping Floor Roof, Northeast Transfer Station - New Ramp, miscellaneous projects at the Resources Recovery Facility (Transformers Replacement), South Dade Ground Water Trench, South Dade Landfill Cell 5 Construction, West Transfer Station - Tipping Floor. The projects listed herein exclude the closure projects discussed below.

- It should be noted that while included in the Department's capital budget, closure projects, in accordance with generally accepted accounting principles, are not capitalized upon completion; therefore, the costs of closure projects incurred in fiscal year 2009 have been excluded from property plant and equipment in

the summary above. During fiscal year 2009, the Department contributed approximately $5.8 million to these closure projects. Additional information concerning the Department's closure and postclosure care costs for active and inactive landfills can be found in Note 10 to the financial statements.

- Contributions to capital projects during fiscal year 2009 totaled $11.8 million.

During fiscal year 2009, no event or changes in circumstances occurred resulting in the unexpected significant decline in the service utility (impairment) of the Department's capital assets.

Long-term Debt

Fiscal Year 2010

At September 30, 2010, the Department had approximately $185.6 million in bonds payable and subordinate debt outstanding, as compared to approximately $200.5 million at September 30, 2009. Of this $185.6 million total, $169.9 million in bonds payable are secured by a prior lien upon a pledge of the Pledged Revenues of the System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2010 as compared to $181 million at September 30, 2009. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2010, the Department's debt service coverage equaled 292%, as compared to 182% in the fiscal year ended September 30, 2009. This increase in coverage is attributed to higher Net Operating Revenues (NOR). The increase in NOR resulted from the increase in operating revenues and the decrease in operating expenses described above. The debt service calculation herein excludes investment income or loss in connection with the recognition of investment in derivative instruments pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53), see Note 15 to the financial statements. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2010, the calculation of debt service coverage resulting in 292% includes no adjustment to Net Operating Revenues from the Rate Stabilization Fund.

The balance of $15.7 million in debt reflects the balance outstanding at September 30, 2010, for the County's Acquisition Special Obligations Bonds, Series 2002A, Series 2004B and Sunshine State Loans, Series I and Series I, 2006 allocated to the Department. This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt. These Sunshine Loans are outstanding from the Sunshine State Governmental Financing Commission which are commercial paper obligations backed by insurance and a line of credit. In June 2008, the County restructured these loans to secure more favorable interest rates. The County opted to convert Auction Rate Bonds to a variable rate mode supported by a letter of credit from a financial institution. The Letter of Credit is for a three year period (June 2, 2008 through June 2, 2011). Subsequent to year end, the County entered into a new letter of credit. See Note 16 to the financial statements.

Total debt decreased approximately $14.9 million during fiscal year 2010. This decrease reflects the combined effects of debt reductions resulting from debt payments and the corresponding amortization of pre-

mium, discount, and deferred charges recorded during fiscal year 2010 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2010.

During February 2005, the Department updated its bond ratings with each of the three major rating agencies. The ratings received were as follows: Aaa from Moody's Investors Service, Inc, AAA from Standard and Poor's Credit Market Services and AAA from Fitch Ratings. On September 10, 2008, Moody's Investors Service affirmed the A2 rating. On September 23, 2009, Fitch Ratings affirmed the underlying 'A' rating. As of September 30, 2010, the aforementioned ratings had not changed.

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

TABLE V

Summary of the Department's Debt Obligations

September 30, 2010
(In thousands)

		Amount Outstanding	Interest Rates
Revenue Refunding Bonds	$	10,800	4.0-6.0%
Revenue Bonds		159,095	3.65-5.5%
County Special Obligation Bonds		9,246	2.0-5.0%
Sunshine State Loans		6,477	Variable
Total	$	185,618	

September 30, 2009
(In thousands)

		Amount Outstanding	Interest Rates
Revenue Refunding Bonds	$	20,704	4.0-6.0%
Revenue Bonds		160,225	3.65-5.5%
County Special Obligation Bonds		11,856	2.0-5.0%
Sunshine State Loans		7,698	Variable
Total	$	200,483	

September 30, 2008
(In thousands)

		Amount Outstanding	Interest Rates
Revenue Refunding Bonds	$	30,034	4.0-6.0%
Revenue Bonds		161,314	3.65-5.5%
County Special Obligation Bonds		14,394	2.0-5.0%
Sunshine State Loans		8,911	Variable
Total	$	214,653	

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

Fiscal Year 2009

At September 30, 2009, the Department had approximately $200.5 million in bonds payable and subordinate debt outstanding, as compared to approximately $215 million at September 30, 2008. Of this $200.5 million total, $181 million in bonds payable are secured by a prior lien upon a pledge of the Pledged Revenues of the System (that is, Net Operating Revenues, defined by the bond documents as operating revenues reduced by operating expenses) at September 30, 2009 as compared to $191 million at September 30, 2008. Pursuant to the bond rate covenant, the Department is required to meet debt service coverage of 120%. That is, Net Operating Revenues in each fiscal year must equal or exceed 120% of the annual principal and interest requirements on the bonds. For the year ended September 30, 2009, the Department's debt service coverage equaled 182%, as compared to 180% in the fiscal year ended September 30, 2008. This minor increase in coverage is attributed to higher Net Operating Revenues (NOR). The increase in NOR resulted from the decrease in operating expenses partially offset by decreases in operating revenues described above. The bond rate covenant permits the Net Operating Revenues in each fiscal year to be adjusted by adding amounts on deposit in the Rate Stabilization Fund as of the end of the immediately preceding fiscal year, in an amount not to exceed 20% of Net Operating Revenues. For fiscal year 2009, the calculation of debt service coverage resulting in 182% includes no adjustment to Net Operating Revenues from the Rate Stabilization Fund. The debt service calculation herein excludes investment income or loss in connection with the recognition of investment in derivative instruments pursuant to the implementation in fiscal year 2010 of the Governmental Accounting Standards Board, Statement No.53 "Accounting and Financial Reporting for Derivative Instruments" (GASB 53). See Note 15 to the financial statements.

The balance of $19.5 million in debt reflects the balance outstanding at September 30, 2009, for the County's Acquisition Special Obligations Bonds, Series 2002A, Series 2004B and Sunshine State Loans, Series I and Series I, 2006 allocated to the Department. This debt is considered subordinate debt to the Department because the County, not the Department, pledged non-ad valorem revenues or other legally available funds for the payment of these bonds. The Department deems the debt service coverage requirement for this subordinate debt to be limited to 100% of annual principal and interest on this debt. These Sunshine Loans are outstanding from the Sunshine State Governmental Financing Commission which are commercial paper obligations backed by insurance and a line of credit. In June 2008, the County restructured these loans to secure more favorable interest rates. The County opted to convert Auction Rate Bonds to a variable rate mode supported by a letter of credit from a financial institution.

Total debt decreased approximately $14.2 million during fiscal year 2009. This decrease reflects the combined effects of debt reductions resulting from debt payments and the corresponding amortization of premium, discount, and deferred charges recorded during fiscal year 2009 which were partially offset by the accretion values recognized for the capital appreciation bonds portion of the Department's Series 2005 bonds during fiscal 2009.

Economic Factors And Next Year's Budget And Rates

- Miami-Dade County's population growth for fiscal year 2010 was 1.3% as reported by Miami-Dade County Department of Planning and Zoning, Research Section. During the fiscal year ended September 30, 2010, the average annual number of household (residential) units, household/commercial accounts and commercial accounts serviced by the Department increased 0.18%. During the previous two fiscal years the average annual number of household units, household/commercial accounts and commercial accounts increased 0.15% and 1.27% per year (for fiscal year 2009 and fiscal year 2008, respectively). Information concerning the Department's average annual number of household units, household/commercial accounts and commercial accounts can be found in Table V of the Statistical Information Section of this report.

- The numbers of disposal equivalent revenue tons have been 1.56, 1.6 and 1.8 million for fiscal years 2010, 2009 and 2008, respectively. Information concerning the Department's disposal equivalent revenue tons can be found in Table III A of the Statistical Information Section of this report.

All these factors were considered in the preparation of the Department's budget for fiscal year 2011.

The Adopted Budget for fiscal year 2011 includes:

- A disposal contract tipping fee of $60.30 per ton. This 0.88% increase over fiscal year 2010, reflects the changes in the consumer price index stipulated for this fee.

- The annual fee for curbside collection remained at $439 per household.

- An additional municipality for residential curbside recycling service.

The balance in the Disposal Fund's Rate Stabilization Reserves was $20.7 million as of September 30, 2010. The Adopted Budget for fiscal year 2011 does not anticipate the use of funds from Rate Stabilization.

Request For Information

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

Statements of Net Assets

ASSETS	**At September 30,**	
CURRENT ASSETS	**2010**	2009
	(In thousands)	
Unrestricted Assets		
Cash and cash equivalents	$ **48,481**	$ 21,758
Investments	**100,046**	105,864
Accounts receivable, net of allowance of $679 and $424 respectively	**11,103**	10,162
Due from other governments	**144**	195
Loans receivable from other County funds	**298**	298
Total Unrestricted Assets	**160,072**	138,277
Restricted Assets		
Cash and cash equivalents	**13,830**	15,608
Investments	**175**	265
Accounts receivable	**9,078**	8,603
Total Restricted Assets	**23,083**	24,476
Total Current Assets	**183,155**	162,753
NON-CURRENT ASSETS		
Unrestricted Assets		
Investment in Derivative Instruments	**2,900**	3,770
Total Unrestricted Assets	**2,900**	3,770
Restricted Assets		
Cash and cash equivalents	**49,501**	31,399
Investments	**78,152**	97,048
Total Restricted Assets	**127,653**	128,447
Capital Assets		
Land	**22,847**	22,847
Buildings and improvements, net of depreciation	**66,939**	79,506
Furniture, Fixtures, Machinery and Equipment, net of depreciation	**72,898**	85,617
Construction in progress	**17,924**	16,323
Total Capital Assets	**180,608**	204,293
Other Assets		
Loans receivable from other County funds	**1,921**	2,219
Other	**5,901**	6,785
Total Other Assets	**7,822**	9,004
Total Non-Current Assets	**318,983**	345,514
TOTAL ASSETS	$ **502,138**	$ 508,267

Continued

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

Statements of Net Assets

Continued

	At September 30,	
LIABILITIES AND NET ASSETS	**2010**	2009
CURRENT LIABILITIES	*(In thousands)*	
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	$ **14,598**	$ 16,517
Due to other County funds	**1,477**	1,323
Other current liabilities - compensated absences	**3,854**	3,922
Other current liabilities - other	**878**	646
Current portion of liability for closure and postclosure care costs	**3,154**	7,216
Total Payable from Unrestricted Assets	**23,961**	29,624
Payable from Restricted Assets		
Accrued interest payable	**3,339**	3,737
Current portion of bonds and notes payable	**19,709**	18,823
Accounts payable, restricted	**35**	1,916
Total Payable from Restricted Assets	**23,083**	24,476
Total Current Liabilities	**47,044**	54,100
LONG-TERM LIABILITIES		
Long-term portion of bonds & notes payable, net	**165,909**	181,660
Liability for closure & postclosure care costs	**92,942**	93,020
Other long-term liabilities- compensated absences	**11,526**	11,244
Other long-term liabilities-other	**1,047**	2,593
Total Long-Term Liabilities	**271,424**	288,517
Total Liabilities	**318,468**	342,617
NET ASSETS		
Invested in Capital Assets, net of Related Debt	**32,484**	39,343
Restricted for:		
Debt service	**17,387**	17,113
Groundwater protection	**9,078**	8,603
Closure grants	**25,023**	26,786
Rate stabilization	**20,686**	20,686
Operating reserve	**40,324**	41,567
Total Restricted	**112,498**	114,755
Unrestricted	**38,688**	11,552
TOTAL NET ASSETS	$ **183,670**	$ 165,650

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

Statements of Revenues, Expenses and Changes in Fund Net Assets

	For the Fiscal Years ended September 30,	
	2010	2009
	(In thousands)	
Operating Revenues		
Solid waste disposal services	$ **57,102**	$ 60,117
Solid waste collection services	**149,900**	142,090
Utility service fees	**20,650**	19,559
Electricity sales	**26,461**	27,911
Other operating revenues	**15,019**	15,451
Total Operating Revenues	**269,132**	265,128
Operating Expenses		
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills	**19,420**	16,438
Waste-to-energy	**65,444**	81,002
Transfer operations	**19,006**	26,395
Garbage collection	**36,141**	37,734
Trash collection	**21,912**	16,834
Recycling	**8,570**	16,250
Litter control & County wide lot clearing	**1,398**	1,634
Facility maintenance	**2,683**	2,281
Enforcement and environmental compliance	**8,121**	8,251
General and administrative	**29,621**	24,920
Total	**212,316**	231,739
Depreciation	**29,567**	32,487
Closure & Postclosure Care Costs/(Recovery) for Inactive Landfills	**45**	(7,211)
Total Operating Expenses	**241,928**	257,015
Operating Income	**27,204**	8,113
Non-Operating Revenues (Expenses)		
Interest income	**1,504**	4,820
Interest expense	**(8,381)**	(9,348)
Closure grants	**(1,865)**	(5,560)
Other non-operating, net	**(442)**	(67)
Total Non-Operating Expenses, Net	**(9,184)**	(10,155)
Contributions	**-**	739
Transfers in	**-**	2,239
Changes in Fund Net Assets	**18,020**	936
Total Net Assets, beginning of the year	**165,650**	164,714
Total Net Assets, end of the year	$ **183,670**	$ 165,650

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

Statements of Cash Flows

	For the Fiscal Years ended September 30,	
	2010	2009
	(In thousands)	
Cash Flows From Operating Activities:		
Cash received from fees and charges	$ **267,766**	$ 267,776
Cash paid to suppliers	**(145,181)**	(155,761)
Cash paid for closure and long-term care costs	**(6,946)**	(6,010)
Cash paid to employees for services	**(68,235)**	(73,458)
Net cash provided by operating activities	**47,404**	32,547
Cash Flows From Noncapital Financing Activities:		
Closure grants	**(1,865)**	(5,560)
Hurricane expenses covered by grant & other	**10**	46
Net cash used by noncapital financing activities	**(1,855)**	(5,514)
Cash Flows From Capital and Related Financing Activities:		
Principal payments on bonds and loans payable	**(16,921)**	(20,390)
Interest paid	**(7,198)**	(8,091)
Proceeds from the sale of property and equipment	**265**	1,893
Contribution for the construction of capital assets	**-**	739
Acquisition and construction of capital assets	**(6,124)**	(16,619)
Net cash used by capital and related financing activities	**(29,978)**	(42,468)
Cash Flows From Investing Activities:		
Proceeds from sale and maturity of investments	**203,177**	219,064
Purchases of investments	**(178,373)**	(203,177)
Interest earned on investments	**2,374**	4,032
Receipts from loan to other County fund for land purchase	**298**	169
Net cash provided by investing activities	**27,476**	20,088
Net increase in cash and cash equivalents	**43,047**	4,653
Cash and cash equivalents, beginning of year	**68,765**	64,112
Cash and cash equivalents, end of year	$ **111,812**	$ 68,765
Classified As:		
Unrestricted Assets	$ **48,481**	$ 21,758
Restricted Assets	**63,331**	47,007
Total	$ **111,812**	$ 68,765

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

Statements of Cash Flows

	For the Fiscal Years ended September 30,		
	2010	2009	
	(In thousands)		
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	$ **27,204**	$ 8,113	
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	**29,567**	32,487	
Amortization/(recovery) of closure and postclosure care liability	**2,806**	(7,256)	
(Increase) decrease in assets:			
Accounts receivable	**(1,416)**	2,465	
Other current assets	**-**	9	
Due from other governments & other County funds	**51**	183	
Other assets	**884**	692	
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	**(3,800)**	903	
Other current liabilities - compensated absences	**(68)**	111	
Other current liabilities - other	**232**	64	
Due to other County funds	**154**	(335)	(1)
Liability for closure and postclosure costs—disbursements	**(6,946)**	(6,010)	
Other long-term liabilities-other	**(1,546)**	989	
Other long-term liabilities-compensated absences	**282**	132	
Net Cash Provided by Operating Activities	$ **47,404**	$ 32,547	

Noncash Investing, Capital and Financing Activities:

The increase in the fair value of investments was approximately $591,000 and approximately $405,000 in fiscal years 2010 and 2009, respectively.

The Department implemented the provisions of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53) in fiscal year 2010. The fiscal year 2009 Statement of Net Assets and Statement of Revenues, Expenses and Changes in Fund Net Assets have been restated in the fiscal year 2010 presentation. The cumulative effect of applying GASB 53, resulted in an increase of $2.982 million to the beginning net assets balance (at October 1, 2008, as restated) as well as a decrease of $82 thousand representing the change in the fair value of the swap as of September 30, 2010.

(1) Excludes ($4.2) million in General Services Administration loans reflected in cash flows from capital and related financing activities in fiscal year 2009.

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

Notes to Financial Statements

September 30, 2010 and 2009

1. General and Summary of Significant Accounting Policies

Reporting Entity – In January 1989, the Board of County Commissioners (the "Board") of Miami-Dade County, Florida (the "County") passed Administrative Order 9-1 creating the Department of Solid Waste Management (the "Department", "DSWM"). The Department was formed by merging the Department of Solid Waste Collection with the Solid Waste Disposal Division of the Public Works Department into a single agency. The Department provides solid waste collection services for unincorporated Miami-Dade County and solid waste disposal services for all of Miami-Dade County. Under the provisions of the State of Florida 1988 Solid Waste Management Act, the County is responsible for providing sufficient solid waste disposal capacity for all of Miami-Dade County based on a defined "Level of Service Standard", as required by the 1985 State of Florida Growth Management Act.

The financial statements present only the financial position, results of operations and the cash flows of the Department, in conformity with accounting principles generally accepted in the United States of America, and are not intended to present fairly the financial position, results of operations and the cash flows of Miami-Dade County, Florida.

Measurement Focus Basis of Accounting – The Department operates as a self-supporting governmental enterprise fund of the County. An enterprise fund is used to account for operations that recover the cost of services provided from user charges. Accordingly, the accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting.

The accompanying financial statements combine the accounts of the Solid Waste Collection and Solid Waste Disposal Systems to provide meaningful information with respect to the Department. All significant intersystem transactions have been eliminated.

The financial statements are prepared in conformity with generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB). The Department has elected not to apply certain pronouncements of the Financial Accounting Standards Board issued after November 30, 1989 as permitted by GASB Statement No. 20, *Accounting and Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*.

Budgets – The Board of County Commissioners approves annual operating and capital outlay budgets for the Department's waste collection and waste disposal funds, through the enactment of Budget Ordinances. Expenditures are monitored at various levels of classification detail, but may not legally exceed budgeted appropriations at the fund level.

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

Hurricane Related Expenses – Hurricane expenses, if any were incurred in the accounting period, are reflected in the financial statements. To the degree these costs can be estimated, the figures have been accrued for in the periods presented.

Revenue Recognition – All waste collection and disposal revenues are recognized when the related services are provided.

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

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

Cash and Cash Equivalents – Cash includes cash on hand, amounts in demand deposits, and positions in investment pools that can be deposited or withdrawn without notice or penalty. Cash equivalents are short-term, highly liquid securities with known market values and maturities, when acquired, of less than three months.

Investments – The investments of the Department are part of the County's investment pool. Non-participating investments, such as nonnegotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized cost. Participating investments are carried at fair value, and unrealized gains and losses due to variations in fair value are recognized during the year.

Restricted Assets – The use of certain assets is restricted by specific bond covenants and other legal requirements. Assets so designated are identified as restricted assets on the statements of net assets.

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

Capital Assets and Depreciation – Property, plant and equipment are capitalized at cost, when cost exceeds $1,000. Contributions by third parties are recorded at their fair value on the date of contribution. Expenditures for maintenance, repairs and minor renewals and betterments are expensed as incurred. At the time properties are retired or otherwise disposed of, the cost and any related contributed capital are eliminated from the accounts, and any gain or loss on the transaction is reflected in the statements of revenues, expenses and changes in fund net assets.

Leases that transfer substantially all the benefits and risks of ownership are classified as capital leases, and require the lessee to record the assets acquired and the related long-term liability for the lease at the present value of the future minimum lease payments.

Annualized depreciation expense (including depreciation on contributed assets), expressed as a percentage of depreciable property, plant and equipment was 4.59% and 5.06% for the fiscal years ended September 30, 2010 and

2009, respectively. The Department utilizes the straight-line depreciation method of depreciation over the estimated useful lives of the assets, which are as follows:

	Years
Buildings and improvements	10-25
Machinery and equipment	5-10

Loans Receivable from Other County Funds – In fiscal year 2008, the Department made a loan to the Miami-Dade County Parks Department for the acquisition of a 33.58 acre portion of the DSWM–owned NW 58th Street Landfill property, which is to be repaid in 10 annual installments of $168,640. Approximately $506 thousand and $337 thousand had been repaid as of September 30, 2010 and 2009, respectively, leaving a remaining balance of $1.18 million and $1.35 million as of September 30, 2010 and 2009, respectively. During fiscal year 2009, the Department made another loan for the acquisition of a 19.81 acre portion of the DSWM-owned NW 58 Street Landfill to the Miami-Dade Police Department. This loan calls for ten annual installments of $129,796. The Police Department made the first payment at the inception of the loan, leaving a remaining balance of approximately $1 million and $1.2 million, as of September 30, 2010 and 2009, respectively.

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

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

During Fiscal Year 2010, $1.1M reimbursable costs were incurred by the City, leaving a remaining balance of approximately $25 million (after recognizing approximately $103 thousand in investment income for fiscal year 2010) at September 30, 2010. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department's financial statements.

During Fiscal Year 2009, no reimbursable costs were incurred by the City, leaving a remaining balance of approximately $26 million (after recognizing approximately $113 thousand in investment income for fiscal year 2009) at September 30, 2009. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department's financial statements.

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

$7.5 million to an interest bearing escrow account for the purposes set forth in the Agreement. The terms of the Agreement prescribe reimbursement to Homestead from the escrow account based on invoices or draw requests for eligible costs. Because of the cost-reimbursement nature of the Agreement, the Department recognizes grant expenses as Homestead incurs and presents documentation for reimbursement of eligible reimbursable costs.

During Fiscal Year 2010, approximately $716 thousand had been reimbursed to the City for eligible costs, leaving a remaining balance of approximately $2 thousand (after recognizing approximately $3 hundred in investment income for fiscal year 2010) at September 30, 2010. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department's financial statements.

During Fiscal Year 2009, approximately $5.5 million had been reimbursed to the City for eligible costs, leaving a remaining balance of approximately $718 thousand (after recognizing approximately $25 thousand in investment income for fiscal year 2009) at September 30, 2009. The escrow account balance is reported as part of restricted cash and cash equivalents in the Department's financial statements.

Interest on Indebtedness – Interest is charged to expense as incurred except for interest related to borrowings used for qualified construction projects, which is capitalized, net of interest earned on the construction funds borrowed. Interest expense for the fiscal years ended September 30, 2010 and 2009 was $8 million and $9 million, respectively. These amounts are net of capitalizable interest totaling $320 thousand and $184 thousand in fiscal years 2010 and 2009, respectively.

Bond Premium, Deferred Charges and Issuance Costs – Premiums on bonds and notes payable are amortized using the straight-line method over the life of the related bond issues since, in the opinion of management, the results are not significantly different than those obtained by using the effective interest method of amortization. Bond issuance costs and deferred charges are capitalized and amortized over the life of the bonds.

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

Pension Plan – The Department contributes to the Florida Retirement System, a cost-sharing multi-employer plan. Contributions are expensed as incurred (see Note 7). The Department has adopted the provisions of GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions in fiscal year 2008 (see Note 8).

Compensated Absences – The Department accounts for compensated absences by accruing a liability in accordance with GASB Statement No. 16, Accounting for Compensated Absences. This liability is based on the employees' right to receive compensation for future absences at the time of the absence, or upon termination or retirement.

Cost Allocation – Certain engineering overhead and other costs are allocated between capital projects and operating expenses based on direct labor costs.

Contributions – Miami-Dade County General Obligation Bonds (GOB) includes a provision to assist with the construction of South Dade Landfill Cell 5. Construction commenced in fiscal year 2008. During the fiscal year

ended September 30, 2010, there were no contributions made by GOB bonds. The total contributions made by GOB bonds during fiscal year 2009 were approximately $739 thousand.

Derivative Instruments – The Department implemented the provisions of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53) in fiscal year 2010. This statement enhances the usefulness and comparability of derivative instruments information reported by State and local governments by providing a comprehensive framework of recognition, measurement and disclosure of derivative instrument transactions.

Reclassifications – Certain reclassifications have been made to the fiscal year 2009 financial statements information to conform with the fiscal year 2010 presentation. There was no impact on the previously reported net assets of the Department.

2. Cash, Cash Equivalents and Investments

Deposits and Investments

Miami-Dade County ("the County") is authorized through Florida Statutes §218.415, Ordinance No. 84-47, Resolution R-31-09 and its Investment Policy to make certain investments. The Investment Policy was updated and adopted on January 22, 2009 in response to current and possible uncertainties in the domestic and international financial markets. The County's overall investment objectives are, in order of priority, the safety of principal, liquidity of funds and maximizing investment income.

The County pools substantially all cash, cash equivalents and investments, except for those amounts that are required to be held in trust or escrow accounts pursuant to bond ordinances. The Department's share of the total pooled cash and investments is segregated between "Cash and Cash Equivalents" and "Investments" on the accompanying statements of net assets in proportion to the percentages contained in the County's analysis of its pooled cash. Interest earned on pooled cash and investments is allocated periodically to the Department based upon its average daily balance in those assets during the allocation period.

All cash deposits are held in qualified public depositories pursuant to the Florida Security for Public Deposits Act (the "Act"), Chapter 280 Florida Statutes. These deposits are considered fully insured since the Act requires all qualified public depositories to pledge, as security, eligible collateral with a market value equal to or greater than the average daily or monthly balance of all public deposits multiplied by the depository's collateral pledging level. The pledging level ranges from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with a State 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.

As a rule, the County intends to hold all purchased securities until their final maturity date. There may be occasional exceptions, including, but not limited to the need to sell securities to meet unexpected liquidity needs. Included in cash and cash equivalents are funds held as cash with fiscal agent pursuant to the Munisport and City of Homestead Closure Grants (see Note 1). As of September 30, 2010 the total balance of Closure Grant Funds is held as money market accounts. All these Closure Grant Funds are classified as restricted assets in the financial statements herein. None of these Closure Grant Funds are part of the County's pool. Therefore, the information

herein regarding the County's pool about risk and other does not apply to these Closure Grant Funds. These items are identified on page 35.

At September 30, 2010, and September 30, 2009 the carrying value of the Department's share of the County's pooled cash and cash equivalents and investments, as well as cash with fiscal agent included the following:

	2010 Fair Value (In Thousands)		
	Investments	Cash and Cash Equivalents	Total
Federal Home Loan Mortgage Corporation	$ 36,504	$ 1,691	$ 38,195
Federal Home Loan Bank	34,554	22,861	57,415
Federal Farm Credit Bank	49,088	-	49,088
Fannie Mae	54,163	3,885	58,048
Money Market (includes $25M of Closure Grants Funds)	-	25,151	25,151
Time Deposits	-	5	5
Treasury Bills	2,416	18,666	21,082
Treasury Notes	1,648	-	1,648
Petty cash	-	2	2
Commercial Paper	-	39,551	39,551
Total	$ 178,373	$ 111,812	$ 290,185

	2009 Fair Value (In Thousands)		
	Investments	Cash and Cash Equivalents	Total
Federal Home Loan Mortgage Corporation	$ 45,736	$ -	$ 45,736
Federal Home Loan Bank	43,636	1,710	45,346
Federal Farm Credit Bank	46,309	20	46,329
Fannie Mae	47,923	3,266	51,189
Money Market (includes $26.8M of Closure Grants Funds)	-	26,931	26,931
Time Deposits	-	819	819
Treasury Bills	18,671	-	18,671
Treasury Notes	902	-	902
Petty cash	-	2	2
Government Money Market	-	36,017	36,017
Total	$ 203,177	$ 68,765	$ 271,942

The Department implemented the provisions of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53) in fiscal year 2010. The balances reported as investment in derivative instruments as of September 30, 2010 and 2009, respectively, are addressed in Note 15.

These balances have been excluded from the tables above. Disclosures addressing credit risk, interest rate risk and foreign currency risk for the investment in derivative instruments are also reflected in Note 15 and not in the narrative below.

Credit Risk

The County's Investment Policy (the Policy), minimizes credit risk by restricting authorized investments to: Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act; Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, pursuant to Florida Statutes §280.02, which are defined as banks, savings bank, or savings association organized under the laws of the United States with an office in the State of Florida that is authorized to receive deposits, and has deposit insurance under the provisions of the Federal Deposit Insurance Act; direct obligations of the United States Treasury; federal agencies and instrumentalities; securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, provided that the portfolio is limited to the obligations of the United States government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; Commercial paper of prime quality with a stated maturity of 270 days or less from the date of its issuance, which has the highest letter and numerical rating as provided for by at least two rating agencies which are Standard & Poor's (A1), Moody's (P1), or Fitch (F1); Bankers Acceptances which have a stated maturity of 180 days or less from the date of its issuance, and have the highest letter and numerical rating as provided for by at least two nationally recognized rating agencies (as noted for commercial paper above), and are drawn on and accepted by commercial banks and which are eligible for purchase by the Federal Reserve Bank; Investments in Repurchase Agreements ("Repos") collateralized by securities authorized by this policy. All Repos shall be governed by a standard Securities Industry and Financial Markets Association (SIFMA) Master Repurchase Agreement; municipal securities issued by U.S. state or local governments, having at time of purchase, a stand-alone credit rating of AA or better assigned by two or more recognized credit rating agencies or a short-term credit rating of A1/P1 or equivalent from one or more recognized credit rating agencies.

Securities Lending - Securities or investments purchased or held under the provisions of this section may be loaned to securities dealers or financial institutions provided the loan is collateralized by cash or securities having a market value of at least 102% of the market value of the securities loaned upon initiation of the transaction.

The table below summarizes the investments by type, provides the fair value and insured credit rating at September 30, 2010 and September 30, 2009:

Investment Type	2010 Fair Value (In Thousands)	Credit Rating
Federal Home Loan Mortgage Corporation	$ 36,504	AAA
Federal Home Loan Bank	34,554	AAA
Federal Farm Credit Bank	49,088	AAA
Fannie Mae	54,163	AAA
Treasury Bills	2,416	-
Treasury Notes	1,648	-
Total	$ 178,373	

Investment Type	2009 Fair Value (In Thousands)	Credit Rating
Federal Home Loan Mortgage Corporation	$ 45,736	AAA
Federal Home Loan Bank	43,636	AAA
Federal Farm Credit Bank	46,309	AAA
Fannie Mae	47,923	AAA
Treasury Bills	18,671	-
Treasury Notes	902	-
Total	$ 203,177	

Custodial Credit Risk

The Policy requires that time deposits made in banks and savings and loan associations must be made with qualified public depositories in accordance with Chapter 280, Florida Statutes. The County deposits funds only in qualified public depositories, pursuant to Florida Statutes 280.02, which are defined as banks, savings banks, or savings associations organized under the laws of the United States with an office in the State of Florida that is authorized to receive deposits, and has deposit insurance under the provisions of the FDIC. At September 30, 2010 all of the County's bank deposits were in qualified public depositories and as such the deposits are not exposed to custodial credit risks.

Securities may be purchased only through financial institutions that are state-certified public depositories. For third-party custodial agreements, the County will execute a Custodial Safekeeping Agreement with a commercial bank. All securities purchased and/or collateral obtained by the County shall be the property of the County and be held apart from the assets of the financial institution.

Concentration of Credit Risk

The Policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. The Policy provides that a maximum of 50% of the portfolio may be invested in the State of Florida Local Government Surplus Trust Fund (the "Pool"); however, bond proceeds may be temporarily deposited in the Pool until alternative investments have been purchased. Prior to any investment in the Pool, approval must be received from the Board of County Commissioners. A maximum of 30% of the portfolio may be invested in SEC registered money market funds with no more than 10% to any single money market fund. A maximum of 20% of the portfolio may be invested in interest bearing time deposits or demand accounts with no more than 5% deposited with any one issuer.

There is no limit on the percent of the total portfolio that may be invested in direct obligations of the U.S. Treasury or federal agencies and instrumentalities, with no limits on individual issuers (investment in agencies containing call options shall be limited to a maximum of 25% of the total portfolio). A maximum of 5% of the portfolio may be invested in open-end or closed-end funds. A maximum of 50% of the portfolio may be invested in prime commercial paper with a maximum of 5% with any one issuer. A maximum of 25% of the portfolio

may be invested in bankers acceptances with a maximum of 10% with any one issuer, but a maximum of 60% of the portfolio may be invested in both commercial paper and bankers acceptances.

A maximum of 20% of the portfolio may be invested in repurchase agreements with the exception of one (1) business day agreements, with a maximum of 10% of the portfolio in any one institution or dealer with the exception of one (1) business day agreements. Investments in derivative products shall be prohibited by Miami-Dade County. A maximum of 25% of the portfolio may be directly invested in municipal obligations, up to 5% with any one municipal issuer.

As of September 30, 2010, and September 30, 2009 the following issuers held 5% or more of the cash and cash equivalents and investments as a percentage of the total portfolio:

Issuer	2010 Fair Value (In Thousands)	% of Portfolio
Treasury Bills	$ 21,082	7%
Federal Home Loan Mortgage Corporation	38,195	13%
Commercial Paper	39,551	14%
Federal Farm Credit Bank	49,088	17%
Federal Home Loan Bank	57,415	20%
Fannie Mae	58,048	20%

Issuer	2009 Fair Value (In Thousands)	% of Portfolio
Federal Farm Credit Bank	$ 46,329	17%
Federal Home Loan Bank	45,346	17%
Federal Home Loan Mortgage Corporation	45,736	17%
Fannie Mae	51,189	19%

The above excludes investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds and external investment pools.

Interest Rate Risk

The Policy limits interest rate risk by requiring the matching of known cash needs and anticipated net cash outflow requirements; following historical spread relationships between different security types and issuers; evaluating both interest rate forecasts and maturity dates to consider short-term market expectations. The Policy requires that investments made with current operating funds shall maintain a weighted average of no longer than 1 year. Investments for

bond reserves, construction funds and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The Policy limits the maturity of an investment to a maximum of 5 years.

As of September 30, 2010 and September 30, 2009 the County has the following cash and cash equivalents and investments with the respective weighted average maturity in years:

Investment Type	2010 Fair Value (In Thousands)	Weighted Average in Years
Federal Home Loan Mortgage Corporation	$ 38,195	0.59
Federal Home Loan Bank	57,415	0.85
Federal Farm Credit Bank	49,088	1.55
Fannie Mae	58,048	0.76
Money Market (includes $25M of Closure Grants Funds)	25,151	0.00
Time Deposits	5	0.49
Treasury Bills	21,082	0.15
Treasury Notes	1,648	0.15
Commercial Paper	39,551	0.00

Investment Type	2009 Fair Value (In Thousands)	Weighted Average in Years
Federal Home Loan Mortgage Corporation	$ 45,736	1.01
Federal Home Loan Bank	45,346	0.79
Federal Farm Credit Bank	46,329	1.56
Fannie Mae	51,189	0.67
Money Market (includes $26.8M of Closure Grants Funds)	26,931	0.00
Time Deposits	819	0.42
Treasury Bills	18,671	0.62
Treasury Notes	902	0.62
Government Money Market	36,017	0.00

Foreign Currency Risk

The Policy limits the County's foreign currency risk by excluding foreign investments as an investment option.

3. Property, Plant and Equipment

Capital assets activity for each of the years ended September 30, 2010 and September 30, 2009 was as follows:

(In Thousands)

	Balance at 10/1/2009	Additions	Deletions	Balance at 9/30/2010
Land	$ 22,847	$	$ -	$ 22,847
Construction in Progress	16,323	11,319	9,718	17,924
Total Non-depreciable Assets	39,170	11,319 (1)	9,718	40,771
Building & Building Improvements				
Authorized Improvements (Contributed Assets)	507			507
Buildings	310,022	15		310,037
Total Buildings & Improvements	310,529	15	-	310,544
Other Improvements (Incl. Landfills)	168,882	855	-	169,737
Furniture, Fixtures, Machinery & Equipment				
Machinery, Equipment & Furniture	51,793	2,752	1,070	53,475
Automotive Equipment	110,031	836	2,043	108,824
Other Capitalizable Items	1,089			1,089
Total Furn,Fix, Machinery & Equipment	162,913	3,588	3,113	163,388
Total Depreciable Assets	642,324	4,458	3,113	643,669
Less Accumulated Depreciation for:				
Buildings & Building Improvements	266,897	5,620		272,517
Other Improvements	133,008	7,817		140,825
Furn, Fixtures, Machinery & Equipment	77,296	16,130	2,936	90,490
Total Accumulated Depreciation	477,201	29,567	2,936	503,832
Total Depreciable Assets, Net	165,123	(25,109)	177	139,837
Total Capital Assets, Net	**$ 204,293**	**$ (13,790)**	**$ 9,895**	**$ 180,608**

(1) Includes $6.8 million in additions for closure (which have been reclassed to liability for closure and post closure care costs), $320 thousand in capitalized interest and $2.9 million in additions to projects completed and reclassed to depreciable assets.

Continued

	(In Thousands)			
	Balance at 10/1/2008	**Additions**	**Deletions**	**Balance at 9/30/2009**
Land	$ 22,905	$	$ 58	$ 22,847
Construction in Progress	10,387	11,793	5,857	16,323
Total Non-depreciable Assets	33,292	11,793 (1)	5,915	39,170
Building & Building Improvements				
Authorized Impr. (Contributed Assets)	507			507
Buildings	310,022			310,022
Total Buildings & Improvements	310,529	-	-	310,529
Other Improvements (Incl. Landfills)	168,882	-	-	168,882
Furniture, Fixtures, Machinery & Equipment				
Machinery, Equipment & Furniture	51,263	684	154	51,793
Automotive Equipment	107,934	9,808	7,711	110,031
Other Capitalizable Items	1,089			1,089
Total Furn,Fix, Machinery & Equipment	160,286	10,492	7,865	162,913
Total Depreciable Assets	639,697	10,492 (1)	7,865	642,324
Less Accumulated Depreciation for:				
Buildings & Building Improvements	258,257	8,640		266,897
Other Improvements	125,202	7,806		133,008
Furn, Fixtures, Machinery & Equipment	68,797	16,041	7,542	77,296
Total Accumulated Depreciation	452,256	32,487	7,542	477,201
Total Depreciable Assets, Net	187,441	(21,995)	323	165,123
Total Capital Assets, Net	**$ 220,733**	**$ (10,202)**	**$ 6,238**	**$ 204,293**

(1) Includes $5.9 million in additions for closure (which have been reclassed to liability for closure and post closure care costs) and $200 thousand in capitalized interest.

4. Long-Term Debt

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

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

Miami-Dade County Revenue Bonds Series 2005 - On April 21, 2005, the County issued $73.507 million of Miami-Dade County Solid Waste System Revenue Bonds Series 2005 ("the Series 2005 Revenue Bonds").

The Series 2005 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2030, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.04% to 5.25%. A portion of these bonds were sold as capital appreciation bonds ($34,996,583 original principal amount) and others were sold as current interest bonds (principal amount $23,795,000). The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2010 and 2009.

The proceeds of $76.042 million, including the bond premium, were for the purpose of (1) paying or reimbursing the County for the costs of certain solid waste disposal projects (such as closure of former Munisport Landfill located in the City of North Miami $31.027 million; closure of former municipal landfill located in the City of Homestead $7.5 million; closure of Cell Three located at the South Miami-Dade Landfill $6.708 million; closure of former Virginia Key Landfill located in the City of Miami, Phase 1 $27.635 million; closure study of former Virginia Key Landfill located in the City of Miami $650,000; and construction of groundwater remediation project at the North Miami-Dade Landfill $1.48 million), and (2) pay the costs of issuance for the Series 2005 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Revenue Bonds Series 2001 - On February 28, 2001, the County issued $40.395 million of Miami-Dade County Solid Waste System Revenue Bonds Series 2001 ("the Series 2001 Revenue Bonds").

The Series 2001 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2020, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 4.375% to 5.50%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2010 and 2009.

The proceeds of $41.147 million, including the bond premium, were used to: (1) pay $40 million of the Costs for the 1997 Project (such portion of the Costs of the 1997 Project constituting a Project for purposes of the Series 2001 Resolution), and (2) pay the costs of issuance for the Series 2001 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

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

The Series 1998 Revenue Bonds are secured by the net operating revenues of the Department, with principal payable annually on October 1 through the year 2018, along with semiannual interest payable on April 1 and October 1, with interest rates ranging from 3.65% to 5.1%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2010 and 2009.

The proceeds of $59.1 million were used to: (1) pay the principal balance of $50 million on the Dade County, Florida Solid Waste System Bond Anticipation Notes, Series 1997 which matured on September 1, 1998 (2) provide $7.758 million for capital expenditures, and (3) pay the costs of issuance for the Series 1998 Revenue Bonds including premiums for a municipal bond insurance policy and a surety bond.

Dade County Revenue Refunding Bonds Series 1996 - On January 7, 1997, the County issued $109.5 million of Dade County Solid Waste System Revenue Refunding Bonds Series 1996 ("the Series 1996 Refunding Bonds").

The Series 1996 Refunding Bonds are secured by the net operating revenues of the Department and are due serially on October 1 through the year 2010, with semiannual interest due on April 1 and October 1, with interest rates ranging from 4.0% to 6.0%. The required net operating revenue coverage ratio of 1.2 times the current year's debt service was met for fiscal years 2010 and 2009.

The net proceeds of $108.8 million, together with the $45.4 million released from reserves related to the refunded obligations and a $6 million contribution from the Department were used to: (1) pay the balance of $43.2 million on the Series J State Bond Loan (2) purchase $116.2 million in U. S. Treasury securities to provide for all future debt service payments on the Series 1985A Dade County Waste System Special Obligation Revenue Bonds and the Series 1986 Dade County Solid Waste System Special Obligation Revenue Refunding Bonds (3) pay the costs of issuance for the Series 1996 Refunding Bonds including premiums for a municipal bond insurance policy and a surety bond. The U. S. Treasury securities were placed in an irrevocable trust with an escrow agent. Accordingly, the refunded obligations totaling $15.9 million for Series 1985A and $95.2 million for Series 1986 are considered to be defeased, and the assets held in trust and the liability for the defeased debt have not been included in the accompanying financial statements. As of September 30, 2010, there were no balances outstanding from the defeased Series 1985A and Series 1986.

Other Long-Term Debt

Miami-Dade County Capital Asset Acquisition Bond Series 2004B - On September 29, 2004, the County issued Acquisition Special Obligation Bonds Series 2004B ("the Series 2004B Bonds") of which $2.945 million was allocated to the Department of Solid Waste Management. Under the Bond Ordinance, the County has covenanted and agreed to annually budget and appropriate in its Annual Budget, by amendment, if required and to the extent permitted and in accordance with budgetary procedures provided by the laws of the State, and to pay when due directly into the appropriate fund or account created in the Bond Ordinance or to the Bond Insurer or provider of a Reserve Facility directly, as the case may be, sufficient amounts of legally available non-ad valorem revenues or other legally available funds sufficient to satisfy principal of, premium, if any, and interest on the Bonds, as the same become due and payable.

The Department will pay the County for its share of the annual principal due on the bonds starting April 1, 2006 through the year 2016, along with its share of the semiannual interest payable on April 1 and October 1 (starting April 1, 2005). Interest rates on the bonds ranged from 2.25% to 5.00%.

The Department's share of the bond proceeds of $3.046 million, including a bond premium of $101 thousand, was used to: (1) pay $3.0 million for the purchase and improvement of certain Capital Assets owned by the County, and (2) pay the costs of issuance for the series 2004B Capital Asset Acquisition Bonds including premiums for a municipal bond insurance policy and a surety bond.

Miami-Dade County Capital Asset Acquisition Bond Series 2002A - On September 19, 2002, the County issued Acquisition Special Obligation Bonds Series 2002A ("the Series 2002A Bonds") of which $21.045 million was allocated to the Department of Solid Waste Management. Under the Bond Ordinance, the County has covenanted and agreed to annually budget and appropriate in its Annual Budget, by amendment, if required and to the extent permitted and in accordance with budgetary procedures provided by the laws of the State, and to pay when due directly into the appropriate fund or account created in the Bond Ordinance or to the Bond Insurer or provider of a Reserve Facility directly, as the case may be, sufficient amounts of legally available non-ad valorem revenues or other legally available funds sufficient to satisfy principal of, premium, if any, and interest on the Bonds, as the same become due and payable.

The Department will pay the County for its share of the annual principal due on the bonds starting April 1, 2004 through the year 2013, along with its share of the semiannual interest payable on April 1 and October 1. Interest rates on the bonds ranged from 2.00% to 5.00%.

The Department's share of the bond proceeds of $23.120 million, including a bond premium of $2.07 million, was used to: (1) pay $22.8 million for the purchase and improvement of certain Capital Assets owned by the County, and (2) pay the costs of issuance for the series 2002A Capital Asset Acquisition Bonds including premiums for a municipal bond insurance policy and a surety bond.

Sunshine State Loans Series I, 2006 - On July 6, 2006, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed $100,000,000 in the form of a loan from the Sunshine State Governmental Financing Commission (the "Commission"), for the purpose of paying or reimbursing cost of certain capital expenditures; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On September 7, 2006, the County, on behalf of the Department entered into such loan agreement with the Commission in the amount of $2.1 million. The 2006 Sunshine State Loan is a fully amortized loan with principal due annually beginning September 1, 2007 through its scheduled maturity date September 1, 2016. Such loan bears interest at a variable rate. The interest rate for this loan during fiscal year 2010 was 0.95%.

On June 2, 2008, the Sunshine State Governmental Financing Commission restructured the Miami Dade Loans under the Commercial Paper Program in the amount of $530,638,000 with the substitution of DEPFA, as the letter of credit provider to DEXIA CREDIT LOCAL. DEXIA has provided a three-year letter of credit which expires on June 2, 2011. The major difference between the old debt agreements and the new debt agreements was the acquisition of a letter of credit. The Letter of Credit is for a three year period

(June 2, 2008 through June 2, 2011). The restructuring had no effect on the terms, principal payments or amortization of the loans. The restructuring of the 1986 Program was completed on August 1, 2008. This restructuring replaced AMBAC Assurance Corporation as the Credit Facility on the Bonds with a direct pay letter of credit from DEXIA CREDIT LOCAL. Rates have dramatically improved. In addition to replacing the credit facility with this program restructuring, the bond mode was changed from a daily mode to a weekly mode. Pursuant to the terms of the loan agreements, in the event that the credit facility provider does not extend the term of the credit facility and the County and the Sunshine State Governmental Financing Commission are unable to provide an alternate credit facility, the County shall prepay the loan in full, by paying the then allocable optional prepayment price, on or before 60 days prior to the expiration of the credit facility.

Subsequent to the year end, the County entered into a new letter of credit (see Note 16).

Sunshine State Loans Series I, 2005 - On July 7, 2005, the Board of County Commissioners approved an ordinance authorizing the County to incur indebtedness in an aggregate principal amount not to exceed $71,000,000 in the form of a loan from the Sunshine State Governmental Financing Commission (the "Commission"), for the purpose of paying or reimbursing cost of certain capital expenditures; providing that such loan shall be secured by covenant to budget and appropriate from legally available non-ad valorem revenues of the County.

On August 16, 2005, the County, on behalf of the Department entered into such loan agreement with the Commission in the amount of $10.3 million. The 2005 Sunshine State Loan is a fully amortized loan with principal due annually beginning September 1, 2006 through its scheduled maturity date September 1, 2015. Such loan bears interest at a variable rate. The interest rate for this loan during fiscal year 2010 was 0.95%.

On June 2, 2008, the Sunshine State Governmental Financing Commission restructured the Miami Dade Loans under the Commercial Paper Program in the amount of $530,638,000 with the substitution of DEPFA, as the letter of credit provider to DEXIA CREDIT LOCAL. DEXIA has provided a three-year letter of credit which expires on June 2, 2011. The major difference between the old debt agreements and the new debt agreements was the acquisition of a letter of credit. The Letter of Credit is for a three year period (June 2, 2008 through June 2, 2011). The restructuring had no effect on the terms, principal payments or amortization of the loans. The restructuring of the 1986 Program was completed on August 1, 2008. This restructuring replaced AMBAC Assurance Corporation as the Credit Facility on the Bonds with a direct pay letter of credit from DEXIA CREDIT LOCAL. Rates have dramatically improved. In addition to replacing the credit facility with this program restructuring, the bond mode was changed from a daily mode to a weekly mode. Pursuant to the terms of the loan agreements, in the event that the credit facility provider does not extend the term of the credit facility and the County and the Sunshine State Governmental Financing Commission are unable to provide an alternate credit facility, the County shall prepay the loan in full, by paying the then allocable optional prepayment price, on or before 60 days prior to the expiration of the credit facility.

Subsequent to the year end, the County entered into a new letter of credit (see Note 16).

Debt Service Requirements - The Department's debt service requirements to maturity, net of the current portion, current value of deferred charges and unamortized premium/discount at September 30, 2010, are as follows:

	(In Thousands)		
Maturing in Fiscal Year	**Principal**	**Interest**	**Total**
2011	$ 18,480	$ 6,315	$ 24,795
2012	16,055	7,410	23,465
2013	15,925	7,287	23,212
2014	13,056	7,162	20,218
2015	12,760	7,116	19,876
2016-2020	57,065	26,296	83,361
2021-2025	21,845	7,518	29,363
2026-2031	20,990	3,474	24,464
Subtotal	**$ 176,176**	**$ 72,578**	**$ 248,754**
Unaccreted value	(8,554)		(8,554)
Accretions to date	9,410	(9,410)	0
Unamortized Premium/Discount, net	2,109		2,109
Sunshine State Loan Series I, 2005	5,145	771 (1)	5,916
Sunshine State Loan Series I, 2006	1,332	205 (2)	1,537
Current Portion	(19,709)		(19,709)
Total Debt, net of current portion	**$ 165,909**	**$ 64,144**	**$ 230,053**

(1) The interest rate herein is based on 5.00% per annum. The actual interest rate is variable.
(2) The interest rate herein is based on 4.25% per annum. The actual interest rate is variable.

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

Sunshine State Loan Series I, 2005

	(In Thousands)		
Maturing in Fiscal Year	**Principal**	**Interest**	**Total**
2011	$ 1,029	$ 257	$ 1,286
2012	1,029	206	1,235
2013	1,029	154	1,183
2014	1,029	103	1,132
2015	1,029	51	1,080
Total	$ 5,145	$ 771	$ 5,916

Sunshine State Loan Series I, 2006

	(In Thousands)		
Maturing in Fiscal Year	**Principal**	**Interest**	**Total**
2011	$ 200	$ 57	$ 257
2012	208	48	256
2013	217	39	256
2014	226	30	256
2015	236	20	256
2016	245	11	256
Total	$ 1,332	$ 205	$ 1,537

Summary of Outstanding Debt (In thousands):

Description	Rate	Amount Issued	Maturity Date	Balance Outstanding
96 Refunding Bonds	4-6%	$ 109,550	10/1/2010	$ 10,800
Plus: Unamortized Premium				-
Less:				
Deferred Loss on Refunding				-
Current Portion				(10,800)
Bonds Payable on Series 1996				**$ 0**
98 Revenue Bonds	3.65-5.1%	$ 60,000	10/1/2018	$ 33,835
Plus: Unamortized Premium - 97 BANS				84
Less:				
Uamortized Discount				(432)
Current Portion				(3,090)
Bonds Payable on Series 1998				**$ 30,397**
01 Revenue Bonds	4.375-5.5%	$ 40,395	10/1/2020	$ 40,395
Plus: Unamortized Premium				301
Bonds Payable on Series 2001				**$ 40,696**
05 Revenue Bonds	4.04-5.25%	$ 73,507	10/1/2030	$ 73,507
Accretion for Capital Appreciation Bonds				9,410
Plus: Unamortized Premium				1,995
Less: Current Portion				(1,985)
Bonds Payable on Series 2005				**$ 82,927**
02 Capital Asset Bonds	2-5%	$ 21,045	4/1/2013	$ 7,415
Plus: Unamortized Premium				129
Less: Current Portion				(2,350)
Subordinate Debt Payable on Series 2002A				**$ 5,194**
04 Capital Asset Bonds	2.25-5%	$ 2,945	4/1/2016	$ 1,670
Plus: Unamortized Premium				32
Less: Current Portion				(255)
Subordinate Debt Payable on Series 2004B				**$ 1,447**
05 Sunshine State Loan	Variable	$ 10,289	9/1/2015	$ 5,145
Less: Current Portion				(1,029)
Sunshine Loan Payable - Series I, 2005				**$ 4,116**
06 Sunshine State Loan	Variable	$ 2,053	9/1/2016	$ 1,332
Less: Current Portion				(200)
Sunshine Loan Payable - Series I, 2006				**$ 1,132**
Total Debt & Loan Outstanding, net of current portion at 09/30/10				**$ 165,909**

Prior Years' Defeasance of Debt - In prior years, the County defeased certain bonds by placing the proceeds of new bond issues in irrevocable trusts and investing them in direct obligations of the U.S. Government to provide for all future debt service payments on the old bonds. At September 30, 2010 and 2009, there were no defeased bonds outstanding.

5. Restricted Assets

Restricted assets represent funds that are required to be segregated in restricted accounts under the terms of the various bond agreements (see Note 4) and for compliance with Chapter 24 of the Miami-Dade County Code (See Note 10). Assets were restricted for the following purposes as of September 30:

Restricted Assets	**2010**	2009
	(in thousands)	
Construction and Equipment	**$ 38,238**	$ 38,168
Debt service	**17,387**	17,113
Groundwater Protection	**9,078**	8,603
Closure grants	**25,023**	26,786
Rate Stabilization	**20,686**	20,686
Operating Reserve	**40,324**	41,567
Total	**$ 150,736**	$ 152,923

6. Risk Management

The Department, along with other County departments, participates in the County's self-insurance programs. The County's Risk Management Division ("RMD") administers property, workers' compensation and general and automobile liability self-insurance programs.

The property self-insurance program covers the first $5 million of property losses for most perils. A $200 million self insured retention per occurrence applied to named windstorm losses. Named windstorm coverage is limited to $725 million per occurrence. Insurance coverage is maintained with independent carriers for property losses in excess of self insured retention. The County maintains no excess coverage with independent insurance carriers for the workers' compensation, general liability and auto liability self-insurance programs. Premiums are charged to the various County departments based on amounts necessary to provide funding for current losses and to meet the required annual payments during the fiscal year. There were no changes made to insurance coverage and no claims exceeded coverage for fiscal years 2010 and 2009, respectively. For the years ended September 30, 2010 and 2009, the Department paid approximately $2 million for each year, in premiums for the self-insured programs.

At September 30, 2010 and 2009, the Department had an outstanding payable to RMD for self-insurance claims of approximately $1.5 million and $1.3 million, respectively. This liability represents the current portion of the County's estimate of reported and unreported claims. The long-term portion of the estimated liability (totaling $5M at September 30, 2010, and $4.6M at September 30, 2009) is recorded in the Internal Service Fund of the County and it is not allocated to the Department. The total estimate by the self-insurance programs administered by RMD is determined annually based on the estimated ultimate cost of settling claims. The estimate for outstanding claims considers historical experience adjusted for current trends and other factors that would modify past experience. The estimate for losses incurred but not reported, is generated by an independent actuary.

7. Pension Plans and Other Employee Benefits

Pension Plans

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

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

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

Pension costs of the Department of Solid Waste Management for the years ended September 30, 2010, 2009 and 2008, amounted to approximately $4.9 million, $5.1 million, and $4.9 million, respectively, representing 10%, 9.6%, and 9.40% of the Department's covered payroll, for the fiscal years 2010, 2009 and 2008, respectively.

Pension costs for the County, as required and defined by State statute, ranged from 10.77% to 23.25%, of gross salaries for fiscal year 2010, and 9.85% to 20.92% for fiscal years 2009 and 2008, respectively. For the fiscal years ended September 30, 2010, 2009 and 2008, the County made 100% of the required contributions.

A copy of the System's June 30, 2010 annual report can be obtained by writing to the Division of Retirement, Cedars Executive Center, 2639-C North Monroe Street, Tallahassee, FL 32399-1560, or by calling (850) 488-5706.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, which will be paid to employees upon separation from County service. The Department accrues vacation and sick pay benefits in the period earned. Accrued vacation, sick pay and departure incentive program payable (see

"Departure Incentive Program" below), which are included in "Other current liabilities-compensated absences" and "Other long-term liabilities-compensated absences" in the accompanying statements of net assets, totaled approximately $15.3 million and $15.1 million as of September 30, 2010 and 2009, respectively.

8. Postemployment Benefits Other Than Pensions

The Department, as an enterprise fund of the County ("MDC") participates in the County's Post Employment Benefits Plan.

During fiscal year 2008, the Department adopted the requirements of Governmental Accounting Standards Board Statement 45 (GASB 45) for other post employment benefits (OPEB). This statement requires that the County accrue the cost of the County's retiree health subsidy and OPEB during the period of employees' active employment as the benefits are being earned. It requires the unfunded actuarial accrued liability be disclosed in order to accurately account for the total future cost of OPEB and the financial impact on the County. The financial impact of the adoption of this statement on the Department is reflected in the accompanying financial statements.

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

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

Regular Class (All employees not identified as members of the Special Risk Class)
- Eligibility for Unreduced Pension Benefits under FRS
  - Age 62 with 6 years of service
  - 30 years of service (no age requirement)
- Eligibility for Reduced Pension Benefits under FRS
  - 6 years of service (no age requirement)

Special Risk Class (Police Officers, Firefighters and Corrections Officers)
- Eligibility for Unreduced Pension Benefits under FRS
  - Age 55 with 6 years of special risk service
  - 25 years of special risk service (no age requirement)
  - Age 52 and 25 years of creditable service, including special risk service and up to maximum of 4 years of active duty wartime military service credit
  - Regular Class criteria
- Eligibility for Reduced Pension Benefits under FRS
  - 6 years of service (no age requirement)

Benefits: The medical plans offered provide hospital, medical and pharmacy coverage. Pre-65 retirees are able to select from five medical plans as follows.

- AvMed POS
- AvMed HMO High Option
- AvMed HMO Low Option
- JMH HMO High Option
- JMH HMO Low Option

Post-65 retirees are able to select from five medical plans as follows. The County only contributes to post-65 retirees electing an AvMed Medicare Supplement Plan.

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

Number of Covered Participants:

	County
Actives	37,516
Retirees under age 65	2,329
Eligible spouses under age 65	681
Retirees age 65 and over	548
Eligible spouses age 65 and over	112
Total	41,186

Funding Policy. The County contributes to both the pre-65 and post-65 retiree medical coverage. Retirees pay the full cost of dental coverage. Medical contributions vary based on plan and tier. For pre-65 retirees, the County explicitly contributed an average of 19% of the cost for the AvMed POS plan, 40% for the AvMed HMO High and AvMed HMO Low plans in fiscal year 2010. The JMH HMO plans receive no explicit contribution. However, it is the County's policy that after fiscal year 2008 its per capita contribution for retiree health care benefits will remain at the 2008 dollar level. As a result, the retiree contributions will be increased to the extent necessary so that they are sufficient to provide for the difference between the gross costs and the fixed County contributions.

The pre-65 retirees also receive an implicit subsidy from the County since they are underwritten with the active employees. The implicit contribution is approximately 3% of the cost. The pre-65 cost is approximately 42% greater than the combined pre-65 and active cost. The post-65 retiree contributions also vary by plan and tier with the County contributing an average of 30% of the entire plan cost.

The postretirement medical and dental benefits are currently funded on a pay-as-you go basis (i.e., Miami-Dade County funds on a cash basis as benefits are paid). No assets have been segregated and restricted to provide postretirement benefits.

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

The Department's annual OPEB cost for the fiscal years 2010 and 2009, respectively, and the related information for the plan are as follows (dollar amounts in thousands):

	2010	2009
Annual required contribution	$ 854	$ 820
Interest on net OPEB obligation	-	-
Adjustment to annual required contribution	-	-
Annual OPEB cost	854	820
Contributions made	580	616
Increase in net OPEB obligation	274	204
Net OPEB obligation—beginning of year	705	501
Net OPEB obligation—end of year	$ 979	$ 705

The Department recorded the net OPEB obligation of $979 thousand and $705 thousand, as other long-term liabilities-other, at the end of fiscal years 2010 and 2009, respectively. The Department's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal years 2010 and 2009 were as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2010	$854	67.9%	$979
9/30/2009	$820	75.1%	$705

Funded Status and Funding Progress. The schedule below shows the balance of the actuarial accrued liability (AAL) for the County, all of which was unfunded as of September 30, 2010 and September 30, 2009, respectively (dollar amounts in thousands).

Schedule of Funding Progress for the Retiree Health Plan (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2009	$0	$336,700	$336,700	0%	$2,191,109	15%
10/1/2008	$0	$300,847	$300,847	0%	$2,109,822	14%

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

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

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

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

Actuarial valuation date	10/1/2009
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Actuarial assumptions:	
Discount rate	4.00% – 4.75%
Payroll growth assumption	3.00%
Health care cost trend period	Grades down over seven years
Health care cost trend rates	11% initial to 5.25% ultimate
Mortality table	RP 200 Projected to 2010

Further, the valuation assumes that the County will continue to fund the liability on a pay-as-you-go basis and that the County's policy is that its per-capita contribution for retiree benefits will remain as the 2008 level. As a result, the retiree contributions will be increased to the extent necessary so that they are sufficient to provide for the difference between the gross costs and the fixed County contributions.

9. Related Party Transactions

The Department provides waste collection and waste disposal services to other County departments as part of the normal course of business, based on regular retail rates. The Department recognized approximately $5.6 million and $7.1 million in revenues for fiscal year 2010 and fiscal year 2009, respectively. These revenues represent the total of services rendered and the rental of an administration building to other County departments.

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

The following represents the major providers of these services and their respective charges, which are included in the accompanying statements of revenues, expenses and changes in fund net assets, for the years ended September 30 as follows:

	2010	2009
	(In Thousands)	
General County Support Charge	**$ 7,627**	$ 4,769
GSA-Risk Management	**2,124**	1,888
GSA-Fleet Management & Other	**29,283**	30,224
Information Technology Dept.	**2,546**	2,361
Other County Departments	**618**	503
	$ 42,198	$ 39,745

As of September 30, 2009, the Department had repaid in full a loan to GSA ("Loan #2"). This loan originated in fiscal year 2007 for $2.3 million.

10. Closure and Postclosure Care

At September 30, 2010 and 2009, the Department's total liability for landfill closure and postclosure care costs was approximately $96.1 million and approximately $100.2 million, respectively. For the fiscal year ended September 30, 2010, approximately $70.6 million relates to active landfills and approximately $25.4 million relates to inactive landfills. For the fiscal year ended September 30, 2009, approximately $74.1 million relates to active landfills and approximately $26.2 million relates to inactive landfills.

This liability arises from the fact that current laws and regulations require the County to place final covers on landfill cells as they are closed, and perform certain maintenance and monitoring functions at the landfill cell sites for thirty years after closure. These laws and regulations also require the County, on an annual basis, to disclose the extent of its financial responsibility for the costs involved, which are referred to as "closure and postclosure care" costs. The County had filed the corresponding reports to comply with these requirements as of September 30, 2010.

The County accounts for and discloses closure and postclosure care costs in accordance with GASB State-

ment No.18 Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs (the "Statement"). The Statement requires, among other matters: (1) that the liability for closure and postclosure care costs be estimated based on applicable federal, state or local regulations that were in existence as of the date of the statement of net assets (2) that the cost estimates be reevaluated and adjusted on an annual basis for changes due to inflation or deflation, or for changes due to advancements in technology (3) that a portion of these estimated closure and postclosure costs be recognized in each operating period that the landfill is active, based on the amount of waste received during the period, even though the majority of the costs will not be disbursed until after the landfill cells are closed, and (4) that changes in the estimated costs for closure and postclosure care which occur after the landfill stops accepting waste be recognized entirely in the period of the change.

Expenses for closure and postclosure care are funded from the proceeds of bonds, of which the principal and interest are subsequently repaid from Utility Service Fees assessed on all countywide water and wastewater users, in accordance with Chapter 24 of the Dade County Code (the "Code"). Under the Code, funds collected from this fee can be used for solid waste landfill closure and postclosure care costs that are the financial responsibility of the County, for environmental remediation at landfill sites, and for land acquired to protect groundwater.

Closure and Postclosure Care for Active Landfills

Active landfills consist of the North Dade Landfill (ND), the South Dade Landfill (SD), and the Resources Recovery Ashfill (RR). The change in the closure and postclosure care liability for these landfills for fiscal years 2010 and 2009 are summarized as follows (in millions):

	ND	SD	RR	Total
Balance, 10/01/2009	$30.3	$28.8	$15.0	$74.1
Amortization	.6	3.0	(.9)	2.7
Other Reductions		(5.6)	(.6)	(6.2)
Balance, 09/30/2010	$30.9	$26.2	$13.5	$70.6

	ND	SD	RR	Total
Balance, 10/01/2008	$30.4	$31.2	$ 17.7	$79.3
Amortization	(.1)	2.0	(1.9)	-
Other Reductions		(4.4)	(.8)	(5.2)
Balance, 09/30/2009	$30.3	$28.8	$ 15.0	$74.1

The liability balance of approximately $70.6 million as of September 30, 2010, represents a decrease of approximately $3.5 million when compared to the preceding year. This decrease resulted from the combined effects of amortization expense of $2.7 million resulting from the use of approximately 89.1% of the existing landfill capacity, and reductions of approximately $6.2 million for amounts paid or due to vendors actually performing closure or postclosure work during the current period on closed "cells" of active landfills.

There were no unrecognized costs as of September 30, 2010. Unrecognized costs are recognized on a current basis as the existing estimated capacity of approximately 3.9 million tons at September 30, 2010 is used. This estimated capacity is expected to last until 2016 based on current waste flows.

Closure and Postclosure Care for Inactive Landfills

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

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

The change in the closure and postclosure care liability related to inactive landfills for fiscal years 2010 and 2009 are summarized as follows (in millions):

	Main	Ojus	OSD	Total
Balance, 10/01/2009	$ 8	$ .8	$ 17.4	$ 26.2
Expense/(Credit)	-	-	-	-
Other Reductions	(.2)	-	(.6)	(.8)
Balance, 09/30/2010	$ 7.8	$ .8	$ 16.8	$ 25.4

	Main	Ojus	OSD	Total
Balance, 10/01/2008	$ 10.9	$ 1.1	$ 22.2	$ 34.2
Expense/(Credit)	(2.8)	(.3)	(4.1)	(7.2)
Other Reductions	(.1)	-	(.7)	(.8)
Balance, 09/30/2009	$ 8	$ .8	$ 17.4	$ 26.2

The liability balance of the inactive landfills for fiscal years 2010 and 2009 is approximately $25.4 million and $26.2 million, respectively. When compared to the preceding year, the liability balance decreased approximately $800 thousand reflecting the effects of reductions for amounts paid or due to vendors actually performing closure and postclosure work during the current period.

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

11. Pollution Remediation Obligations

During the fiscal year ended September 30, 2009, the Department adopted GASB Statement 49 (GASB 49), Accounting and Financial Reporting for Pollution Remediation Obligations, establishing accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. The standard excludes pollution prevention or control obligations with respect to current operations and future pollution remediation activities that are required upon retirement of an asset, such as landfill closure and postclosure care.

GASB 49 provides guidance for state and local governments in estimating and reporting the potential costs of pollution remediation. While GASB 49 does not require the Department to search for pollution, it does require the Department to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the Department is compelled to take action;
- The Department is in violation of a pollution related permit or license;
- The Department is named or has evidence that it will be named as responsible party by a regulator;
- The Department is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- The Department commences or legally obligates itself to conduct remediation activities.

The Department conducts typical remediation activities such as site investigation, planning and design, cleanup and site monitoring activities. The Department has the knowledge and expertise to estimate the remediation obligations outlined herein based on prior experience in identifying and funding similar remediation activities. GASB 49 requires the Department to calculate pollution remediation liabilities using the expected cash flow method. If the Department can not reasonably estimate a pollution remediation obligation, it does not report a liability; as of September 30, 2010, the Department had not identified any of these situations.

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

As of September 30, 2010, the Department had identified 6 events leading to remediation obligations. One of these related to the destruction of freshwater and costal wetlands at the Old South Dade Landfill. The rest of these related to ammonia-nitrogen contamination found in the groundwater at the 58th Street Landfill, North Dade Landfill, Old South Dade Landfill, Resource Recovery and South Dade Landfill. The Department has included the corresponding remediation costs in connection with these events in the closure and postclosure care estimates impacting the liability for closure and postclosure care costs balance as of September 30, 2010.

12. Changes in Long-term Liabilities for Fiscal Years 2010 and 2009 are as Follows:

(In Thousands)

	Beginning Balance at 10/1/2009	Additions	Reductions	Ending Balance at 9/30/2010		Due Within One Year	
Bonds and loans payable:							
Revenue bonds & County Special Obligation Bonds	$ 183,322		$ (15,700)	$ 167,622		$ 18,480	(b)
Accretion on Series 2005 Capital Appreciation Bonds	7,509	1,901		9,410			
Loans payable (a)	7,698		(1,221)	6,477		1,229	(b)
Less deferred amounts:							
For issuance Bond Discount-Series 1998	(485)		53	(432)			
Loss on refunding Bonds-Series 1996	(440)		440	-			
Add deferred bond premium							
Series 1996	83		(83)	-			
1997 BANS	94		(10)	84			
Series 2001	332		(31)	301			
Series 2005	2,094		(99)	1,995			
County SOB Series 2002A (Subordinate Debt)	234		(105)	129			
County SOB Series 2004B (Subordinate Debt)	42		(10)	32			
Total	200,483	1,901	(16,766)	185,618		19,709	(b)
Other liabilities:							
Compensated absences and Departure Incentive Program	15,166	5,212	(4,998)	15,380		3,854	
Liability for landfill closure/postclosure care costs	100,236	2,806	(6,946)	96,096		3,154	
Other: (Special Obligations - Arbitrage)	202	126		328	(d)	328	(d)
Deferred Revenue	-	68		68	(c)		
Other: (Assets held in trust)	1,686		(1,686)	-			
Other Post Employment Benefits	705	274		979	(c)		
Total long-term liabilities (incuding current portion)	$ 318,478	$ 10,387	$ (30,396)	$ 298,469		$ 27,045	

(a) County's Sunshine State Loan Series I, 2005 and 2006

(b) See current portion of bonds & loans payable fiscal year ended 9/30/2010

(c) See Statement of Net Assets as of 9/30/2010, total $1,047.

(d) Represents arbitrage liability which is due for filing on 9/2011.

(In Thousands)

	Beginning Balance at 10/1/2008	Additions	Reductions	Ending Balance at 9/30/2009		Due Within One Year	
Bonds and loans payable:							
Revenue bonds & County Special Obligation Bonds	$ 198,277		$ (14,955)	$ 183,322		$ 17,602	(b)
Accretion on Series 2005 Capital Appreciation Bonds	5,690	1,819		7,509			
Loans payable (a)	8,911		(1,213)	7,698		1,221	(b)
Less deferred amounts:							
For issuance Bond Discount-Series 1998	(539)		54	(485)			
Loss on refunding Bonds-Series 1996	(954)		514	(440)			
Add deferred bond premium							
Series 1996	183		(100)	83			
1997 BANS	105		(11)	94			
Series 2001	362		(30)	332			
Series 2005	2,194		(100)	2,094			
County SOB Series 2002A (Subordinate Debt)	372		(138)	234			
County SOB Series 2004B (Subordinate Debt)	52		(10)	42			
Total	214,653	1,819	(15,989)	200,483		18,823	(b)
Other liabilities:							
Compensated absences and Departure Incentive Program	14,923	5,358	(5,115)	15,166		3,922	
Liability for landfill closure/postclosure care costs	113,503	1,974	(15,241)	100,236		7,216	
Other: (Special Obligations - Arbitrage)	18	184		202	(c)		
Other: (Assets held in trust)	1,085	601		1,686	(c)		
Due to Other Fund (GSA Equipment Loan)	4,222		(4,222)	-			
Other Post Employment Benefits	501	204		705	(c)		
Total long-term liabilities (incuding current portion)	$ 348,905	$ 10,140	$ (40,567)	$ 318,478		$ 29,961	

(a) County's Sunshine State Loan Series I, 2005 and 2006

(b) See current portion of bonds & loans payable fiscal year ended 9/30/2009

(c) See Statement of Net Assets as of 9/30/2009, total $2,593.

13. Resources Recovery Facility

The County has an agreement for the operation of the County owned resource recovery facility (the "Facility"). The Third Amended and Restated Operations and Management Agreement (the "O&M Agreement," "Amended Agreement") expires on October 31, 2023, as amended August 2, 2004. The amended agreement can be automatically extended for up to four additional five-year renewal terms that would expire on October 31, 2043. On January 28, 2010, the Miami-Dade County Board of County Commissioners approved a resolution authorizing the County Mayor or the County Mayor's designee to execute the Letter Agreement to assign the Third Amended and Restated Operations and Management Agreement (as amended), between Miami-Dade County (the "County") and Montenay-Dade, Ltd. (the "Company"), to Covanta Southeastern Florida Renewable Energy LLC. ("Covanta"). The Letter Agreement was executed on January 28, 2010. Solid waste is delivered to the Facility from the County's transfer stations and directly from municipal customers and private haulers. The garbage and trash are processed into refuse derived fuel and then burned in four boilers that produce steam to turn two turbine generators.

Payments made to the Company under the Amended Agreement are primarily for Tipping Fees on the waste processed through the Facility, subject to certain delivery and processing guarantees. The Company is also paid a 50% share of the revenues from the sale of electricity generated by the plant and purchased by Florida Power Corporation under a power purchase agreement. Accordingly, these payments are treated as an operations and maintenance expense.

In order to finance ongoing plant enhancements over the years, the County issued various debt instruments on behalf of the Company, which were refunded from the proceeds of the $182.7 million Dade County, Florida Resource Recovery Facility Refunding Revenue Bonds issued in 1996 (the "Series 1996 Bonds"). The County contributed approximately $5 million to cover a portion of the Series 1996 Bonds issuance costs. This portion of the issuance costs is included in the Department's other assets and is being amortized over the life of the bonds. Concurrent with the issuance of the Series 1996 Bonds, the Company issued a promissory note in favor of the County for the original principal amount of the Series 1996 Bonds. The County assigned this note to the Trust Estate created pursuant to the Trust Indenture, which provides that the Series 1996 Bonds are payable solely from and secured only by an irrevocable pledge of a lien on the Trust Estate. The County has not pledged any revenues or property (including the Facility) as security for the Series 1996 Bonds. Therefore, the County's obligation for the Series 1996 Bonds is strictly limited to stipulations in the Amended Agreement, which guarantee a minimum amount of annual Tipping Fees. The Series 1996 Bonds are a debt obligation of the Company, and are, therefore, not reflected in the accompanying financial statements. The principal balance of the bonds outstanding at September 30, 2010 is $43.3 million.

The Bond proceeds were loaned to the Company pursuant to a September 1, 1996 Loan Agreement. This Loan Agreement requires the Company to assign all Tipping Fees and other operating revenues directly to the Trust Estate in an amount that, at a minimum, will equal the debt service requirements on the Series 1996 Bonds.

In the January 28, 2010 Letter Agreement, Covanta and the County agreed to modify the O&M Agreement's Hard Put or Pay provision with respect to Waste Deliveries by the County after the Effective Date. The County and Covanta agreed to modify the Annual Recyclable Trash Guaranteed Tonnage and Annual On-site Waste Guaranteed Tonnage and associated provisions of the O&M Agreement. The Waste Tipping Fees were modified for fiscal year 2010. Such revised provisions for Annual Recyclable Trash Guaranteed Tonnage, Annual On-site Waste Guaranteed Tonnage and Waste Tipping Fees agreed upon were applied retroactively from the beginning of the 2010 County Fiscal Year, October 1, 2009.

The County has guaranteed to deliver 240,000 Tons per year (TPY) in Recyclable Trash. In addition, the County has guaranteed 732,000 TPY in On-Site Waste. This On-Site Waste Guaranteed Tonnage is to be fullfilled with Garbage. The sum of the Annual On-Site Waste Guaranteed Tonnage and the Annual Recyclable Trash Guaranteed Tonnage shall not be less than 972,000 Tons per Annual Period, unless the Solid Waste shall not be deemed to be available to the County for Delivery to the Facility if such Solid Waste is unavailable for circumstances beyond the County's control and not due to actions taken by the County. The parties acknowledged that the intent of the County is to use its reasonable efforts to maximize the amount of On-Site Waste contracted for and available to process at the Facility for the term of the O&M Agreement including all renewal terms as set forth herein. Covanta and the County agree that it is in both parties interest for Covanta to seek to contract with third parties in the event of a shortfall on terms mutually agreeable to the parties.

For fiscal years 2010 and 2009, the County recorded expenses of $49 million and $57.7 million, respectively, in Tipping Fees to the Company. The rates charged for Tipping Fees as of September 30, 2010 were $45 per ton for on-site waste processing other than tires and $81.15 per ton for clean shredded tires. These rates are adjusted annually for the consumer price index. Fuel and other by-products not returned to County facilities from the Recyclable Trash received a credit of $1.87 per ton as a recycle credit fee. In addition, the County also paid a Capital Improvements Project fee of $2.5 million per year.

Concurrent with the issuance of the Series 1996 Bonds, the County entered into an interest rate swap agreement for purposes of converting the fixed interest payments on the Series 1996 Bonds into variable rate payments. This Agreement, which is also part of the Trust Estate, has no effect on the County's obligation under the Trust Indenture to pay the principal and interest on the Series 1996 Bonds. It provides for the Trustee to pay interest calculated at a variable rate to the counterparty in the swap. The counterparty, in turn, is required to pay the Trustee interest at a fixed rate. Should interest rates increase significantly or there be a significant reduction in marginal income tax rates, the County could be exposed to increased payment obligations through increased Tipping Fees.

On October 23, 1997, the County entered into a second swap agreement to take advantage of the interest rate savings between the variable taxable and tax exempt rates. This Agreement provides for the Trustee to pay interest at a fixed rate to the counterparty in the swap. The counterparty, in turn, pays the Trustee interest at a taxable variable rate. If the counterparty defaults or if the swap is terminated, the County will be exposed to the rates established in the Series 1996 Bonds. Termination may result in the Trustee making or receiving a termination payment. From inception through September 30, 2010, this swap had yielded total savings of approximately $8.4 million, including (negative) savings in fiscal years 2004 through 2007. The fiscal year 2010 reflects $412 thousand in savings, as compared to $1.4 million in fiscal year 2009.

On February 9, 2010, the Miami-Dade County Board of County Commissioners approved a resolution authorizing the County Mayor or the County Mayor's designee to negotiate with Rice Financial Products Company regarding the interest rate swap insured by AMBAC Indemnity Corporation related to the Resource Recovery Facility Refunding Revenue Bonds (Series 1996) in order to minimize potential economic loss to the County; delegating authority within certain parameters to the County Mayor or the County Mayor's designee to terminate said swap or terminate it and enter into a replacement swap and to execute and deliver any related agreements; and authorizing County Officials to take all actions necessary to accomplish such purposes.

The County, RFPC, LLC ("RFPC") and Ambac Assurance Corporation ("AMBAC") entered into a termination agreement (the "Termination Agreement") on April 1, 2010. In full consideration of the Termination Agreement and in complete satisfaction of all obligations in respect of the Agreement, RFPC paid the County $1,254,000 on April 1, 2010.

In the event of termination of the O&M Agreement, the County must find a successor operator. This operator will be required to assume the Company's obligations under the Amended Agreement and Trust Indenture, or pay the Trustee an amount equal to the higher of (1) the Unamortized Capital Cost or (2) the minimum tipping fee amounts due under Section 7.1.9 of the Amended Agreement. The aggregate amounts of estimated Tipping Fees, to be paid under the Amended Agreement for future fiscal years are as follows:

Fiscal Year	Amount
2011	54,542,317
2012	54,235,397
2013	53,935,867
Total	$ 162,713,581

The amounts above represent the County's share, net of the Company's contract obligations and the effect of the fixed to variable rate swap arrangements generating positive cash flows. The amounts are based on 732,000 tons of on-site waste plus 240,000 tons of recyclable trash to be processed in fiscal year 2010 and annually thereafter. The amounts were computed using rates effective October 1, 2010.

The Department implemented the provisions of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53) in fiscal year 2010. Pursuant to GASB 53, the fair value of the interest rate swap entered into concurrently with the issuance of the Series 96 Bonds has been included in the Statements of Net Assets as an investment in derivative instruments as of September 30, 2010 and September 30, 2009 (as restated), respectively (see Note 15). As discussed above, the second swap was terminated on April 1, 2010. Therefore, the Department's share of the proceeds received on April 1, 2010 have been included in the Statement of Revenue, Expenses and Changes in Fund Net Assets as interest income for the period ending September 30, 2010.

14. Commitments and Contingencies

Contract Disposal

During fiscal year 2010, the Department maintained a long-term waste disposal contract with a private regional disposal facility provider, Waste Management Inc. of Florida ("Waste Management"). The Waste Management contract is effective until September 30, 2015, with two additional five-year renewal options. Under the terms of the contract, the County must deliver or direct to be delivered, a minimum of 100,000 tons per year to a landfill located in the Town of Medley, Florida. The County may dispose of a combined total of up to 500,000 tons per year at that site or the Central Sanitary Landfill located in Pompano Beach, Florida.

The contract fixed the disposal fee paid by the County at $24.50 per ton until October 1, 1999, providing for annual adjustments thereafter based on increases in the consumer price index (CPI). The disposal fee paid by the County for the first 100,000 tons in fiscal years 2010 and 2009 was $32.13 and $32.59 per ton, respectively. As of September 30, 2010, the County was in compliance with this contract.

Litigation

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

Construction

The Department had contractual commitments of approximately $2.5 millions for construction at September 30, 2010.

Consent Orders

In January 2010 the Operations and Management Agreement was assigned to Covanta. Covanta assumed responsibility for resolution of any regulatory matters while the plant was under the management of the former operator, Veolia ES Waste-to-Energy (VES).

During fiscal year 2010 there was one incident resulting in an enforcement action by the Florida Department of Environmental Protection (FDEP) and one alleged violation of National Electric Reliability Corporation (NERC) standards as administered by the Florida Reliability Coordinating Council (FRCC), an agency charged with regulating and overseeing the Bulk Electric System in the Florida region. On June 2, 2010 the FDEP issued Warning Letter WL10-0004AV13SED for missing permanent boiler name plates, which list the manufacturer, model number, type of waste, rated capacity and certification number of each boiler as required in the site's air permit. A response was issued to FDEP by Covanta on June 18, 2010 detailing the corrective actions taken including the fact that non-compliance was self reported in early 2010 and that the missing plates had been fabricated and installed prior to issuance of the formal Warning Letter. Covanta further noted to FDEP that the violation was administrative in nature posing no threat to human health or the environment. On July 14, 2010 FDEP issued a letter closing the matter without fines or further regulatory action.

The North American Electricity Reliability Corporation (NERC) and its eight subordinate, federally empowered, regional agencies responsible for enforcing standards that are designed to protect the Bulk Electric System (BES). Since June 18, 2007, the RRF has had to comply with the NERC standards. The intent of the standards is to increase the reliability of the BES nationwide. Florida Reliability Coordinating Council (FRCC) has authority in the Florida region to enforce NERC standards.

On June 25, 2009, FRCC sent the initial notice of violation of standard PRC-005, NERC tracking number FRCC200910006. DSWM requested a settlement meeting to resolve the matter. At the settlement meeting held on August 16, 2010, FRCC concluded that a violation of PRC-005-1 R1 had occurred and issued a Determination of Alleged Violation Summary on August 16, 2010 (NERC Violation ID #: FRCC200910006/FRCC Violation ID# MDC_2009_1). FRCC officials and DSWM officials agreed to settle the violation with the payment of $4,500 in penalties and improvements to the RRF's Internal Compliance Plan by March 1, 2011. Approval by the two superior regulatory bodies, NERC and FERC, is in process and expected to be complete in the first quarter of fiscal year 2011.

The second probable violation of an electric reliability standard involved the Generator Operator, Covanta, and was a probable violation of elements of standard VAR-002-1. This violation was self reported and is currently under review by FRCC.

With respect to other Department facilities, no incidents resulting in enforcement actions by FDEP or other environmental regulatory agencies having jurisdiction occurred during fiscal year 2010.

15. Derivative Instruments

In fiscal year 2010, the Department implemented the provisions of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53).

This Statement enhances the usefulness and comparability of derivative instrument information reported by state and local governments by providing a comprehensive framework for the recognition, measurement and disclosure of derivative instrument transactions. Derivative instruments such as interest rate and commodity swaps, interest rate locks, options (caps, floors and collars), swaptions, forward contracts and future contracts are entered into by governments as investments; as hedges of identified financial risks associated with assets or liabilities, or expected transactions (i.e., hedgeable items); to lower the cost of borrowings; to effectively fix cash flows or synthetically fix prices; or to offset the changes in fair value of hedgeable items. A key provision of GASB 53 is that certain derivative instruments, with the exception of synthetic guaranteed investment contracts that are fully benefit-responsive, are reported at fair value by governments in their financial statements.

The information reflecting the fair value balance and notional mount of the derivative instrument outstanding at September 30, 2010, classification type and the change in fair value of such derivative instrument for the fiscal year then ended as reported in the fiscal year 2010 financial statements of the Department is as follows:

	Changes in Fair Value		Fair Value at September 30, 2010	
Investment Derivative Instrument	**Classification**	**Amount (In $000's)**	**Classification**	**Amount (In $000's)**
The Department Pays-variable rate (BMA + Constant 1) (3) The Counterparty pays-fixed rate (5.5%) Interest Rate Swap	Investment revenue (as interest income)	($870)	Investment in Derivative Instruments	$2,900

Notional Amount as of September 30, 2010 (In $000's)	Effective Date	End Date	Counterparty	Counterparty Ratings as of 9/30/10	Associated Bond Series
$43,265	9/10/1996	10/1/2013	GBDP, L. P. (1)	Guarantor - AAA, Aa3, AA (2)	Resource Recovery Facility Refunding Revenue Bonds, Series 1996

1) The swap is guaranteed by General Re-Insurance.
2) General Re-Insurance's ratings - by S&P, Moody's and Fitch, respectively.
3) BMA – Bond Market Association (BMA) Index, formerly PSA.

The Department is currently a party to an interest rate swap agreement. This swap agreement is related to Resource Recovery Facility Refunding Revenue Bonds issued by the County in 1996. Pursuant to the implementation of GASB 53 for fiscal year 2010, the Department recognized an $870 thousand decline in the fair value of the swap (reported as a reduction in investment/interest income) resulting in a fair value recognition of $2.9

million in investment in derivative instruments as of September 30, 2010. In addition, the financial statements for fiscal year 2009 have been restated in the fiscal year 2010 presentation. This restatement reflects a recognition of $788 thousand in investment/interest income (reflecting the increase in the fair value of the swap from October 1, 2008 through September 30, 2009) resulting in the recognition of $3.77 million in investment in derivative instruments as of September 30, 2009.

Credit Risk

Since the swap depends upon the performance of the Counterparty, there is a potential exposure to credit risk. This risk is based on the possibility of the Counterparty's failure to perform according to its contractual obligation. The measurement of this risk as of September 30, 2010, is the fair value of the swap as of that date (see table above). At September 30, 2010, a market-based valuation was performed by the County's Swap Advisor using market prices in effect as of the close of business September 30, 2010 to determine the fair value of the swap as of that date. The valuation included the current interest period accrual which would be payable on the next interest payment date. The pricing valuation was based upon confirmation of transactional information, including the Notional Principal amortization schedule furnished by the County, comparing the rate on the swap with market rates on the valuation date and present-valuing the differential between the swap and market rates back to the valuation shown above, using accepted market discount rates for the amortization date. As per market convention, this pricing reflects the valuation of the financial elements of the transaction. To mitigate credit risk, the County imposes strict credit standards for swap counterparties. All swap counterparties for extended term swaps must be rated at least in the AA category by both Standard & Poor's Credit Market Services and Moody's Investors Service. The swap with GBDP, L. P. is guaranteed by General Re-Insurance. General Re-Insurance's ratings as of September 30, 2010, are AAA from Standard and Poor's Credit Market Services, Aa3 from Moody's Investors Service and AA from Fitch Ratings.

Interest Rate Risk

There is exposure to interest rate risk on this pay-variable, receive-fixed swap; as the BMA Index increases, the net payment on the swap increases. However, this exposure is passed on to the Facility Operator (see Note 13) via deductions from the tipping fee the Department pays the Trustee.

Foreign Currency Risk

There is no exposure to foreign currency risk.

16. Subsequent Event

Sunshine State Governmental Financing Commission Loans Outstanding

As of September 30, 2010, the County had eight loans with the Sunshine State Governmental Financing Commission (the "Sunshine State Commission"). In July 1986, the Sunshine State Commission issued $300 million of variable rate demand bonds with interest being reset weekly (the "1986 Program Bonds"). The Sunshine State Commission lent a portion of these bond proceeds to the County (the "County's 1986 Loans") pursuant to four loan agreements (the "1986 Loan Agreements"). The balance of the County's 1986 Loans on September 30, 2010 was $35,990,739. The Sunshine State Commission used a Dexia Credit Locale ("Dexia") letter of credit (the

"Dexia 1986 LOC") to provide liquidity and credit support of the 1986 Program Bonds. The Dexia 1986 LOC is to expire August 1, 2011.

In February 1994, the Sunshine State Commission created a new separate program, using commercial paper to supply the proceeds to fund loans to the Sunshine State Commission's participants. The County had several loans under the commercial paper program. In 2008, when Dexia became the LOC provider, the Sunshine State Commission restructured all of the County's commercial paper loans under a separate commercial paper program (the "Series L Program"). The Series L Program was a commercial paper program issued solely for the benefit of the County. The proceeds from the issuance of the commercial paper were lent to the County (the "County's Series L Loans"), pursuant to four loan agreements (the "Series L Loan Agreements"). The balance of the County's Series L Loans on September 30, 2010 was $510,231,000. The Sunshine State Commission used a Dexia letter of credit (the "Dexia Series L LOC" and together with the Dexia 1986 LOC, the "Dexia LOCs") to provide liquidity and credit support of the Series L Program Bonds. The Dexia Series L LOC is to expire on June 2, 2011.

In June 2010, Dexia notified the Sunshine State Commission that they were going to be exiting the LOC provider market and they would not be extending the Dexia LOCs. The County and the Sunshine State Commission solicited the LOC provider market in October 2010 with a request for proposal to provide a replacement LOC for the Dexia LOCs. The Commission received three responses. The Sunshine State Commission selected JPMorgan as the replacement LOC provider, established a new program (the "Multimodal Program") and on December 30, 2010, issued bonds on the County's behalf as multimodal bonds in a variable rate mode with a weekly interest rate reset (the "Series 2010A&B Bonds"). The proceeds of the bonds were lent to the County pursuant to a loan agreement (the "2010 Loan Agreement") and used to defease $225.9 million of the Series L Loans. The Sunshine State Commission and JPMorgan have entered into a Letter of Credit Reimbursement Agreement to provide a LOC to secure the Series 2010A&B Bonds in the amount of $225.9 million, plus interest, for a term of three years to expire December 30, 2013.

On March 30, 2011, the Sunshine State Commission priced a new series of bonds under the Multimodal Program in the amount of $247.6 million (the "Series 2011A Bonds"). The Series 2011A Bonds are fixed rate bonds with a final maturity of September 1, 2027. The proceeds of $247.6 million and the original issue premium in the amount of $8,181,986 will be lent to the County pursuant to a loan agreement (the "Series 2011A Loan Agreement") on April 14, 2011 and will be used to defease $227,332,000 of the outstanding County's Series L Loans and $28,442,489 of the outstanding County's 1986 Loans. The Series 2011A Bonds will be closed on April 14, 2011.

Prior to April 14, 2011, the Sunshine State Commission will enter into a new Letter of Credit Reimbursement Agreement with JPMorgan to provide a new LOC in the amount of $57,655,891 plus interest for a term of three years to expire on April 14, 2014. The Sunshine State Commission issued additional Multimodal Program bonds in the amount of $57,000,000 (the "Series 2011B&C Bonds") to defease County's Series L Loans in the amount of $56,999,000. The Series 2011B&C Bonds were issued as multimodal variable rate bonds, with interest to be reset weekly. The new JPMorgan letter of credit will provide liquidity and credit enhancement pursuant to the new Letter of Credit and Reimbursement Agreement with JPMorgan. The Series 2011B&C Bonds will be closed on April 14, 2011, concurrently with the Series 2011A Bonds.

The County currently has Outstanding Loans in the amount of:		
Series 1986 Loans		$ 35,990,739
Series L Loans		510,231,000
Total Loans Outstanding		**$ 546,221,739**
The County will Defease or has Defeased Loans in the amount of:		
Series 1986 Loans:		
Series 2010A&B Bonds	$ 0	
Series 2011A Bonds	28,442,489	
Series 2011B&C Bonds	0	
Total Series 1986 Loans Defeased	$ 28,442,489	
Series L Loans:		
Series 2010A&B Bonds	$ 225,900,000	
Series 2011A Bonds	227,332,000	
Series 2011B&C Bonds	56,999,000	
Total Series 1986 Loans Defeased	$ 510,231,000	
Total Loans Defeased		**$ 538,673,489**
Loans Remaining in the Series 1986 Program		**$ 7,548,250**

The remaining loans in the Series 1986 Program are funds borrowed by the County on behalf of the Naranja Lakes CRA ("Naranja CRA"). On March 1, 2011, the Board approved a request by Naranja CRA (Resolution No. R-145-11) to obtain financing to refinance the County loans attributable to the Naranja CRA. The County intends to pay off the loans remaining in the Series 1986 Program with the receipt of funds from the Naranja CRA prior to August 1, 2011. Failure by the Naranja CRA to procure the financing to repay the County loans, will require the issuance of fixed rate bonds under the Sunshine State Commissions Multimodal Program in an amount to pay the outstanding loans prior to the expiration of the Dexia 1986 LOC on August 1, 2011. The $7,548,250 is recorded in the County's current portion of debt at September 30, 2010.

The Department's Loan Agreements reflected in Note 4 (Sunshine State Loans Series I, 2006 and Sunshine State Loans Series I, 2005) were portions of the Series L Loans referred to above.

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Required Supplementary Information

Schedule of Funding Progress
For the Miami-Dade County Retiree Health Plan (In thousands)
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Estimated Covered Payroll (c)	UAAL as % of Covered Payroll ([b-a]/c)
10/1/2009	$0	$336,700	$336,700	0%	$2,191,109	15%
10/1/2008	$0	$300,847	$300,847	0%	$2,109,822	14%

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Supplemental Schedules
Supplementary Financial Information

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

Disposal System

Supplemental Schedules of Net Assets

	At September 30,	
	2010	2009
	(In thousands)	
ASSETS		
CURRENT ASSETS		
Unrestricted Assets		
Cash and cash equivalents	$ **30,278**	$ 14,317
Investments	**62,610**	69,736
Accounts receivable, net	**8,327**	7,341
Loans receivable from other County funds	**4,244**	4,157
Total Unrestricted Assets	**105,459**	95,551
Restricted Assets		
Cash and cash equivalents	**9,944**	11,866
Accounts receivable	**9,078**	8,603
Total Restricted Assets	**19,022**	20,469
Total Current Assets	**124,481**	116,020
NON-CURRENT ASSETS		
Unrestricted Assets		
Investment in Derivative Instruments	**2,900**	3,770
Total Unrestricted Assets	**2,900**	3,770
Restricted Assets		
Cash and cash equivalents	**53,173**	34,940
Investments	**78,152**	97,048
Total Restricted Assets	**131,325**	131,988
Capital Assets, net	**136,133**	151,531
Total Capital Assets	**136,133**	151,531
Other Assets		
Loans receivable from other County funds	**27,373**	31,617
Other assets	**5,798**	6,643
Total Other Assets	**33,171**	38,260
Total Non-Current Assets	**303,529**	325,549
TOTAL ASSETS	$ **428,010**	$ 441,569

Continued

See accompanying independent auditor's report.

	At September 30,	
	2010	2009
	(In thousands)	
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	$ **11,956**	$ 13,716
Due to other County funds	**1,379**	1,323
Other current liabilities - compensated absences	**1,414**	1,492
Other current liabilities - other	**523**	180
Current portion of liability for closure and postclosure care costs	**3,154**	7,216
Total Payable from Unrestricted Assets	**18,426**	23,927
Payable from Restricted Assets		
Accrued interest payable	**3,112**	3,446
Current portion of bonds & notes payable	**15,875**	15,107
Accounts payable, restricted	**35**	1,916
Total Payable from Restricted Assets	**19,022**	20,469
Total Current Liabilities	**37,448**	44,396
LONG-TERM LIABILITIES		
Long-term portion of bonds & notes payable, net	**154,019**	165,822
Liability for closure & postclosure care costs	**92,942**	93,020
Other long-term liabilities - compensated absences	**4,245**	4,291
Other long-term liabilities - other	**577**	2,255
Total Long-Term Liabilities	**251,783**	265,388
Total Liabilities	**289,231**	309,784
NET ASSETS		
TOTAL NET ASSETS	$ **138,779**	$ 131,785

Loans receivable from other County funds balance (current $3,946 and long term $25,452) will be eliminated in the combined Statement of Net Assets presentation.

See accompanying independent auditor's report.

Disposal System

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

	For the years ended September 30,		
	2010	2009	
	(In thousands)		
Operating Revenues			
Solid waste disposal services	$ **57,102**	$ 60,117	
Utility service fees	**20,650**	19,559	
Electricity sales	**26,461**	27,911	
Other operating revenues	**14,258**	14,808	
Total Operating Revenues	**118,471**	122,395	
Operating Expenses			
Landfill & disposal operations, net of change in closure & postclosure care cost estimates for active landfills	**19,420**	16,438	
Waste-to-energy	**65,444**	81,002	
Transfer operations	**19,006**	26,395	
Recycling	**282**	452	
Facility maintenance	**2,683**	2,281	
County wide lot clearing	**4**	81	
Enforcement and environmental compliance	**3,639**	3,926	
General and administrative	**16,532**	13,211	
Total	**127,010**	143,786	
Depreciation	**19,922**	22,710	
Closure and Postclosure Care Costs/ (Recovery) for Inactive Landfills	**45**	(7,211)	
Total Operating Expenses	**146,977**	159,285	
Operating Loss	**(28,506)**	(36,890)	
Non-Operating Revenues (Expenses)			
Interest income	**1,254**	4,290	
Interest expense	**(7,805)**	(8,526)	
Closure grants	**(1,865)**	(5,560)	
Other non-operating, net	**(555)**	(444)	
Total Non-Operating Expenses, Net	**(8,971)**	(10,240)	
Contributions	**-**	739	
Transfer In	**-**	2,239	(1)
Changes in Fund Net Assets	$ **(37,477)**	$ (44,152)	

(1) Reflects gain in the sale of land (portion of NW 58th Street Landfill) to MDPD for $2,297,960.

See accompanying independent auditor's report.

Waste Collection System

Supplemental Schedules of Net Assets

	At September 30,	
	2010	2009
	(In thousands)	
ASSETS		
CURRENT ASSETS		
Unrestricted Assets		
Cash and cash equivalents	$ **18,203**	$ 7,441
Investments	**37,436**	36,128
Accounts receivable, net	**2,776**	2,821
Due from other governments	**144**	195
Total Unrestricted Assets	**58,559**	46,585
Restricted Assets		
Cash and cash equivalents	**214**	201
Investments	**175**	265
Total Restricted Assets	**389**	466
Total Current Assets	**58,948**	47,051
NON-CURRENT ASSETS		
Restricted Assets		
Investments	**-**	-
Total Restricted Assets	**-**	-
Capital Assets, net	**44,475**	52,762
Total Capital Assets	**44,475**	52,762
Other Assets		
Other assets	**103**	142
Total Other Assets	**103**	142
Total Non-Current Assets	**44,578**	52,904
TOTAL ASSETS	$ **103,526**	$ 99,955

Continued

See accompanying independent auditor's report.

Waste Collection System

Supplemental Schedules of Net Assets

	At September 30,	
	2010	2009
	(In thousands)	
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Payable from Unrestricted Assets		
Accounts payable and accrued expenses	$ **2,642**	$ 2,801
Due to other County funds	**4,044**	3,859
Other current liabilities - compensated absences	**2,440**	2,430
Other current liabilities - other	**355**	466
Total Payable from Unrestricted Assets	**9,481**	9,556
Payable from Restricted Assets		
Accrued interest payable	**227**	291
Current portion of bonds and notes payable	**3,834**	3,716
Total Payable from Restricted Assets	**4,061**	4,007
Total Current Liabilities	**13,542**	13,563
LONG-TERM LIABILITIES		
Long-term portion of bonds and notes payable, net	**11,890**	15,838
Other long-term liabilities - compensated absences	**7,281**	6,953
Due to other County funds - long term	**25,452**	29,398
Other long-term liabilities - other	**470**	338
Total Long-Term Liabilities	**45,093**	52,527
Total Liabilities	**58,635**	66,090
NET ASSETS		
TOTAL NET ASSETS	$ **44,891**	$ 33,865

Due to other County funds balance (current $3,946 and long term $25,452) will be eliminated in the combined Statement of Net Assets presentation.

See accompanying independent auditor's report.

Waste Collection System

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

	For the years ended September 30,	
	2010	2009
	(In thousands)	
Operating Revenues		
Solid waste collection services	$ **149,900**	$ 142,090
Other operating revenues	**761**	643
Total Operating Revenues	**150,661**	142,733
Operating Expenses		
Garbage collection	**36,141**	37,734
Trash collection	**21,912**	16,834
Recycling	**8,288**	15,798
Litter control	**1,394**	1,553
Enforcement and environmental compliance	**4,482**	4,325
General and administrative	**13,089**	11,709
Total	**85,306**	87,953
Depreciation	**9,645**	9,777
Total Operating Expenses	**94,951**	97,730
Operating Income	**55,710**	45,003
Non-Operating Revenues (Expenses)		
Interest income	**250**	530
Interest expense	**(576)**	(822)
Other non-operating, net	**113**	377
Total Non-Operating Revenues (Expenses), Net	**(213)**	85
Changes in Fund Net Assets	$ **55,497**	$ 45,088

See accompanying independent auditor's report.

Statistical Section

(UNAUDITED)

FINANCIAL TRENDS

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

REVENUE CAPACITY

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

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INDICATORS

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

OPERATING INFORMATION

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

MISCELLANEOUS INFORMATION

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

See accompanying independent auditor's report.

TABLE I

Schedule of Revenues, Expenses & Changes in Fund Net Assets and Schedule of Net Assets (Unaudited)

Last Ten Years (In Thousands)

OPERATING REVENUE	**FY 2001**	**FY 2002**	**FY 2003**
Tipping Fees	$45,783	$51,951	$52,722
Medley Surcharge	1,611	1,031	513
Electrical Revenue	15,080	16,383	19,195
Utility Service Fee	14,587	14,528	14,824
Disposal Facility Fee	8,339	8,089	8,157
Collections Revenue	101,912	100,599	104,785
Other Operating Revenue	4,391	3,973	3,946
Total Operating Revenues	191,703	196,554	204,142
OPERATING & MAINTENANCE EXPENSES			
Landfill Operations	5,290	19,042	12,375
Transfer Operations	15,189	16,617	17,418
Waste-to-Energy	61,550	61,366	65,383
Garbage Collections	27,924	31,394	32,518
Trash Collections	15,379	16,018	18,429
Recycling	9,400	10,106	10,249
Other Operating	26,346	28,781	28,419
Total Operating Expenses	161,078	183,324	184,791
Operating Income Before Depreciation & Other	30,625	13,230	19,351
Depreciation	23,454	23,581	25,356
Closure and postclosure costs (recovery) for inactive landfills	(1,000)	(2,412)	798
Operating Income (Loss)	8,171	(7,939)	(6,803)
NON-OPERATING REVENUE (EXPENSE)			
Interest Income	6,265	2,914	1,958
Interest Expense	(8,777)	(9,224)	(9,623)
Operating Grants	1,636	181	429
Other (1)/(2)/(3)/(4)/(5)/(6)	(577)	(607)	259
Non-Operating Income (Expense), Net	(1,453)	(6,736)	(6,977)
Income (Loss) Before Transfers & Capital Contributions	6,718	(14,675)	(13,780)
OPERATING TRANSFERS			
CAPITAL CONTRIBUTIONS (7)	10,569	9,986	973
Transfers in (8)			
Changes in Fund Net Assets	$17,287	($4,689)	($12,807)
NET ASSETS			
Invested in Capital Assets, net of Related Debt	$128,197	$121,693	$107,846
Restricted	75,502	72,766	70,143
Unrestricted (Deficit)	(63,437)	(58,886)	(55,223)
Total Net Assets	$140,262	$135,573	$122,766

SOURCE: Miami-Dade County Department of Solid Waste Management

Notes:
(1) For fiscal year 2005 this figure includes among others, hurricane expenses of approximately $5.2 million and closure grant of approximately $6.5 million.
(2) For fiscal year 2006 this figure includes among others, hurricane expenses of approximately $8.2 million and closure grant of approximately $1.5 million.
(3) For fiscal year 2007 this figure includes among others, hurricane reimbursements of approximately $18 million and closure grant of approximately $1.4 million.
(4) For fiscal year 2008 this figure includes closure grant of approximately $1 million.

See accompanying independent auditor's report.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
$53,066	$74,407	$95,530	$73,097	$64,929	$59,521	$56,577
715	841	974	902	688	596	525
16,593	17,504	23,123	23,704	28,000	27,911	26,461
15,798	16,657	17,665	17,852	18,067	19,559	20,650
8,286	8,955	10,965	11,874	11,955	12,026	11,634
123,224	125,184	128,179	142,193	143,497	142,090	149,900
4,290	4,167	4,704	4,804	3,123	3,425	3,385
221,972	247,715	281,140	274,426	270,259	265,128	269,132
13,992	21,299	27,294	20,502	22,746	16,438	19,420
24,844	24,601	26,864	27,416	28,635	26,395	19,006
64,748	64,191	67,368	67,491	72,893	81,002	65,444
34,415	35,213	38,042	37,492	38,688	37,734	36,141
13,186	16,113	19,849	16,208	17,462	16,834	21,912
10,175	11,188	11,404	12,246	25,250	16,250	8,570
28,906	31,826	32,213	31,791	35,516	37,086	41,823
190,266	204,431	223,034	213,146	241,190	231,739	212,316
31,706	43,284	58,106	61,280	29,069	33,389	56,816
27,913	30,010	29,708	31,443	35,284	32,487	29,567
642	746	1,649	955	2,803	(7,211)	45
3,151	12,528	26,749	28,882	(9,018)	8,113	27,204
1,201	3,084	7,291	11,757	8,971	4,820	1,504
(8,793)	(8,743)	(12,207)	(11,044)	(10,166)	(9,348)	(8,381)
260						
789	(13,635) (1)	(10,119) (2)	16,660 (3)	(1,430) (4)	(5,627) (5)	(2,307) (6)
(6,543)	(19,294)	(15,035)	17,373	(2,625)	(10,155)	(9,184)
(3,392)	(6,766)	11,714	46,255	(11,643)	(2,042)	18,020
-	-	-	-	-	-	-
-	-	-	-	216	739	
				2,582	2,239	
($3,392)	($6,766)	$11,714	$46,255	($8,845)	$936	$18,020
$94,847	$51,983	$40,991	$56,871	$39,864	$39,343	$32,484
73,663	101,847	103,423	114,505	118,935	114,755	112,498
(49,136)	(41,222)	(20,092)	(799)	2,933	11,552	38,688
$119,374	$112,608	$124,322	$170,577	$161,732	$165,650	$183,670

(5) For fiscal year 2009 this figure includes closure grant of approximately $5.6 million.
(6) For fiscal year 2010 this figure includes closure grant of approximately $1.9 million.
(7) For FY08 and FY09, capital contributions consist of GOB reimbursement for construction of Cell 5.
(8) Transfers In are related to the gain for the sale of 58th ST Landfill to Parks Department in FY 2008 and Miami-Dade Police Department in FY 2009.

See accompanying independent auditor's report.

TABLE II

Solid Waste Stream Components Explained* (Unaudited)

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

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

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

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

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

TABLE IIIA

Disposal System (Unaudited)

Tonnage

REVENUE TONS	FY 2001	FY 2002	FY 2003	FY 2004
Clean Yard Trash	87,551	93,436	96,967	53,707
Garbage	900,246	955,944	1,011,420	1,034,834
Trash (1)	671,102	740,125	725,796	657,097
Storm Related Waste	1,982		2,847	19,952
White Goods (7)				
C & D	1,328	83	1	20
Whole Tires (2)	14,177	13,801	14,869	18,066
Special Waste (3)	6,560	6,010	7,960	6,929
Reduced Fee Cover Material		14,330		20,428
Non Profit Tonnage				
Total Revenue Tons	1,682,946	1,823,729	1,859,860	1,811,033
Ojus/OSD Waste				
Resources Recovery Plant Demolition & Stormwater Drainage & Cleanout material	44			
Closure debris from RR ashfill to ND				33,442
DSWM furniture to ND				40
Total Tons	1,682,990	1,823,729	1,859,860	1,844,515
Equivalent Revenue Tons(4)	1,682,946	1,812,306	1,859,860	1,794,638
NET DISPOSED TONS:				
South Dade Landfill	304,573	363,968	429,150	503,846
North Dade Landfill	231,014	331,345	315,522	317,758
Resources Recovery Net Incinerated	537,229	565,489	582,394	495,023
Resources Recovery Ashfill	169,063	147,960	144,100	148,769
Contract Disposal:				
To Waste Management	200,962	122,502	143,107	130,319
To Wheelabrator	44,364	51,762	7,670	
Total Net Ton's Disposed	1,487,205	1,583,026	1,621,943	1,595,715

(1) Trash includes oversize tires to North Dade Landfill.
(2) Whole tires are accepted at Resources Recovery only.
(3) Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.
(4) Equivalent Revenue Tons figures reflect the tons necessary to generate the gross revenue received at $45-$59.77 per ton.
(5) Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.
(6) For fiscal years starting with FY05, this figure includes biomass and primary fines to Northdade.
(7) Represents White Goods delivered by customer directly to disposal site.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
36,454	37,464	28,512	22,617	17,036	13,165
1,058,295	1,122,638	1,144,741	1,172,158	1,060,515	1,058,725
673,696	849,707	660,917	576,408	493,571	473,275
228,023	501,063	-	-	-	-
			32	38	10
1	21	6	26	-	3
24,027	27,397	15,859	9,471	7,698	5,688
5,875	3,936	2,864	3,505	2,814	2,110
16,620	170,681	605,812	39,739	59,921	6,553
				4,170	3,210
2,042,991	2,712,907	2,458,711	1,823,956	1,645,763	1,562,739
2,042,991	2,712,907	2,458,711	1,823,956	1,645,763	1,562,739
2,029,552	2,574,040	1,960,985	1,791,122	1,593,673	1,555,679
740,783	873,997	537,675	486,491	321,500	371,126
344,439	582,782	254,285	203,310	172,498	185,632
495,477	533,633	534,934	570,064	750,480	545,019
140,800	158,057	164,439	173,854	160,349	151,992
114,487	247,894	187,258	183,810	147,221	210,172
1,835,986	2,396,363	1,678,591	1,617,529	1,552,048	1,463,941

See accompanying independent auditor's report.

TABLE IIIA

Disposal System (Unaudited)

Tonnage (continued)

	FY 2001	FY 2002	FY 2003	FY 2004
FACILITY RECYCLING				
Clean Yard Trash	23		7	
Tires to Vendors				
Metal to Vendors	34,889	32,983	36,024	34,978
White Goods to Vendor	14			7
RTI Biomass Fuel (5)/(6)	113,257	98,033	143,251	179,484
RTI Fines Recycling	16,523			
RTI On-Site Biomass	8,824			
RTI On-Site Fines Recycling	2,289			
Total Facility Recycling	175,819	131,016	179,282	214,469
RESOURCES RECOVERY PUT OR PAY	1,136,801	1,137,762	1,221,605	1,183,575
TRANSFER STATION				
Central	211,237	232,772	234,982	232,381
West	260,088	280,642	293,371	278,503
Northeast	212,720	214,398	204,049	229,297
Total Transfer Station	684,045	727,812	732,402	740,181
Non Contractual Diversion	709,000	555,000	726,000	709,000

(1) Trash includes oversize tires to North Dade Landfill.
(2) Whole tires are accepted at Resources Recovery only.
(3) Special waste is accepted at South Dade Landfill only and includes ash, dead animals, asbestos, contaminated soil, oversize tires, sludge and sterile medical waste.
(4) Equivalent Revenue Tons figures reflect the tons necessary to generate the gross revenue received at $45-$59.77 per ton.
(5) Resources Recovery initiated the Recyclable Trash Improvements facility May 1, 1997, which produces fuel pellets for cogeneration uses.
(6) For fiscal years starting with FY05, this figure includes biomass and primary fines to Northdade.
(7) Represents White Goods delivered by customer directly to disposal site.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
		154	95		
30,319	29,924	43,873	41,872	22,934	17,638
			32	38	10
178,290	97,042	108,128	100,285	86,802	66,253
				22,685	44,167
		8,613	8,011		
208,609	126,966	160,768	150,295	132,459	128,068
1,122,880	1,241,000	1,083,478	1,134,708	1,188,866	1,093,752
183,042	214,439	201,156	164,036	158,701	130,474
299,472	304,329	279,726	264,633	238,806	233,320
219,444	247,797	226,760	221,052	196,375	189,486
701,958	766,565	707,642	649,721	593,882	553,280
699,000	583,508	517,767	551,101	551,101	523,987

See accompanying independent auditor's report.

TABLE III B

Disposal System (Unaudited)

Revenue Tons Source

TONNAGE BY SOURCE	FY 2001	FY 2002	FY 2003	FY 2004
Municipalities:				
Bal Harbour Village	5,634	5,536	5,762	5,855
Town of Bay Harbor Islands	193	189	207	307
Village of Biscayne Park	2,765	2,750	2,211	2,459
City of Coral Gables	20,467	13,366	20,735	24,207
Florida City	1			
Golden Beach	164	181	91	98
City of Hialeah	83,468	85,711	87,216	88,978
Hialeah Gardens	1,150	1,531	1,539	1,808
City of Homestead	31,343	33,186	37,996	40,130
City of Miami	171,892	188,685	193,534	177,297
City of Miami Beach	2,579	4,189	4,387	4,351
Village of Miami Shores	7,972	6,917	6,938	8,200
City of Miami Springs	10,360	10,377	11,481	11,944
City of North Bay Village	4,010	4,382	4,636	4,987
City of North Miami	27,729	28,027	25,385	27,234
City of North Miami Beach	37,657	38,755	40,388	41,677
City of Opa-Locka	8,913	9,214	9,335	77
City of South Miami	10,273	10,293	9,828	10,937
Town of Surfside	4,771	4,882	5,035	5,240
City of Sweetwater	3,203	2,662	2,900	3,367
City of West Miami	3,446	3,331	3,495	3,817
Total Municipalities	437,990	454,164	473,099	462,970

(1) Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at $45-$59.77 per ton.
(2) Combined with other permit haulers in FY 2003.
(3) In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.
(4) Formally reported as BFI

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
6,069	6,056	5,340	5,225	4,229	4,227
289	258	263	290	227	283
2,612	2,552	1,745	1,740	2,153	2,479
27,516	21,199	13,459	11,611	10,679	12,160
	32	8			
240	559	134	77	156	96
91,956	91,021	85,162	83,257	77,395	76,244
1,987	2,250	1,147	907	947	401
44,900	59,443	50,378	50,151	46,166	46,155
181,402	236,939	151,956	137,122	126,332	128,971
5,648	6,008	6,529	5,988	4,415	5,925
13,393	13,980	12,834	12,066	11,413	11,919
10,648	5,719	4,540	4,630	4,010	4,544
4,983	4,780	4,140	4,635	4,509	4,531
30,332	36,856	27,091	25,635	23,800	21,980
42,192	52,998	41,274	37,572	34,700	34,857
235	658	1,357	949	883	1,175
14,735	17,008	9,699	10,024	9,547	7,711
5,225	5,140	5,040	5,006	4,589	4,591
3,075	3,056	2,581	2,378	2,692	3,555
3,695	3,492	3,007	3,066	2,615	2,641
491,132	570,004	427,684	402,329	371,457	374,445

See accompanying independent auditor's report.

TABLE III B

Disposal System (Unaudited)

Revenue Tons Source (continued)

TONNAGE BY SOURCE	FY 2001	FY 2002	FY 2003	FY 2004
Permitted Haulers				
BFI/WSI (4)	224,611	233,170	237,874	234,928
WMI	90,959	91,191	92,281	93,056
Onyx (2)	3,789	12,709	-	
Other Permitted Haulers	78,116	95,009	90,675	99,038
Total Permitted Haulers	397,475	432,079	420,830	427,022
DSWM Collections	768,670	843,696	885,765	834,101
Permitted Landscapers (3)				
DSWM County-wide Lot Clearing	2,269	2,708	2,355	2,851
Other Governmental	76,542	76,752	77,811	63,661
Subtotal Full Fee Revenue Tons	1,682,946	1,809,399	1,859,860	1,790,605
Reduced Fee Cover Material		14,330	-	20,428
Non Profit Tonnage				
Total Revenue Tons	1,682,946	1,823,729	1,859,860	1,811,033
Closure debris from RR ashfill to ND				33,442
DSWM furniture to ND (no fee)				40
Resources Recovery Plant Demolition & Stormwater Drainage & Cleanout material	44			
Total Tons	1,682,990	1,823,729	1,859,860	1,844,515
Equivalent Revenue Tons (1)	1,682,946	1,812,306	1,859,860	1,794,638

(1) Equivalent Revenue Tons figure reflects the tons necessary to generate the gross revenue received at $45-$59.77 per ton.
(2) Combined with other permit haulers in FY 2003.
(3) In prior years, this tonnage figure was reported on table 4A. This tonnage represents landscaper activity at the landfills.
(4) Formally reported as BFI

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
230,868	231,104	220,569	221,288	197,549	179,885
88,152	92,869	105,851	98,581	101,282	141,155
139,328	253,578	246,071	230,271	153,332	110,972
458,348	577,551	572,491	550,140	452,163	432,012
971,212	1,234,483	764,582	744,925	676,676	668,218
35,857	37,385	28,455	22,483	17,003	13,150
2,989	1,571	1,980	403		
66,833	121,232	57,707	63,937	64,373	65,151
2,026,371	2,542,226	1,852,899	1,784,217	1,581,672	1,552,976
16,620	170,681	605,812	39,739	59,921	6,553
				4,170	3,210
2,042,991	2,712,907	2,458,711	1,823,956	1,645,763	1,562,739
2,042,991	2,712,907	2,458,711	1,823,956	1,645,763	1,562,739
2,029,552	2,574,040	1,960,985	1,791,122	1,593,673	1,555,679

See accompanying independent auditor's report.

TABLE IV A

Collection System (Unaudited)

Tonnage by Type

	FY 2001	FY 2002	FY 2003	FY 2004
GARBAGE	393,618	416,418	439,649	452,736
TRASH				
Bulky Waste	72,537	71,426	75,947	91,603
Clean Yard Trash				
Total Bulky Waste	72,537	71,426	75,947	91,603
ILLEGAL DUMPING				
Illegal Dumped Waste	7,628	11,910	7,597	1,488
Illegal Tires	1,268	1,102	698	500
Total Illegal Dumping	8,896	13,012	8,295	1,988
NEIGHBORHOOD TRASH & RECYCLING CENTERS				
Trash (Household) (1)	193,857	233,962	249,179	159,875
Other Trash- Landscapers				43,434
Clean Yard Trash				
Tires	779	860	945	929
Other Waste	60	40	39	59
Total Neighborhood T & R Center	194,696	234,862	250,163	204,297
GOVERNMENT ACCOUNTS				
Trash	7,436	7,792	6,630	5,888
Whole Tires	71	60	17	92
Total Trash Government Accounts	7,507	7,852	6,647	5,980
BI-WEEKLY YARD TRASH				
LOT CLEARING (CAT3)	6,205	5,709	4,061	868
ADOPT-A-SPOT	146	11	-	
SPECIAL CLEANUPS	1,427			
OVERSIZED VEHICLES FR T&R CENTERS	1,350	955	759	680
DSWM LITTER PROGRAM	647	1,141	1,303	1,134
CHRISTMAS TREES				
DEMOLITION TONNAGE	2,322			
PERMITTED LANDSCAPERS (2)	77,784	92,310	96,094	53,028
TOTAL TRASH	373,517	427,278	443,269	359,578
TOTAL TRASH AND GARBAGE	767,135	843,696	882,918	812,314

(1) Prior to FY 2004 these figures included Household & Non-household trash.
(2) From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.
(3) Other paper includes mixed paper other than newspaper for FY 2010.
(4) Steel cans were not specifically listed by contractor in FY 2010.
(5) Tonnage for FY 2010 includes tons processed residue.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
465,989	480,600	483,349	492,947	442,814	451,647
97,327	128,440	76,373	66,825	67,457	72,331
1,693	1,389	2			
99,020	129,829	76,375	66,825	67,457	72,331
1,738	2,841	3,144	2,312	1,980	442
274	340	347	211	185	
2,012	3,181	3,491	2,523	2,165	442
148,782	136,656	177,323	160,226	143,840	137,822
26,569	17,792	14,757	13,849	12,279	100
		120			
757	766	859	854	994	781
52	29	40	264	323	
176,160	155,243	193,099	175,193	157,436	138,703
6,486	5,883	6,510	5,795	5,358	4,010
28	142	232	71	15	
6,514	6,025	6,742	5,866	5,373	4,010
1,185					
17			2		
563	534	240	274	223	
1,064	1,163	1,268	1,280	1,208	965
		18	15		120
286,535	295,975	281,233	251,978	233,862	216,571
752,524	776,575	764,582	744,925	676,676	668,218

See accompanying independent auditor's report.

TABLE IV A

Collection System (Unaudited)

Tonnage by Type (continued)

	FY 2001	FY 2002	FY 2003	FY 2004
STORM RELATED TONNAGE	1,535			
Garbage			278	1,724
Trash (curbside)			2,569	5,728
HURRICANE DEBRIS				
Roadway Clearance				
Trash & Recycling Centers				14,261
Litter Program				3
Oversized Vehicles from T&R Centers				
Government Accounts				71
Stage Rejects				
Sage Mulch				
TOTAL STORM RE/ TONNAGE & HURRICANE DEBRIS	1,535		2,847	21,787
TOTAL GARBAGE, TRASH & STORM RE/TONNAGE & HURRICANE DEBRIS	768,670	843,696	885,765	834,101
RECYCLABLES (T & R CENTERS)				
Phone Books				
Newspaper/Cardboard				
Glass				
Aluminum				
Plastic Bottles				
White Goods	5,155	4,064	6,415	6,729
Ferrous Metal				
TOTAL T&R RECYCLABLES	5,155	4,064	6,415	6,729
CURBSIDE RECYCLABLES				
Phone Books	32			
Newspaper/Cardboard	23,235	22,134	21,163	19,240
Other Paper (3)				
Glass Bottles	9,706	9,568	9,265	9,598
Aluminum	494	434	412	333
Plastic Bottles & Other Plastics	3,875	4,272	4,181	4,108
Steel Cans (4)	1,852	1,652	1,462	1,373
Batteries	3			
Septic & Gable Containers	126	114	124	1,418
Other (5)				
TOTAL CURBSIDE RECYCLABLES	39,323	38,174	36,607	36,070

(1) Prior to FY 2004 these figures included Household & Non-household trash.
(2) From FY 05 and forward this tonnage figure is being reported on table 3B. This tonnage represents landscaper activity at the landfills.
(3) Other paper includes mixed paper other than newspaper for FY 2010.
(4) Steel cans were not specifically listed by contractor in FY 2010.
(5) Tonnage for FY 2010 includes tons processed residue.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
2,462	2,808				
18,069	38,121				
173,798	127,731				
23,949	51,405				
72	78				
16	111				
322	316				
	43,325				
	194,013				
218,688	457,908				
971,212	1,234,483	764,582	744,925	676,676	668,218
6,060	6,799	6,426	3,423	3,228	2,071
6,060	6,799	6,426	3,423	3,228	2,071
19,451	18,995	17,098	14,611	34,945	30,134
					3,127
10,346	9,831	8,549	8,531	16,576	12,786
275	288	202	243	794	1,285
3,893	3,649	3,327	2,958	5,179	3,781
1,227	1,124	988	895	1,611	
120	130	138	149	601	3,067
					6,118
35,312	34,017	30,302	27,387	59,706	60,298

See accompanying independent auditor's report.

TABLE IV B

Collection System (Unaudited)

Tonnage by Facility

	FY 2001	FY 2002	FY 2003	FY 2004
COLLECTIONS DISPOSAL				
Transfer Station				
Garbage (4)	251,447	279,377	290,375	293,249
Storm Related Tonnage	904		1,724	2,237
Trash	112,877	125,414	111,224	108,304
Total Transfer Station	365,228	404,791	403,323	403,790
South Dade Landfill				
Garbage (4)	88,716	93,347	104,841	112,004
Storm Related Tonnage	357			7,092
Trash	88,806	99,265	114,305	97,418
Clean Yard Trash	45,438	56,382	59,290	30,320
Total South Dade Landfill	223,317	248,994	278,436	246,834
North Dade Landfill				
Trash	65,703	72,414	77,540	52,398
Storm Related Tonnage	207		983	7,568
Clean Yard Trash	32,346	35,928	36,572	16,929
Total North Dade Landfill	98,256	108,342	115,095	76,895
Resource Recovery				
Garbage (4)	53,455	43,694	44,433	47,483
Storm Related Tonnage	67		140	4,890
Trash	27,190	37,255	43,362	48,044
Clean Yard Trash			232	5,779
Total Resource Recovery	80,712	80,949	88,167	106,196

Note: 2001 fee: $47.95/$63.15 per ton, 2002 fee:$49.30/$64.95 per ton, 2003 fee:$49.65/$65.45 per ton, 2004 fee:$50.65/$66.80 per ton, 2005 fee:$52.25/$68.90 per ton, 2006 fee: $53.65/$70.75 per ton, 2007 fee: $56.05/$73.90 per ton, 2008 fee: $57.56/$75.89 per ton, 2009 fee: $60.43/$79.68 per ton, 2010 fee: $59.77/$78.80 per ton.
(1) The eliminating entry between funds totaled approximately $36.4million; it included certain other subobjects and excluded a minor part of the hurricane-disposal-cost-reclassification.
(2) The eliminating figures herein exclude hurricane disposal costs elimination of approximately $2 million.
(3) The eliminating figures herein exclude hurricane disposal costs elimination of approximately $2.4 million.
(4) Starting FY2008 includes Bus Stops Tonnage

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
314,743	311,735	321,858	318,075	290,870	289,605
13,168	12,504				
84,383	96,181	89,161	86,703	76,958	69,727
412,294	420,420	411,019	404,778	367,828	359,332
116,409	117,623	121,998	143,138	120,726	124,568
158,188	235,653				
94,368	148,586	132,164	114,788	107,463	96,121
					41
368,965	501,862	254,162	257,926	228,189	220,730
66,779	59,499	53,141	45,066	40,822	38,612
41,217	185,275				
					47
107,996	244,774	53,141	45,066	40,822	38,659
34,837	51,242	39,493	31,750	31,218	37,474
6,115	6,475				
40,793	9,530	6,767	5,405	8,619	11,997
					26
81,745	67,247	46,260	37,155	39,837	49,497

See accompanying independent auditor's report.

TABLE IV B

Collection System (Unaudited)

Tonnage by Facility (continued)

	FY 2001	FY 2002	FY 2003	FY 2004
Medley Landfill				
Garbage				
Storm Related Tonnage				
Trash	1,157	620	744	386
Total Medley Landfill	1,157	620	744	386
SUMMARY				
Collections Disposal				
Garbage (4)	393,618	416,418	439,649	452,736
Storm Related Tonnage	1,535		2,847	21,787
Trash	295,733	334,968	347,175	306,550
Clean Yard Trash	77,784	92,310	96,094	53,028
Total Collections Disposal	768,670	843,696	885,765	834,101
DISPOSAL FEE SUMMARY				
GARBAGE DIVISION	$21,234,346	$23,331,593	$22,445,338	$25,946,874
TRASH DIVISION	$19,041,895	$22,293,426	$25,532,622	$20,381,568
Total Collections	$40,276,241	$45,625,019	$47,977,960	$46,328,442
Sweetwater Tonnage & Disposal Fee Summary				
Disposal Fee (Trash Division)	$185,779	$146,252	$172,440	$204,047
Total Disposal Fees paid by Collection	$40,462,020	$45,771,271	$48,150,400	$46,532,489

Note: 2001 fee: $47.95/$63.15 per ton, 2002 fee:$49.30/$64.95 per ton, 2003 fee:$49.65/$65.45 per ton, 2004 fee:$50.65/$66.80 per ton, 2005 fee:$52.25/$68.90 per ton, 2006 fee: $53.65/$70.75 per ton, 2007 fee: $56.05/$73.90 per ton, 2008 fee: $57.56/$75.89 per ton, 2009 fee: $60.43/$79.68 per ton, 2010 fee: $59.77/$78.80 per ton.
(1) The eliminating entry between funds totaled approximately $36.4million; it included certain other subobjects and excluded a minor part of the hurricane-disposal-cost-reclassification.
(2) The eliminating figures herein exclude hurricane disposal costs elimination of approximately $2 million.
(3) The eliminating figures herein exclude hurricane disposal costs elimination of approximately $2.4 million.
(4) Starting FY2008 includes Bus Stops Tonnage

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
212	180				
212	180				
465,989	480,600	483,349	492,963	442,814	451,647
218,688	439,907				
286,535	313,976	281,233	251,962	233,862	216,571
971,212	1,234,483	764,582	744,925	676,676	668,218
$27,636,798	$29,074,940	$30,467,061	$32,033,808	$30,404,367	$30,403,199
$15,969,195	$16,277,750	$17,010,785	$15,613,760	$14,953,209	$13,812,946
$43,605,993	$45,352,690	$47,477,846	$47,647,568	$45,357,576	$44,216,145
$191,768	$196,341	$168,729	$164,856	$190,814	$254,489
$43,797,761 (2)	$45,549,031 (3)	$47,646,575	$47,812,424	$45,548,390	$44,470,634

See accompanying independent auditor's report.

TABLE V

Collection System (Unaudited)

Customer Statistics

	FY 2001	FY 2002	FY 2003	FY 2004
HOUSEHOLDS (5)				
Units as of October 1st	280,053	285,549	290,153	296,969
Units as of September 30th	285,549	290,153	296,969	302,313
Billed by Tax	284,053	289,178	295,733	301,007
Billed October 1st	645	343	736	522
Net Growth	5,496	4,604	6,816	5,344
Average Annual Number of Units	282,593	287,926	293,410	299,747
HOUSEHOLD/COMMERCIAL (6)				
Units as of October 1 (1)	3,837	3,804	3,646	3,673
Billed by Tax	2,845	2,822	2,792	2,803
Billed During the Year	972	873	857	870
Average Annual Number of Units	3,827	3,667	3,685	3,673
CITY OF MIAMI HUD				
Households (5)	104	104	104	104
Household/commercial (6)	972	873	857	857
COMMERCIAL:				
Units as of October 1	1,076	1,004	960	896
Average Annual Units	1,021	977	916	880
Rollaway (Dumpsters)	28	28	29	29
RECYCLING:				
Outside Department Service Area - Households (2)	4,784	4,320	3,363	3,259
Participating Municipalities Households	23,056	23,056	23,104	23,137
LANDSCAPE PERMITS				
Permits	1,178	1,234	1,080	791
Trucks	1,561	1,611	1,431	1,046
Fee Per Unit (Collection's Service) Fee (Including Recycling)	$349	$349	$349	$399
Waste Collected by Department as % of Total Tipped (3)	45.67%	46.55%	47.63%	46.48%

(1) Change in method beginning fiscal year 1995 from number of waste units of living units billed.
(2) Reduction after fiscal 1996 due to expanded take-in areas.
(3) Total equivalent revenue tons used.
(4) Represents average for this period.
(5) Households include residential dumpsters and City of Miami HUD households.
(6) Household/Commercial include City of Miami HUD Commercial

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
302,313	309,907	319,064	321,438	323,128	323,812
309,907	319,064	321,438	323,128	323,812	324,521
306,037	311,897	318,341	322,352	323,403	324,072
731	919	842	765	125	174
7,594	9,157	2,374	1,690	684	709
306,713	314,647	318,972	322,534	323,471	324,092
3,673	3,711	3,706	3,722	3,735	3,775
2,832	2,894	2,975	2,877	2,898	2,954
841	857	857	912	877	861
3,685	3,732	3,715	3,758	3,782	3,800
104	104	104	104	104	104
857	857	857	857	857	857
880	876	889	907	970	1,014
870	880	888	915	992	1,004
29	29	29	30	28	28 (4)
3,189	2,797	2,584	2,512	2,417	1,905
23,293	23,096	22,017	21,837	20,824	19,608 (4)
848	708	510	475	532	329
1,259	933	694	610	727	482
$399	$399	$439	$439	$439	$439
47.85%	47.96%	38.99%	41.59%	42.46%	42.95%

See accompanying independent auditor's report.

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TABLE VI

Revenue by Type (Unaudited)

TYPE	DESCRIPTION	FY 2008	FY 2009	FY 2010
			(In thousands)	
Collections Revenue	Received for curbside collection of garbage and trash. Customers as household units at September 30, 2010, 2009 and 2008 were 324,521, 323,812 and 323,128, respectively. DSWM provides solid waste collection service to unincorporated Miami-Dade County residential units (single-family, townhomes, cluster homes, etc.). Additionally, DSWM provides waste collection services to the City of Sweetwater through a long-term interlocal agreement. In November 1995, the City of Aventura entered into an interlocal agreement authorizing the County to provide waste collection services on an interim basis. DSWM continues to provide these services to the City of Aventura although the original agreement is no longer in effect; however, the number of units served is minimal (approximately 200 units). DSWM serves the Village of Pinecrest, Sunny Isles Beach, the Town of Miami Lakes, the Village of Palmetto Bay, the City of Miami Gardens, the City of Doral and the Town of Cutler Bay; all these pursuant to Ordinance 96-30.	$ 143,497	$ 142,090	$ 149,900
Tipping Fees	The County charges tipping fees for use of its disposal facilities. Municipalities with long term interlocal agreements received disposal services at a disposal fee of $59.77, $60.43, and $57.56 per ton during fiscal years 2010, 2009 and 2008, respectively. These fees are subject to annual increases based on Consumer Price Index (CPI). There were 18 cities with interlocal agreements as of September 30, 2010. Private haulers with long term contracts for disposal also received the $59.77 tipping fee per ton; at September 30, 2010, 18 private haulers were receiving the lower fee. County agencies also received the $59.77 tipping fee. For waste delivered to one of the County's regional transfer stations the additional charge was $11.77 per ton during fiscal year 2010. The non-contractual rate was $78.80 per ton during fiscal year 2010.	64,929	59,521	56,577
Medley Surcharge	The Department receives a surcharge on each ton of waste disposed at the Medley Landfill by Waste Management, pursuant to the agreement approved by the Board of County Commissioners on July 21, 1998.	688	596	525
Electrical Revenue	The Department receives electrical revenue from the sale of electricity produced at the Resources Recovery waste-to-energy facility.	28,000	27,911	26,461
Utility Service Fee	Revenues directed to the DSWM based on 3 1/2% out of the 7 1/2% surcharge on water and waste water bills countywide. By code limited to closure, postclosure care and other groundwater protection programs.	18,067	19,559	20,650
Disposal Facility Fee	Since fiscal year 1996, private haulers have been assessed a fee based on a percentage of their gross receipts from their customers located in unincorporated Miami-Dade County. The fee has been 15% in fiscal years 2008, 2009 and 2010. The fee is used to ensure capacity in operations.	11,955	12,026	11,634
Other Operating Revenue	Includes office rental income, parking facilities revenue, code enforcement fines, permit fees, UMSA and other miscellaneous income.	3,123	3,425	3,385
Total		$ 270,259	$ 265,128	$ 269,132

See accompanying independent auditor's report.

TABLE VII

Resources Recovery (Unaudited)

Electrical Revenues

	FY 2001	FY 2002	FY 2003	FY 2004
Total Electrical Revenue	$15,080,963	$16,383,434	$19,194,513	$16,592,996
Deducted Expenses:				
Electricity Costs	$294,945	$374,033	$378,702	$323,197
Other Related Costs	$1,369,932	$1,459,016	$1,452,834	$1,434,003
Net Miami-Dade County Revenue	$6,855,512	$7,462,209	$8,870,839	$7,579,497
Net Montenay Power Corporate Revenue	$6,560,574	$7,088,176	$8,492,137	$7,256,299
KWH Produced	288,535,000	277,327,000	297,098,000	250,563,000

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
$17,503,843	$23,123,631	$23,703,597	$28,000,596	$27,911,369	$26,460,826
$346,003	$256,610	$239,025	$268,509	$258,561	$282,340
$1,428,529	$1,557,725	$1,552,486	$1,703,885	$1,557,901	$1,600,684
$8,037,657	$10,782,953	$11,075,556	$13,193,356	$13,176,734	$12,430,071
$7,691,654	$10,526,343	$10,836,530	$12,924,847	$12,918,173	$12,147,731
233,258,000	293,247,000	291,314,000	312,174,000	304,098,000	276,123,000

See accompanying independent auditor's report.

TABLE VIII

Home Chemical Collection Program (Unaudited)

	FY 2001	FY 2002	FY 2003 (6)	FY 2004
PARTICIPANTS				
Florida International University - North (4)		115	92	98
Miami Dade Community College - North	87			
Miami Dade Community College - South	618	646	475	
South Dade Government Center				298
Biscayne Greyhound Track				
Homestead	130	94	42	73
Miami Gardens				
Permanent Center	1,005	1,538	1,656	1,738
Total Participants	1,840	2,393	2,265	2,207
POUNDS COLLECTED				
Florida International University - North (4)		15,791	6,711	7,916
Miami Dade Community College - North	4,533			
Miami Dade Community College - South	29,844	99,418	21,941	
South Dade Government Center				13,484
Biscayne Greyhound Track				
Homestead	8,513	11,726	6,698	8,629
Miami Gardens				
Permanent Center **	380,228	394,389	264,360	224,015
Total Pounds Collected (3)	423,118	521,324	299,710	254,044
TOTAL VENDOR DISPOSAL COST				
Florida International University - North (4)		$13,746	$13,861	$15,256
Miami Dade Community College - North	$12,887			
Miami Dade Community College - South	$35,789	$36,399	$25,881	
South Dade Government Center				$18,599
Biscayne Greyhound Track				
Homestead	$15,067	$14,851	$12,425	$11,567
Miami Gardens				
Permanent Center	$216,912	$133,050	$129,824	$170,039
Total Cost	$280,655	$198,046	$181,991	$215,461
Average Cost Per Pound	$0.66	$0.38	$0.61	$0.85
Average Cost Per Participant	$153	$83	$80	$98

Area specific programs were discontinued in fiscal year 1995 in favor of a permanent drop-off site.
** Includes used oil dropped off at T & R Centers
(1) Reinstated mobile events for unincorporated areas in 1999.
(2) Permanent Center includes used oil collection.
(3) Conversion for used oil is 8 pounds per gallon.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
123					
227					
	32	39	2		
					19
2,170	2,317	3,001	3,092	3,864	4,175
2,520	2,349	3,040	3,094	3,864	4,194
12,601					
23,335					
	1,974	3,218	700		
					2,491
277,722	279,493	370,052	345,346	323,708	364,724
313,658	281,467	373,270	346,046	323,708	367,215
$14,383					
$23,170					
	$9,682	$10,794	$7,822		
					$10,168
$210,654	$128,542	$217,778	$235,111	$160,932	$149,550
$248,207	$138,224	$228,572	$242,933	$160,932	$159,718 (7)
$0.79	$0.49	$0.61	$0.70	$0.50	$0.43
$98	$59	$75	$79	$42	$38

(4) Florida International Univ. (North Campus) selected as new “North” site in FY2002.
(5) This table excludes figures for latex paint and e-waste.
(6) Heavy rains all day during Spring Event (FIU & MDCC South).
(7) FY2010 Program earned $14,666 for sale of used oil making the net disposal cost $145,052.

TABLE IX

Demographic and Economic Indicators (Unaudited)

Selected years 2001-2010

	FY 2001	FY 2002	FY 2003	FY 2004
Population (1)	2,283,319	2,313,047	2,342,739	2,372,418
Increase/(Decrease)	29,834	29,728	29,692	29,679
Annual percentage change	1.3%	1.3%	1.3%	1.3%
Personal Income (in $000's) (2)	$60,401,717	$62,664,565	$64,630,566	$68,582,602
Per Capita Personal Income	$26,414	$27,074	$27,670	$29,076
Unemployment Rate (1)	6.1%	6.6%	5.9%	5.4%

N/A - Information is not available as of the date of the Transmittal Letter herein.
Source: (1) Miami-Dade County, Department of Planning and Zoning, Research Section.
(2) U.S. Department of Commerce, Economics and Statistics Administration,
Bureau of Economic Analysis/Regional Economic Information System.

PRINCIPAL EMPLOYERS

2001	2002	2003	2004	2005	2006	2007
N/A	N/A	N/A	N/A	N/A	N/A	N/A

2008			
Employer	Employees	Rank	Percentage of Total County Employment (1)
Miami-Dade County Public Schools	50,000	1	4.15%
Miami-Dade County	32,000	2	2.65%
U.S. Federal Government	20,400	3	1.69%
Florida State Government	17,000	4	1.41%
Publix Super Markets	11,000	5	0.91%
Baptist Health Systems of South Florida	10,826	6	0.90%
Jackson Health System	10,500	7	0.87%
University of Miami	9,874	8	0.82%
American Airlines	9,000	9	0.75%
Miami-Dade College	6,500	10	0.54%
Precision Response Corporation	6,000	11	0.50%
Bellsouth Corporation-Florida	5,500	12	0.46%
Winn-Dixie Stores	4,833	13	0.40%
City of Miami	4,034	14	0.33%
Florida Power & Light Company	3,900	15	0.32%
	201,367		16.70%

N/A - Information is not available prior to FY2008.
Source: The Beacon Council, Miami, Florida, Miami Business Profile
(1) Based on Civilian Labor Force for FY08 1,205,913, FY09 1,218,871 and FY10 1,273,408.
The Civilian Labor Force figure is provided by Miami-Dade County, Department of Planning and Zoning, Research Section.

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
2,402,105	2,431,819	2,461,577	2,499,701	2,531,769	2,563,885
29,687	29,714	29,758	38,124	32,068	32,116
1.3%	1.2%	1.2%	1.5%	1.3%	1.3%
$74,533,598	$80,112,340	$85,978,571	$88,954,732	N/A	N/A
$31,447	$32,943	$34,928	$35,586	N/A	N/A
4.3%	3.9%	3.5%	5.3%	N/A	N/A

2009

Employer	Employees	Rank	Percentage of Total County Employment (1)
Miami-Dade County Public Schools	38,819	1	3.18%
Miami-Dade County	29,000	2	2.38%
U.S. Federal Government	19,900	3	1.63%
Florida State Government	16,100	4	1.32%
Jackson Health System	12,468	5	1.02%
University of Miami	12,000	6	0.98%
Baptist Health South Florida	12,000	7	0.98%
Publix Super Markets	11,625	8	0.95%
American Airlines	9,000	9	0.74%
Florida International University	8,000	10	0.66%
UM Health	7,025	11	0.58%
Miami-Dade College	5,798	12	0.48%
United Parcel Service	4,982	13	0.41%
City of Miami	4,400	14	0.36%
Bellsouth/AT&T	4,100	15	0.34%
	195,217		16.02%

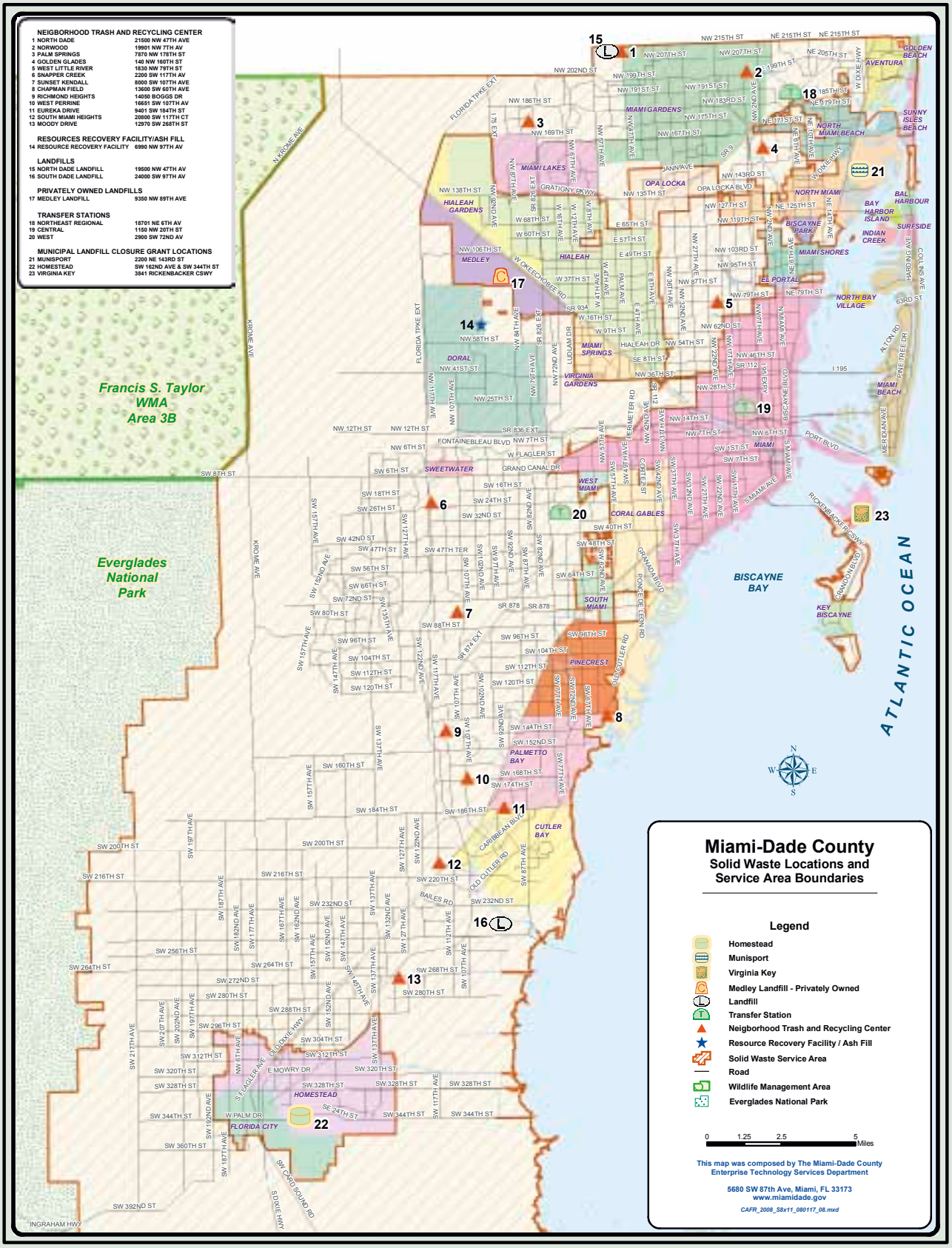
2010

Employer	Employees	Rank	Percentage of Total County Employment (1)
Miami-Dade County Public Schools	48,571	1	3.81%
Miami-Dade County	29,000	2	2.28%
U.S. Federal Government	19,500	3	1.53%
Florida State Government	17,100	4	1.34%
Publix Super Markets	16,000	5	1.26%
Baptist Health South Florida	13,376	6	1.05%
Jackson Health System	12,571	7	0.99%
University of Miami	10,800	8	0.85%
American Airlines	9,000	9	0.71%
Miami-Dade College	8,000	10	0.63%
Precision Response Corporation	6,200	11	0.49%
Bellsouth/AT&T	5,000	12	0.39%
Winn-Dixie Stores	4,309	13	0.34%
City of Miami	3,840	14	0.30%
Florida Power & Light Company	3,500	15	0.27%
	206,767		16.24%

See accompanying independent auditor's report.

TABLE X

Solid Waste Locations and Service Area Boundaries



See accompanying independent auditor's report.

TABLE XI

Insurance in Force (Unaudited)

Type of Coverage and Insurance Company	Policy Period	Details of Coverage	Limit of Liability
Government Crime Policy:			
Fidelity & Deposit Co. of Maryland	8/19/10-8/19/11	Crime/ Employees Dishonesty	$1,000,000 employee theft $ 500,000 crime
Accidental Death:			
Hartford Life Insurance Company	8/29/10-8/29/11	Accidental Death and Dismemberment	$ 25,000
Property Insurance:			
Various companies	4/15/10-4/15/11	Real & Personal Property	various
Automobile Liability:	Continuous	Self-insured fund	$ 100,000 per person $ 200,000 per occurrence pursuant to F.S. 768.28
General Liability:	Continuous	Self-insured fund	$ 100,000 per person $ 200,000 per occurrence pursuant to F.S. 768.28
Workers' Compensation	Continuous	Self-insured fund	Statutory coverage F.S. 440

See accompanying independent auditor's report.

TABLE XII

Schedule of Debt Service Coverage and Outstanding Debt Ratio (Unaudited)

Last Ten Years (in thousands)

	FY 2001	FY 2002	FY 2003	FY 2004
FIRST TIER TEST				
Adjusted net operating revenues (1)/(1a)(4)	$38,008	$23,555	$26,054	$32,869
Debt service requirements (1b)/(3)	$17,140	$17,987	$18,018	$18,026
Actual Coverage (2)	2.22	1.31	1.45	1.82
Required coverage	1.20	1.20	1.20	1.20
Refunding Bonds Balance, Net	$81,912	$75,656	$69,092	$62,176
Equivalent Revenue Tons	1,683	1,812	1,860	1,795
Outstanding Debt Ratio	48.7	41.8	37.1	34.6
Revenue Bonds Balance, Net	$96,645	$94,533	$92,335	$90,048
Equivalent Revenue Tons	1,683	1,812	1,860	1,795
Outstanding Debt Ratio	57.4	52.2	49.6	50.2
Capital Asset Acquision Bonds, Net	$0	$23,120	$22,740	$23,737
House Hold Units	283	288	293	300
Outstanding Debt Ratio	0.0	80.3	77.6	79.1
Sunshine State Loans, Net	$0	$0	$0	$0
House Hold Units	283	288	293	300
Outstanding Debt Ratio	0.0	0.0	0.0	0.0
		(In full $s)		
Total Debt for the Department of Solid Waste Management in full dollars	$178,557,000	$193,309,000	$184,167,000	$175,961,000
Total Debt for the Department of Solid Waste Management	$178,557,000	$193,309,000	$184,167,000	$175,961,000
Population of Miami-Dade County	2,283,319	2,313,047	2,342,739	2,372,418
Outstanding Debt Ratio	78.2	83.6	78.6	74.2
Total Debt for the Department of Solid Waste Management	$178,557,000	$193,309,000	$184,167,000	$175,961,000
Personal Income of Miami-Dade County	$60,401,717	$62,664,565	$64,630,566	$68,582,602
Outstanding Debt Ratio	3.0	3.1	2.8	2.6

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

(1) Adjusted net operating revenues include: Operating revenues plus intergovernmental revenue used in the calculation of debt service coverage, less operating expenses (prior to depreciation and expense for assumption of liability of closure and postclosure care costs for inactive landfills) plus certain interest income defined as revenues by debt instruments. UMSA funds were included through fiscal year 1995 and resumed in fiscal year 1999. Gross contributions reflected in fiscal years 2002 and 2001 Statements of Revenues and Expenses in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions (see footnote 6 to the financial statements), have been excluded from this calculation. Fiscal year 2001 operating expenses (before depreciation and closure & postclosure care costs for inactive landfills) include an amortization credit of $8.1 million in closure & postclosure care costs for active landfills (see footnote 10 to the financial statements).

(1a) Fiscal year 2003 adjusted net operating revenues figure herein includes $4.7M from rate stabilization (representing 20% of adjusted NOR FY2002 reported above which includes $7.6 M from rate stabilization). Fiscal year 2002 adjusted net operating revenues figure herein includes $7.6M from rate stabilization (representing 20% of adjusted NOR FY2001 reported above).

See accompanying independent auditor's report.

FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
$44,766	$60,949	$68,117	$36,067	$36,526	$58,775
$18,966	$20,092	$20,115	$20,084	$20,098	$20,113
2.36	3.03	3.39	1.80	1.82	2.92
1.20	1.20	1.20	1.20	1.20	1.20
$54,866	$47,105	$38,840	$30,034	$20,704	$10,800
2,030	2,574	1,961	1,791	1,594	1,556
27.0	18.3	19.8	16.8	13.0	6.9
$163,670	$163,375	$162,366	$161,314	$160,225	$159,095
2,030	2,574	1,961	1,791	1,594	1,556
80.6	63.5	82.8	90.1	100.5	102.2
$21,657	$19,283	$16,865	$14,394	$11,856	$9,246
307	315	319	323	323	324
70.5	61.2	52.9	44.6	36.7	28.5
$10,289	$11,313	$10,116	$8,911	$7,698	$6,477
307	315	319	323	323	324
33.5	35.9	31.7	27.6	23.8	20.0
		(In full $s)			
$250,482,000	$241,076,000	$228,187,000	$214,653,000	$200,483,000	$185,618,000
$250,482,000	$241,076,000	$228,187,000	$214,653,000	$200,483,000	$185,618,000
2,402,105	2,431,819	2,461,577	2,499,701	2,531,769	2,563,885
104.3	99.1	92.7	85.9	79.2	72.4
$250,482,000	$241,076,000	$228,187,000	$214,653,000	$200,483,000	$185,618,000
$74,533,598	$80,112,340	$85,978,571	$88,954,732	N/A	N/A
3.4	3.0	2.7	2.4	N/A	N/A

(1b) Figures for debt service requirements are reflected on an accrual basis herein while the figures on the footnotes to the financial statements represent future requirements on a cash/maturity basis.
(2) If the fiscal year 2001 amortization credit of $8.1 million in closure & postclosure care costs for active landfills was excluded from the calculation herein (see footnote (1) above), debt service coverage would change from 2.22 to 1.74.
(3) The debt service requirement herein does not include any amount associated with accretion for Capital Appreciation Bonds portion of Series 2005.
(4) The debt service calculation herein excludes investment income or loss in connection with the recognition of investment in derivative instruments pursuant to the implementation of the Governmental Accounting Standards Board, Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments" (GASB 53), see Note 15 to the financial statements.

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

See accompanying independent auditor's report.

TABLE XIII

Schedule of Major Contracts and Agreements - Operating (Unaudited)

	Fees/Rates Effective October 1,			Expenses Recorded (in millions)		
	2008	2009	2010	FY 2008	FY 2009	FY 2010
Agreement for the management and operation of the County-owned Resources Recovery Facility:						
• Pursuant to the amendment adopted by the Board of County Commissioners on August 2, 2004, the contract with the Operator has been extended through 2023, with four five year options to renew. Prior to the amendment, the contract was due to expire in 2013.						
• On January 28, 2010, the Miami-Dade County Board of County Commissioners approved a resolution authorizing the County Mayor or the County Mayor's designee to execute the Letter Agreement to assign the Third Amended and Restated Operations and Management Agreement (as amended), (the "O&M Agreement") between Miami-Dade County (the "County") and Montenay-Dade, Ltd., to Covanta Southeastern Florida Renewable Energy LLC. ("Covanta"). The Letter Agreement was executed on January 28, 2010.						
Annual Recyclable Trash Guranteed Tonnage = 240,000 Tons Per Year (TPY)						
Annual On-Site Waste Guaranteed Tonnage = 732,000 TPY						
• Tipping Fees (main categories) /rates per ton:						
TPY up to 732,000 tons.		$45.00 (A)	$45.41			
TPY in excess of 732,000 (732,001 tons - 966,000 tons).		$38.13 (A)	$38.47			
Above 966,000 TPY for each ton of Recyclable Trash up to a maximum of 76,000 TPY delivered after receipt of 966,000 TPY.		$31.12 (A)	$31.40			
All other waste.		$27.83 (A)	$28.08			
(A) January 28, 2010 Letter Agreement rates were applied to the period starting 10/1/2009.						
Prior to January 28, 2010 Letter Agreement:						
• The County guarantees up to 1,206,000 tons annually, if available:						
On-site waste: 936,000 tons (a)						
RTI: 270,000 tons						
(a) Depending on the amount of garbage & trash available to the County.						
• As part of the amendment, beginning in fiscal year 2005, the Operator may request additional (1) on-site waste (25,000 tons per year increasing gradually to 100,000 tons maximum in fiscal year 2010).						
• Tipping Fees (main categories) /rates per ton:						
On-site waste up to 702,000 tons.	$36.61	$36.21 (2)				
On-site waste in excess of 702,000 (702,001 tons - 936,000 tons)	$29.67	$29.34 (2)				
On-site waste in excess of 936,000 (936,001 tons - 1,021,000 tons)*	$19.25	$19.04 (2)				
* Beginning October 1, 2009 waste in excess will increase by 85,000 to 1,021,000						
Scrubbers	$8.89	$8.79 (2)				
RTI	$31.47	$31.12 (2)				
(2) See rate change reflected in subsequent event footnote in FYE 2009						
Fee increases limited to CPI, change-in-law and contract-renegotiation.						
• Expenses recorded for Capital Tipping Fees and Oper. & Management Tipping Fees				$56.1	$57.7	$49

See accompanying independent auditor's report.

	Fees/Rates Effective October 1,			Expenses Recorded (in millions)		
	2008	2009	2010	FY 2008	FY 2009	FY 2010
Agreement with Waste Management Inc. of Florida for waste delivery to the Waste Management Landfill located in Medley, Florida:						
• Twenty year term contract which ends in 2015, with 2 additional 5-year renewal options.						
• The County to deliver between 100,000 and 120,000 tons per year.						
• Guaranteed capacity to the County up to 500,000 per tons per year (including alternate landfill).						
• Fees/rates per ton billed to the County:						
First 100,000 tons delivered.	$32.59	$32.13	$32.42			
First 20,000 tons delivered in excess of 100,000.	$26.62	$26.25	$26.49			
First 20,000 tons delivered in excess of 120,000.	$25.26	$24.91	$25.13			
Fee increases limited to CPI and change-in-law.						
• County receives surcharge for all non-DSWM waste delivered to Medley.						
• Expenses recorded				$5.5	$4.1	$5.6
Agreement with Waste Services, Inc. ("WSI") and World Waste Services, Inc.						
• In March 2008, the County entered into agreements for curbside collection and hauling of recyclable items with Waste Services of Florida, Inc. and World Waste Services, Inc. Under the new program, residential curbside recycling was converted from dual stream to single stream collection.						
• In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented the assignment of all rights and obligations under the Curbside Collection Service of Recyclable Materials Contract from BFI / Allied Waste South Florida to Waste Services, Inc.						
• Contract as amended on 10/95 ended in 2006. The County and the Contractor agreed on a month to month extension from June 2006 through December 2006. In January 2007 the County and the contractor agreed on a six month extension. The County reserved the right to renew for six additional one month periods. In June 2007 the County exercised the right to renew for six additional one month periods. The one month period extensions ended December 31, 2008.						
• Fees/rates per household billed to the County. Fee increases limited to CPI						
Single stream contracts						
World Waste Services, Inc. (* Effective March 11, 2008 for fiscal year 2008)	$1.950*	$1.920	$1.930			
Waste Services of Florida Inc. (* Effective March 11, 2008 for fiscal year 2008)	$1.999*	$1.970	$1.980			
Dual stream contract	$3.08					
• Expenses recorded				$12.1	$8.5	$8.1

(1) FY 2008 figure has been corrected to actual in FY 2009 CAFR

See accompanying independent auditor's report.

TABLE XIV

Schedule of Major Disposal Delivery Agreements (Unaudited)

	Fees/Rates Effective October 1,		
	2008	2009	2010
Interlocal (long-term disposal delivery) agreements with 18 municipalities in the County:			
* 20-year term contracts, which end in 2015 (except West Miami, Homestead and North Miami).			
* The County guarantees to meet level-of-service standard for disposal capacity (concurrency).			
* Municipalities agree to deliver all tonnage collected and to direct contracted/ franchise haulers.			
* Tipping Fees/rates per ton:	$60.43	$59.77	$60.30
Transfer Fees/rates per ton:	$11.90	$11.77	$11.87
Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Services, Inc. ("WSI"):			
* In February 2007, the County received notice of the upcoming transaction in March 2007 between Waste Services, Inc. ("WSI") and Allied Waste South Florida for the acquisition of Allied Waste South Florida operations, consisting of Browning-Ferris Industries ("BFI"). In March 2007, the County consented the assignment of all rights and obligations under the Commitment to use the County Solid Waste Management System for Municipal Solid Waste Disposal Contract.			
* Pursuant to amendment adopted by the Board of County Commissioners on July 26, 2001, the contract term is through 2015, with two 5-year mutual options to renew. Prior to the amendment, 20-year term contract to 2015,with 10-year termination provision in 2005.			
* In consideration for the term extension, 220,000 tons per year delivery requirement (plus additional 10,000 tons per year for 5 consecutive years, beginning October 1, 2001). Prior to the amendment, 300,000 tons per year delivery requirement or all tons collected.			
* Hauler will deliver at least 75,000 tons of its commitment to County transfer stations at additional transfer fee per ton. Prior to the amendment this requirement was for 100,000 tons.			
* Tipping Fees/rates per ton:	$60.43	$59.77	$60.30
Transfer Fees/rates per ton:	$11.90	$11.77	$11.87
Fee increases limited by CPI and change-in-law.			
Long-term contract to provide disposal services to Waste Management:			
* 20-year term contract to 2015, with two 5-year mutual options to renew.			
* 91,000 tons per year delivery requirement or all tons collected. (88,400 tons if County delivers less than 120,000 tons annualy to Medley Landfill (see Table 13 in this report)).			
* Tipping Fees/rates per ton:	$60.43	$59.77	$60.30
Transfer Fees/rates per ton:	$11.90	$11.77	$11.87
Fee increases limited by CPI and change-in-law.			

See accompanying independent auditor's report.

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TABLE XV

Operating Information (Unaudited)

Last Ten Years

	FY 2001	FY 2002	FY 2003
Number of Employees:			
Disposal System	259	263	263
Collection System	847	858	857
	1,106	1,121	1,120
Operating Indicators:			
Disposal System:			
Equivalent Revenue Tons	1,682,946	1,812,306	1,859,860
Collection System:			
Residential:			
Average Annual Number of Units	282,593	287,926	293,410
Commercial Units:			
Household/Commercial Average Annual Number of Units	3,827	3,667	3,685
Commercial Average Annual Number of Units	1,021	977	916
Capital Assets Information:			
Disposal System:			
Active Landfills	3	3	3
Transfer Stations	3	3	3
Waste-to-Energy Plant	1	1	1
Collection System:			
Division Sites	3	3	3
Trash and Recycling Centers TRCs	14	14	14

See accompanying independent auditor's report.

FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
257	311	315	302	307	318	265
843	745	699	681	645	639	693
1,100	1,056	1,014	983	952	957	958
1,794,638	2,029,552	2,574,040	1,960,985	1,791,122	1,593,673	1,555,679
299,747	306,713	314,647	318,972	322,534	323,471	324,092
3,673	3,685	3,732	3,715	3,758	3,782	3,800
880	870	880	888	915	992	1,004
3	3	3	3	3	3	3
3	3	3	3	3	3	3
1	1	1	1	1	1	1
3	3	3	3	3	3	3
14	13	13	13	13	13	13

See accompanying independent auditor's report.

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