

In the opinion of Edwards Wildman Palmer LLP and the Law Offices of Carol D. Ellis, P.A., Co-Bond Counsel, based upon an analysis of existing law and assuming, among other matters, compliance with certain covenants, interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986. Interest on the Series 2012 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Co-Bond Counsel is also of the opinion that the Series 2012 Bonds and the interest thereon are exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein. Co-Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2012 Bonds. See "TAX MATTERS" herein, for a more detailed description.



\$101,345,000
BROWARD COUNTY, FLORIDA
General Obligation Refunding Bonds
(Parks and Land Preservation Project), Series 2012

Dated: Date of Delivery**Due: January 1 of each year
as shown on the inside cover**

Broward County, Florida (the "County") is issuing its General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012 (the "Series 2012 Bonds"), only in fully registered form, without coupons, in denominations of \$5,000 or integral multiples thereof. The Series 2012 Bonds will bear interest at the fixed rates set forth on the inside cover page, payable semi-annually on each January 1 and July 1, commencing July 1, 2012. The Series 2012 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2012 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2012 Bonds will be paid from the sources described below by U.S. Bank National Association, Fort Lauderdale, Florida, as Paying Agent, directly to DTC as the registered owner thereof. Disbursement of such payments to the herein described DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC Participants, as more fully described herein. Any purchaser as a beneficial owner of Series 2012 Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2012 Bonds. See "DESCRIPTION OF THE SERIES 2012 BONDS – Book-Entry Only System" herein.

The Series 2012 Bonds are subject to optional redemption prior to maturity as described herein.

The proceeds of the Series 2012 Bonds will be used, together with other legally available funds of the County, to: (i) refund all of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2004 (the "Refunded 2004 Bonds"); (ii) refund a portion of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2005 (the "Refunded 2005 Bonds" and together with the Refunded 2004 Bonds, the "Refunded Bonds"); and (iii) pay the costs of issuance of the Series 2012 Bonds. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein. The Refunded Bonds were issued to finance a portion of the costs of preserving, acquiring, reclaiming, constructing and improving neighborhood and regional park facilities, lands and open spaces to make parks safer and protect clean water, air and wildlife for the County, and pay portions of the costs of issuance of the Refunded Bonds.

The Series 2012 Bonds are being issued by the County pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 125, Florida Statutes, Sections 132.33-132.47, Florida Statutes, the Broward County Charter and Resolution No. 2012-116 adopted by the Board of County Commissioners of the County on February 28, 2012. The issuance of the Refunded Bonds was approved by a majority of the qualified electors of the County voting in a bond referendum held on November 7, 2000.

The Series 2012 Bonds are general obligation bonds of the County to which the full faith, credit and taxing power of the County are irrevocably pledged. The Series 2012 Bonds are payable from ad valorem taxes levied without limitation as to rate or amount on all taxable property within the County sufficient in amount to pay the principal of and interest on the Series 2012 Bonds. See "SECURITY FOR THE SERIES 2012 BONDS – Pledge Under Resolution" herein.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2012 Bonds. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2012 Bonds are offered in book-entry form when, as and if issued and received, subject to the approving legal opinions of Edwards Wildman Palmer LLP, West Palm Beach, Florida, and the Law Offices of Carol D. Ellis, P.A., West Palm Beach, Florida, Co-Bond Counsel, and certain other conditions. Certain legal matters relating to disclosure will be passed on by Bryant Miller Olive P.A., Tampa, Florida and the Law Offices of Steve E. Bullock, P.A., Miramar, Florida, Co-Disclosure Counsel to the County. Certain legal matters will be passed upon for the County by the Office of the County Attorney and for the Underwriters by Moskowitz, Mandell, Salim & Simowitz, P.A., Fort Lauderdale, Florida, Counsel to the Underwriters. Public Financial Management, Inc., Orlando, Florida, and Fidelity Financial Services, L.C., Fort Lauderdale, Florida, are acting as Co-Financial Advisors to the County in connection with the sale of the Series 2012 Bonds. It is expected that the Series 2012 Bonds will be available for delivery through DTC, in New York, New York on or about April 10, 2012.

BofA Merrill Lynch

GOLDMAN, SACHS & CO.**Ramirez & Co., Inc.**

Dated: March 7, 2012

\$101,345,000
BROWARD COUNTY, FLORIDA
General Obligation Refunding Bonds
(Parks and Land Preservation Project), Series 2012

**MATURITY DATES, AMOUNTS, INTEREST RATES,
YIELDS AND INITIAL CUSIP NUMBERS**

<u>Maturity (January 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Initial CUSIP No.*</u>
2017	\$2,000,000	3.00%	0.98%	114889VY1
2017	11,545,000	4.00	0.98	114889WG9
2017	1,400,000	5.00	0.98	114889WM6
2018	1,750,000	2.00	1.31	114889VZ8
2018	11,600,000	4.00	1.31	114889WH7
2018	2,200,000	5.00	1.31	114889WN4
2019	3,250,000	2.00	1.59	114889WA2
2019	6,065,000	4.00	1.59	114889WJ3
2019	6,865,000	5.00	1.59	114889WP9
2020	5,000,000	2.50	1.88	114889WR5
2020	2,220,000	4.00	1.88	114889WB0
2020	9,625,000	5.00	1.88	114889WQ7
2022	3,730,000	3.00	2.29	114889WC8
2022	5,800,000	5.00	2.29	114889WK0
2023	300,000	2.25	2.44	114889WD6
2023**	9,165,000	5.00	2.44	114889WL8
2024**	9,430,000	5.00	2.55	114889WE4
2025**	9,400,000	5.00	2.65	114889WF1

* The County is not responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the County as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

** Yield calculated to the first optional call date of January 1, 2022.

BROWARD COUNTY, FLORIDA

BOARD OF COUNTY COMMISSIONERS

John E. Rodstrom, Jr., Mayor
Kristin D. Jacobs, Vice Mayor
Suzanne N. Gunzburger
Dale Holness
Chip LaMarca
Ilene Lieberman
Stacy Ritter
Barbara Sharief
Lois Wexler

COUNTY ADMINISTRATOR

Bertha W. Henry

COUNTY ATTORNEY

Joni Armstrong Coffey, Esq.

**ACTING CHIEF FINANCIAL OFFICER AND DIRECTOR,
FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT**

Sue Baldwin

CO-FINANCIAL ADVISORS

Public Financial Management, Inc., Orlando, Florida
Fidelity Financial Services, L.C., Fort Lauderdale, Florida

CO-BOND COUNSEL

Edwards Wildman Palmer LLP, West Palm Beach, Florida
Law Offices of Carol D. Ellis, P.A., West Palm Beach, Florida

CO-DISCLOSURE COUNSEL

Bryant Miller Olive P.A., Tampa, Florida
Law Offices of Steve E. Bullock, P.A., Miramar, Florida

No dealer, broker, salesman, or any other person has been authorized by the County or the Underwriters to give any information or to make any representation, other than those contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy and there shall be no sale of the Series 2012 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale. The information set forth herein has been obtained from the County, The Depository Trust Company, and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the County with respect to any information provided by others. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2012 BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2012 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2012 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2012 BONDS HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2012 BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "PROJECTED," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE COUNTY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts

and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE COUNTY OR THE UNDERWRITERS AND ANY ONE OR MORE OF THE OWNERS OF THE SERIES 2012 BONDS.

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\$101,345,000
BROWARD COUNTY, FLORIDA
General Obligation Refunding Bonds
(Parks and Land Preservation), Series 2012

INTRODUCTION

The purpose of this Official Statement, including the cover page, inside cover page and Appendices, is to provide information with respect to the issuance and sale by Broward County, Florida (the "County") in aggregate principal amount of its \$101,345,000 General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012 (the "Series 2012 Bonds"). The Series 2012 Bonds are being issued pursuant to the Constitution and laws of the State of Florida (the "State"), including particularly Chapter 125, Florida Statutes, Sections 132.33 – 132.47, Florida Statutes, the Broward County Charter, and Resolution No. 2012-116 adopted by the Board of County Commissioners (the "Board") on February 28, 2012 (the "Resolution"). The Series 2012 Bonds are being issued, together with other legally available funds of the County, to (i) refund all of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2004 (the "Refunded 2004 Bonds"), (ii) refund the portion of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2005 maturing January 1, 2022 and thereafter (the "Refunded 2005 Bonds," and together with the Refunded 2004 Bonds, the "Refunded Bonds"), and (iii) pay the costs of issuance of the Series 2012 Bonds. See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The issuance of the Refunded Bonds was approved by a majority of the qualified electors of the County voting in a bond referendum held on November 7, 2000. Such referendum approved the issuance by the County of not exceeding \$400,000,000 of general obligation bonds for the purpose of preserving, acquiring, reclaiming, constructing and improving neighborhood and regional park facilities, lands and open spaces to make parks safer and protect clean water, air and wildlife for the County.

U.S. Bank National Association, Fort Lauderdale, Florida has been designated under the Resolution as paying agent and registrar for the Series 2012 Bonds (together with any successors, the "Paying Agent" and "Registrar").

The Series 2012 Bonds are general obligation bonds of the County to which the full faith, credit and taxing power of the County are irrevocably pledged. The Series 2012 Bonds are payable from ad valorem taxes levied without limitation as to rate or amount on all taxable property within the County, sufficient in amount to pay the principal of and interest on the Series 2012 Bonds. See "SECURITY FOR THE SERIES 2012 BONDS – Pledge Under Resolution" herein.

Brief descriptions of the Resolution, the Series 2012 Bonds, and the security for the Series 2012 Bonds are included in this Official Statement. Such descriptions and summaries do not purport to be comprehensive or definitive. All references herein to such agreements and documents are qualified in their entirety by reference thereto. Capitalized terms that are undefined will have the meanings given them in the Resolution. See "APPENDIX C – Form of the Resolution" attached hereto.

PLAN OF REFUNDING

The County has determined that it can achieve an anticipated net present value savings in debt service payments by providing for the refunding of the Refunded Bonds. The Series 2012 Bonds will be issued and a portion of the proceeds thereof, together with other legally available funds of the County, will be used to refund the Refunded Bonds. The Refunded 2004 Bonds will be redeemed prior to maturity on January 1, 2014 at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date. The Refunded 2005 Bonds will be redeemed prior to maturity on January 1, 2015 at a redemption price of 100% of the principal amount thereof, plus accrued interest to the redemption date.

Upon the issuance and delivery of the Series 2012 Bonds, U.S. Bank National Association, as escrow agent (the "Escrow Agent") and the County will enter into an Escrow Deposit Agreement (the "Escrow Agreement") to provide for the defeasance and refunding of the Refunded Bonds. The Escrow Deposit Agreement will create an irrevocable escrow deposit fund (the "Escrow Deposit Fund") which will be held by the Escrow Agent, and the money and securities held therein are to be applied to the payment of principal of and interest on the Refunded Bonds, as the same become due and payable, whether at maturity or redemption prior to maturity. Immediately upon the issuance and delivery of the Series 2012 Bonds, the County will deposit a portion of the proceeds from the sale of the Series 2012 Bonds into the Escrow Deposit Fund, together with other legally available funds. Substantially all of such money is expected to be invested in Federal Securities. The maturing principal amount of and interest on the Federal Securities and any cash held in the Escrow Deposit Fund will be sufficient to pay the principal of and interest on the Refunded Bonds, and will be pledged solely for the benefit of the Holders of the Refunded Bonds at maturity or upon earlier redemption, and will not be available for payment of debt service on the Series 2012 Bonds.

The initial cash deposit, plus principal and interest on the Federal Securities in the Escrow Deposit Fund, will be sufficient to pay the principal of and interest coming due on the Refunded Bonds to their respective redemption dates, according to the schedules prepared by Public Financial Management, Inc. and verified by The Arbitrage Group, Inc. (the "Verification Agent"). See "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein.

In reliance upon the above-referenced schedules and independent verification, at the time of delivery of the Series 2012 Bonds, Co-Bond Counsel will deliver to the Underwriters and the County an opinion to the effect that the Refunded Bonds shall be deemed to be paid and the pledge of the special ad valorem tax levied on all taxable property in the County in favor of the Holders of the Refunded Bonds shall no longer be in effect.

DESCRIPTION OF THE SERIES 2012 BONDS

Authorized Denominations; Interest Payment Dates

The Series 2012 Bonds are issuable only in fully registered form in denominations of \$5,000 or integral multiples thereof, will be dated the date of delivery thereof and will bear interest payable on each January 1 and July 1, commencing July 1, 2012 (each an "Interest Payment Date"), at the interest rates set forth on the inside cover page of this Official Statement.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COUNTY BELIEVES TO BE RELIABLE, BUT THE COUNTY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2012 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2012 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2012 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2012 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2012 BONDS, PAYMENT OF INTEREST ON AND PRINCIPAL OF THE SERIES 2012 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2012 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2012 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2012 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE COUNTY NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2012 Bonds. The Series 2012 Bonds will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each interest rate of each maturity of the Series 2012 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2012 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2012 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012 Bonds, except in the event that use of the book-entry system for the Series 2012 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2012 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2012 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2012 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2012 Bonds may wish to ascertain that the nominee holding the Series 2012 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2012 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2012 Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument (MMI) procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2012 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2012 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent on the payment date in accordance with their

respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC, or the County, or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, and interest on, the Series 2012 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2012 Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2012 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2012 Bond certificates will be printed and delivered to the Holders.

Series 2012 Bonds Mutilated, Destroyed, Stolen or Lost

Subject to the provisions regarding the book-entry system of registration, in case any Series 2012 Bond shall become mutilated, or be destroyed, stolen or lost, the County may in its discretion cause to be executed, and the Registrar shall authenticate and deliver, a new Series 2012 Bond of like date and tenor as the Series 2012 Bond so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Series 2012 Bond upon surrender and cancellation of such mutilated Series 2012 Bond or in lieu of and substitution for the Series 2012 Bond destroyed, stolen or lost, and upon the Holder furnishing the County and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the County and the Registrar may prescribe and paying such expenses as the County and the Registrar may incur. All Series 2012 Bonds so surrendered shall be canceled by the Registrar. If any of the Series 2012 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2012 Bond, the Paying Agent may pay the same, upon the County and Registrar being indemnified as aforesaid, and if such Series 2012 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2012 Bonds issued pursuant to the Resolution shall constitute original, additional contractual obligations on the part of the County whether or not the lost, stolen or destroyed Series 2012 Bonds be at any time found by anyone, and such duplicate Series 2012 Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds pledged pursuant to the Resolution, to the same extent as all other Series 2012 Bonds issued hereunder.

Optional Redemption

The Series 2012 Bonds maturing on or prior to January 1, 2022 are not subject to redemption prior to their stated dates of maturity. The Series 2012 Bonds maturing on or after January 1, 2023 are subject to redemption prior to their stated dates of maturity, at the option of the County, on or after January 1, 2022

in whole or in part at any time, and if in part, in such order of maturities as shall be determined by the County, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price of par, together with accrued interest to the date fixed for redemption.

Notice of Redemption

Notice of such redemption shall be given by the Paying Agent, at least 30 days prior to the redemption date, be filed with the Registrar and mailed, first class mail, postage prepaid, to all Holders of the Series 2012 Bonds to be redeemed at their addresses as they appear on the registration books as provided in the Resolution, but failure to mail such notice to one or more Holders of the Series 2012 Bonds shall not affect the validity of the proceedings for such redemption with respect to Holders of the Series 2012 Bonds to which notice was duly mailed pursuant to the Resolution. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Series 2012 Bonds of one maturity are to be called, the distinctive numbers of such Series 2012 Bonds to be redeemed and in the case of Series 2012 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Subject to the rules regarding the book-entry system of registration, upon surrender of any Series 2012 Bond for redemption in part only, the Registrar shall authenticate and deliver to the Series 2012 Bondholder thereof, the cost of which shall be paid by the County, a new Series 2012 Bond of an authorized denomination equal to the unredeemed portion of the Series 2012 Bond surrendered.

In addition to the foregoing notice, further notice shall be given by the County as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given in the manner prescribed above.

(1) Each further notice of redemption given pursuant to the Resolution shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Series 2012 Bonds being redeemed; (b) the date of issue of the Series 2012 Bonds as originally issued; (c) the rate of interest borne by each Series 2012 Bond being redeemed; (d) the maturity date of each Series 2012 Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Series 2012 Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to any bond insurer which shall have insured any of the Series 2012 Bonds being redeemed as may be required by the Municipal Securities Rulemaking Board ("MSRB") and to one or more national information services that disseminate notices of redemption of obligations such as the Series 2012 Bonds.

In the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys with the Paying Agent or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in the Resolution. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the County delivers a written

direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Series 2012 Bonds subject to Conditional Redemption where redemption has been rescinded, or such moneys not so deposited, shall remain Outstanding, and neither the rescission nor the failure by the County to make such moneys available shall constitute an event of default under the Resolution. The County shall give notice as may be required by the MSRB and to one or more national information services that disseminate notices, and to the affected Bondholders, that the redemption did not occur and that the Series 2012 Bonds called for redemption and not so paid remain Outstanding.

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ESTIMATED SOURCES AND USES OF FUNDS

The proceeds of the Series 2012 Bonds, together with other legally available funds of the County, are estimated by the County to be applied as follows:

SOURCES OF FUNDS

Principal Amount	\$101,345,000.00
Plus Net Premium	16,955,973.00
Plus Other Legally Available Funds ⁽¹⁾	<u>1,469,161.72</u>
Total Sources of Funds	\$119,770,134.72

USES OF FUNDS

Deposit to Escrow Deposit Fund	\$118,958,317.52
Costs of Issuance ⁽²⁾	400,325.04
Underwriters' Discount	<u>411,492.16</u>
Total Uses of Funds	\$119,770,134.72

⁽¹⁾ Represents amount held in the Sinking Fund to pay principal and interest coming due on the Refunded Bonds.

⁽²⁾ Costs of issuance include financial advisory and legal fees and expenses, Official Statement printing costs, rating agency fees, verification agent fees, and other miscellaneous expenses.

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DEBT SERVICE REQUIREMENTS

The debt service requirements for the Series 2012 Bonds and for the County's other outstanding general obligation bonds, as shown in the following table, consist in any fiscal year of the sum of the amounts required to pay: (i) the interest that is payable on January 1 and July 1 of each fiscal year; and (ii) the principal payable in each fiscal year.

<u>Fiscal Year</u> <u>Ending</u> <u>September 30</u>	<u>Series 2012</u> <u>Bonds</u> <u>Principal</u>	<u>Series 2012</u> <u>Bonds</u> <u>Interest</u>	<u>Series 2012</u> <u>Bonds</u> <u>Total</u>	<u>Debt Service</u> <u>Other General</u> <u>Obligation Bonds</u>	<u>Combined</u> <u>Debt Service</u>
2012		\$979,898	\$979,898	\$27,986,940	\$28,966,837
2013		4,355,100	4,355,100	31,527,025	35,882,125
2014		4,355,100	4,355,100	31,526,825	35,881,925
2015		4,355,100	4,355,100	31,522,750	35,877,850
2016		4,355,100	4,355,100	31,523,275	35,878,375
2017	\$14,945,000	4,059,200	19,004,200	15,836,000	34,840,200
2018	15,550,000	3,458,800	19,008,800	15,836,750	34,845,550
2019	16,180,000	2,828,875	19,008,875	15,837,375	34,846,250
2020	16,845,000	2,155,925	19,000,925	15,836,625	34,837,550
2021	0	1,808,400	1,808,400	33,588,000	35,396,400
2022	9,530,000	1,607,450	11,137,450	21,638,125	32,775,575
2023	9,465,000	1,174,000	10,639,000	21,641,750	32,280,750
2024	9,430,000	705,750	10,135,750	20,884,375	31,020,125
2025	<u>9,400,000</u>	<u>235,000</u>	<u>9,635,000</u>	<u>0</u>	<u>9,635,000</u>
Total	\$101,345,000	\$36,433,698	\$137,778,698	\$315,185,815	\$452,964,512

SECURITY FOR THE SERIES 2012 BONDS

Pledge Under Resolution

Pursuant to the Resolution, the County irrevocably pledges its full faith, credit and taxing power for the prompt payment of the principal of and interest on the Series 2012 Bonds. The Resolution further provides that in each year while any of the Series 2012 Bonds are outstanding, there shall be levied and collected a tax without limitation as to rate or amount on all taxable property within the County, sufficient in amount to pay the principal of and interest on the Series 2012 Bonds, as the same shall become due, after deducting therefrom any other funds which may be available for such principal and interest payments and which shall actually be so applied.

Sinking Fund

The Resolution creates a Sinking Fund for the Series 2012 Bonds to be held by the depository for the County and administered by the County solely for the purpose of paying the principal of and interest on the Series 2012 Bonds as they become due. Pending its use, money on deposit in the Sinking Fund may be invested in Sinking Fund Investments. The Resolution requires that the proceeds of the ad valorem taxes levied to pay the Series 2012 Bonds shall be deposited, as received, into the Sinking Fund.

Other General Obligation Bonds

In addition to the Series 2012 Bonds to be issued and the Refunded Bonds described above, the County has also issued: (1) \$154,135,000 General Obligation Bonds (Parks and Land Preservation Project), Series 2005 on April 7, 2005 to finance a portion of the costs of the Parks and Land Preservation Project, of which \$56,920,000 shall remain outstanding after the issuance of the Series 2012 Bonds; (2) \$86,690,000 General Obligation Refunding Bonds, Series 2007A on June 7, 2007, to refund a portion of the General Obligation Bonds, Series 2001A, of which \$86,690,000 are currently outstanding; and (3) \$77,830,000 General Obligation Refunding Bonds, Series 2007B, on June 7, 2007, to refund a portion of the County's General Obligation Bonds (Parks and Land Preservation Project), Series 2004, of which \$77,830,000 are currently outstanding. All such general obligation bonds are secured by the full faith, credit and taxing power of the County, in the same manner as the Series 2012 Bonds.

THE COUNTY

General

The County, created in October 1915 by the Legislature of Florida, is located on the southeast coast of Florida and has an area of approximately 1,197 square miles. The County is bordered to the south by Miami-Dade County and to the north by Palm Beach County. Located within the County are 31 municipalities. The County ranks second in Florida and 18th in the nation with a 2011 population of 1,753,142. In addition, the County is located in the center of the eighth largest U.S. metropolitan area with a population of 5.6 million. Four airports, including the Fort Lauderdale-Hollywood International Airport, are located in the County. General governance, finance, economic and demographic information regarding the County may be found in "APPENDIX A - General Information Regarding Broward County, Florida" herein.

County Governance

The County is governed by the provisions of its Charter, originally adopted by the electors of the County on November 5, 1974. Under the Charter, the County functions as a home rule government consistent with the provisions of the Florida Constitution and the general laws of Florida.

The nine-member Board is the legislative body of the County government. The Board annually elects a Mayor who serves as presiding officer. The Charter provides for one County Commissioner to be elected from each of the nine Commission districts. Elections are held every two years for staggered four-year terms. Each candidate must be a registered elector and a legal resident of the district to be represented.

The County Commissioners and expiration of their terms are as follows:

John E. Rodstrom, Jr., Mayor	November 2012
Kristin D. Jacobs, Vice Mayor	November 2014
Suzanne N. Gunzburger	November 2014
Dale Holness	November 2012
Chip LaMarca	November 2014
Ilene Lieberman	November 2012
Stacy Ritter	November 2012
Barbara Sharief	November 2014
Lois Wexler	November 2012

The County Administrator, appointed by the Board, is the chief administrative officer of the County government. The County Administrator directs the functions of County government through several offices, seven major departments, and various divisions within each department. Pursuant to an Administrative Code adopted by the Board, unless otherwise stated in the Charter, the County Administrator can appoint, suspend, or remove all County employees, with the exception of the County Auditor and the County Attorney. The County Administrator also serves as ex-officio Clerk of the Board.

AD VALOREM TAXATION

General

Under Florida law, the assessment of all properties and the collection of all county, municipal and property taxes are consolidated in the office of the county property appraiser and county tax collector. The laws of the State of Florida regulating tax assessment are designed to assure a consistent property valuation method statewide.

Article VII, Section 9(b) of the Florida Constitution limits the aggregate rate of ad valorem taxes that may be levied on real and personal property. The limitation, except as noted below, is ten (10) mills each for all county and municipal purposes. A mill is equal to one-tenth (0.1) of one cent of one dollar or \$1.00 for every \$1,000 of assessed value. Article VII, Section 9(b) of the Florida Constitution excludes from the general 10 mill cap, ad valorem taxes which are necessary to pay debt service on voter-approved general obligation bonds, such as the Series 2012 Bonds.

Each respective millage rate, except as limited by law, is set on the basis of estimates of revenue needs and total taxable property valuations within the taxing authority's respective jurisdiction. Ad valorem taxes are not levied in excess of actual budget requirements. In setting millage rates, the County is required by Section 129.01, Florida Statutes, to assume a 95% tax collection rate.

In 1973, the State of Florida enacted legislation to encourage public awareness of spending and taxing decisions made by local elected officials. This legislation provides that if the tax rate established by the governing board exceeds the rolled-back tax rate, the taxing authority shall publish notice of the proposed tax increase prior to the public hearing required to be held for the adoption of the final budget and millage rate. Under Section 200.065, Florida Statutes, a "rolled-back tax rate" is defined as the millage rate which, exclusive of new construction, additions to structures, deletions, increases in the value of improvements that have undergone a substantial rehabilitation which increased the assessed value of such improvements by at least 100 percent, property added due to geographic boundary changes, total taxable value of tangible personal property within the jurisdiction in excess of 115 percent of the previous year's total taxable value, and any dedicated increment value, will provide the same ad valorem tax revenue for each taxing authority as was levied during the prior year less the amount, if any, paid or applied as a consequence of an obligation measured by the dedicated increment value.

Article VII, Section 4 of the Florida Constitution provides, with certain exceptions: "By general law regulations shall be prescribed which shall secure a just valuation of all real property for ad valorem taxation." The factors considered in arriving at a just valuation, as set forth in Section 193.011, Florida Statutes, are summarized as follows:

- (1) the present cash value of the property;
- (2) the highest and best use to which the property can be expected to be put in the immediate future and the present use of the property;
- (3) the location of the property;
- (4) the quantity or size of the property;
- (5) the cost of the property and the present replacement value of any improvements to the property;
- (6) the condition of the property;
- (7) the income from the property; and
- (8) the net proceeds of the sale of the property after deduction of certain reasonable fees and costs of sale.

Truth in Millage Bill

The Florida Legislature enacted the Truth in Millage Bill (the "Trim Bill") requiring that only governing bodies of taxing authorities fix the millage rate and requiring that all non-exempt property be assessed at one hundred percent (100%) of just value, with certain exceptions..

Levy

Ad valorem taxes are allocated among the General Fund and other governmental funds of the County. Ad valorem taxes levied to pay debt service on County general obligation bonds approved by its electors are deposited in the debt service funds established for the various bond issues and may be used solely for the purpose of paying debt service on those bonds. Such ad valorem taxes may be levied without limitation as to rate or amount, subject to referendum approval. The balance of the ad valorem taxes levied and collected by the County support the County's budget. Once the County determines the amount of dollars needed to support its budget, it considers two primary factors in determining the levy of ad valorem taxes. The first factor is the millage rate that, when applied to the County's tax roll (hereinafter described), generates the necessary tax dollars. As previously noted, State law places a 10 mill cap on local governments (excluding payment of voter-approved bonds which includes the Series 2012 Bonds). The County's operating and capital outlay levy is presently at approximately 51.86% of the state limit. At current fiscal year 2012 net property assessment values and millage rates, excluding voted debt service levies, the County could generate an estimated additional \$623 million per year under the 10 mill cap.

The second factor considered by the County in connection with the levy of ad valorem taxes is the total value of taxable property in the County indicated on the tax roll. Real and personal property valuations for purposes of the tax roll are determined each year as of January 1st by the County Property Appraiser's Office (the "Property Appraiser's Office"). That office certifies the tax rolls to the Revenue Collection Division. The Property Appraiser's Office mails to each property owner a notice of proposed property taxes indicating the assessed property value. The property owner has the right to file an appeal with the Clerk of the Value Adjustment Board if such assessed property value, as determined by the Property Appraiser's Office, is inconsistent with law. All appeals of such valuation determinations are heard by special masters representing the Value Adjustment Board. A taxpayer may appeal a decision of the Value Adjustment Board by bringing an action in the circuit court. State law requires that all non-exempt real property be assessed at 100% of fair market value, with certain exceptions. Personal property is assessed at its just valuation (fair market value).

The Value Adjustment Board certifies the assessment roll upon completion of the hearing of appeals to it. Millage rates are then computed by the various taxing authorities and certified to the County Property Appraiser, who applies the millage rates to the assessment roll. This procedure creates the tax roll, which is then certified and turned over to the County Tax Collector.

Pursuant to Article VII, Section 6 of the Florida Constitution and Section 196.031, Florida Statutes, the first \$25,000 of the assessed valuation of a homestead is exempt from taxation for any person who has title to and resides in such homestead on a permanent basis. Pursuant to the passage of Amendment One on January 29, 2008, each person qualifying for the previous exemption is entitled to an additional exemption of up to \$25,000 of assessed value, applied to the assessed value between \$50,000 and \$75,000. See "- Florida Constitutional Limitations and Property Tax Reform" below. Further, agricultural land, non-commercial recreational land, inventory and livestock are assessed at less than 100% of fair market value. In addition, pursuant to Ordinance No. 1999-59 enacted by the County on November 9, 1999, effective November 1, 2001, an additional homestead exemption of \$25,000 is granted by the County relating to ad valorem taxes payable by persons 65 or older subject to certain income limitations.

In the November 7, 2006 general election, the voters of Florida approved Amendments 6 and 7 to the Florida Constitution, which provide for an increase in the homestead (ad valorem tax) exemption to

\$50,000 from \$25,000 for certain low-income seniors effective February 1, 2007 and provide a discount from the amount of ad valorem taxes for certain permanently disabled veterans effective December 7, 2006, respectively.

Section 196.1995, Florida Statutes, provides that the County Commission may call a referendum to determine whether it may provide for an economic development ad valorem tax exemption under Article VII, Section 3 of the Florida Constitution. The County has not adopted any such exemptions, but reserves the right to do so in the future in accordance with Florida law.

Florida Constitutional Limitations and Property Tax Reform

During recent years, various legislative proposals and constitutional amendments relating to ad valorem taxation and revenue limitation have been introduced in the State. Many of these proposals sought to provide for new or increased exemptions to ad valorem taxation, limit the amount of revenues that local governments could generate or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent, historical levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon the County's finances.

Several constitutional and legislative amendments affecting ad valorem taxes have been approved by voters in the past including the following:

Save Our Homes Amendment. By voter referendum held on November 3, 1992, Article VII, Section 4 of the Florida Constitution was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. Further, the amendment provides that (1) no assessment shall exceed just value, (2) after any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status, (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead, and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided for by general law, and thereafter as provided in the amendment. This amendment is known as the "Save Our Homes" amendment. The effective date of the amendment was January 5, 1993 and, pursuant to a ruling by the Supreme Court of the State, it began to affect homestead property valuations commencing January 1, 1995, with 1994 assessed values being the base year for determining compliance.

Limitations on State Revenue Amendment. In the 1994 general election, State voters approved an amendment to the Florida Constitution which is commonly referred to as the "Limitation on State Revenues Amendment." This amendment provides that state revenues collected for any fiscal year shall be limited to state revenues allowed under the amendment for the prior fiscal year plus an adjustment for growth. Growth is defined as an amount equal to the average annual rate of growth in State personal income over the most recent twenty quarters times the state revenues allowed under the amendment for the prior fiscal year. State revenues collected for any fiscal year in excess of this limitation are required to be transferred to a budget stabilization fund until the fund reaches the maximum balance specified in the amendment to the Florida Constitution, and thereafter is required to be refunded to taxpayers as

provided by general law. The limitation on state revenues imposed by the amendment may be increased by the State Legislature, by a two-thirds vote in each house.

The term "state revenues," as used in the amendment, means taxes, fees, licenses, and charges for services imposed by the State Legislature on individuals, businesses, or agencies outside state government. However, the term "state revenues" does not include: (1) revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the State; (2) revenues that are used to provide matching funds for the federal Medicaid program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of State matching funds used to fund elective expansions made after July 1, 1994; (3) proceeds from the State lottery returned as prizes; (4) receipts of the Florida Hurricane Catastrophe Fund; (5) balances carried forward from prior fiscal years; (6) taxes, licenses, fees and charges for services imposed by local, regional, or school district governing bodies, or (7) revenue from taxes, licenses, fees and charges for services required to be imposed by any amendment or revision to the Florida Constitution after July 1, 1994. This amendment took effect on January 1, 1995, and was first applicable to the State's fiscal year 1995-1996.

In its 2011 Regular Session, the State Legislature enacted SJR 958. SJR 958 proposes amendments to Article VII, Section 1 of the Florida Constitution and creates Article VII, Section 19 and Article XII, Section 32 of the Florida Constitution. SJR 958 (1) replaces the existing state revenue limitation based on State personal income growth (as described above) with a new state revenue limitation based on changes in population and inflation; (2) requires excess revenues to be deposited into the Budget Stabilization Fund to support public education or returned to taxpayers; (3) adds fines and revenues used to pay debt service on bonds issued after July 1, 2012 to the state revenues subject to the limitation; (4) authorizes the State Legislature to increase the revenue limitation by a supermajority vote; and (5) authorizes the State Legislature to place a proposed increase before the voters, which would require approval of 60% of the voters. SJR 958 will be on the ballot in the 2012 general election or at an earlier election authorized by law. If approved by 60% of the voters, the new state revenue limitation will be phased in starting in State fiscal year 2014-2015. Over time, the new state revenue limitation is more likely to constrain state revenues than the current state revenue limitation; however, the potential impact on the County's finances cannot be ascertained at this time.

Millage Rollback Legislation. In 2007, the State Legislature adopted Chapter 2007-321, Laws of Florida, a property tax plan which significantly impacted ad valorem tax collections for local governments. One component of the adopted legislation required counties, cities and special districts to rollback their millage rates for the 2007-2008 fiscal year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in fiscal year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the legislation limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

The County fell under the 5% ad valorem tax revenue reduction category in the fiscal year ended September 30, 2008. As a result, the County's non-voted millage rate was reduced from 5.6433 mills in the fiscal year ended September 30, 2007 to 4.8889 mills in the fiscal year ended September 30, 2008, resulting in a \$90 million budget gap. To close the gap, the County reduced personnel expenses,

operating expenses and capital expenses without using non-recurring reserves. While the constitutional amendments which passed on January 29, 2008 did not impact the County's fiscal year ended September 30, 2008 budget, they did have an impact on the approach the County took to formulate the County's budget for the fiscal year ended September 30, 2009 and beyond. The doubling of the homestead exemption and the personal property exemption resulted in \$55 million of the \$87 million budget gap for the fiscal year ended September 30, 2009. Once again, the County reduced personnel expenses, operating expenses and capital expenses without using non-recurring reserves to close the gap. On September 24, 2008, the Board adopted the same non-voted rate of 4.8889 for the fiscal year ended September 30, 2009. The rate remained the same for the fiscal year ended September 30, 2010 at 4.8889 mills. For the fiscal year ended September 30, 2011, the total operating and capital outlay millage rate was 5.1021 mills. The County's adopted fiscal year ending September 30, 2012 rate has been set at 5.1860 mills.

Constitutional Amendments Related to Ad Valorem Exemptions. On January 29, 2008, in a special election held in conjunction with the State's presidential primary, the requisite number of voters approved amendments to the Florida Constitution exempting certain portions of a property's assessed value from taxation. The following is a brief summary of certain important provisions contained in such amendments:

1. Provides for an additional exemption for the assessed value of homestead property between \$50,000 and \$75,000, thus doubling the existing homestead exemption for property with an assessed value equal to or greater than \$75,000. See "AD VALOREM TAXATION – Levy" herein for a description of the homestead exemption.

2. Permits owners of homestead property to transfer their "Save Our Homes" benefit (up to \$500,000) to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their "Save Our Homes" benefit, with such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead. As discussed above, the "Save Our Homes" amendment generally limits annual increases in ad valorem tax assessments for those properties with homestead exemptions to the lesser of three percent (3%) or the annual rate of inflation.

3. Exempts from ad valorem taxation \$25,000 of the assessed value of property subject to tangible personal property tax.

4. Limits increases in the assessed value of non-homestead property to 10% per year, subject to certain adjustments. The cap on increases would be in effect for a 10-year period, subject to extension by an affirmative vote of electors.

These amendments were effective for the 2008 tax year (fiscal year 2008-2009 for local governments).

Over the last few years, the "Save Our Homes" assessment cap and portability provisions described above have been subject to legal challenge. The plaintiffs in such cases have argued that the "Save Our Homes" assessment cap constitutes an unlawful residency requirement for tax benefits on

substantially similar property in violation of the equal protection provisions of the Florida Constitution and the Privileges and Immunities Clause of the Fourteenth Amendment to the United States Constitution. The plaintiffs also argued that the portability provision simply extends the unconstitutionality of the tax shelters granted to long-term homeowners by "Save Our Homes." The courts in each case have rejected such constitutional arguments and upheld the constitutionality of such provisions; however, there is no assurance that any future challenges to such provisions will not be successful.

In addition to the legislative activity described above, the constitutionally mandated Florida Taxation and Budget Reform Commission (required to be convened every 20 years) (the "TBRC") completed its meetings on April 25, 2008 and placed several constitutional amendments on the November 4, 2008 general election ballot. Three of such amendments were approved by the voters of Florida, which, among other things, do the following: (a) allow the State Legislature, by general law, to exempt from assessed value of residential homes, improvements made to protect property from wind damage and installation of a new renewable energy source device; (b) assess specified working waterfront properties based on current use rather than highest and best use; (c) provide an ad valorem tax exemption for real property that is perpetually used for conservation (began in 2010); and, (d) for land not perpetually encumbered, require the State Legislature to provide classification and assessment of land use for conservation purposes solely on the basis of character or use.

Recently Approved Constitutional Amendments Relating to Ad Valorem Taxation. Additionally, during its 2009 session, the State Legislature passed House Bill 833, which provides an additional homestead exemption for deployed military personnel. The exemption would equal the percentage of days during the prior calendar year that the military homeowner was deployed outside of the United States in support of military operations designated by the Legislature. The measure was approved by the voters at the November 2010 general election and took effect January 1, 2011.

Other Proposals Affecting Ad Valorem Taxation. The State Legislature convened for its 2011 regular session on March 8, 2011. During this regular session, the State Legislature passed House Joint Resolution 381 ("HJR 381"), which will be placed on the November 2012 ballot for a vote by the electors. Among other things, HJR 381 (1) authorizes the State Legislature to prohibit by general law the increase of assessed value for property whose fair market value declined over the prior year; (2) reduces the limitation on annual increases of non-homestead property from 10% to 5% (the 5% cap sunsets in 2023); and (3) provides an additional homestead exemption of 50% (is reduced to 0% in five years) of just value of the property for first-time homeowners. The additional homestead exemption for first-time homeowners does not apply to school property taxes. Such proposal requires approval by 60% of the voters. At present, it is uncertain if this proposal will be approved by the voters. If approved, the impact of this proposal on the County's finances cannot be accurately ascertained.

Pending Legislation. House Bill 95, enrolled on March 9, 2012, proposes to amend Section 196.081, Florida Statutes, to add an additional exemption for surviving spouses of first responders who die in the line of duty. In order for this amendment to take effect, it must be approved by a vote of the electors at the general election in November 2012. At this time, it is impossible to determine whether any or all of this amendment will be approved by a vote of the electors, and if approved, estimate with any certainty the level of impact that the constitutional and/or legislative amendments will have on the County, if any.

There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the County's finances.

Rates, Valuation and Collection

The following table presents the rates of property taxation for the County for the ten years indicated. The millage rates below are those that were levied for the operating levy, capital outlay levy and debt service levy of the County. These millage rates are set by the Board.

Broward County Millage Rates (Mills Per Thousand of Assessed Valuation)

<u>Fiscal Year Ended September 30</u>	<u>Operating Levy</u>	<u>Capital Outlay Levy</u>	<u>Operating & Capital Outlay Subtotal</u>	<u>Debt Service Levy</u>	<u>Total Millage Rate</u>
2003	6.2752	0.3933	6.6685	0.6965	7.3650
2004	6.3146	0.2919	6.6065	0.5815	7.1880
2005	6.1905	0.2926	6.4831	0.5399	7.0230
2006	5.9838	0.3104	6.2942	0.4888	6.7830
2007	5.4054	0.2379	5.6433	0.4228	6.0661
2008	4.7471	0.1418	4.8889	0.3979	5.2868
2009	4.7471	0.1418	4.8889	0.4256	5.3145
2010	4.7612	0.1277	4.8889	0.5000	5.3889
2011	5.0399	0.0622	5.1021	0.4509	5.5530
2012	5.1220	0.0640	5.1860	0.3670	5.5530

Source: Broward County, Florida Office of Management and Budget.

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The following table sets forth the net assessed property valuation for the past ten years within the County.

Broward County
Net Assessed Property Valuation⁽¹⁾
2002 - 2011
(\$ in Thousands)

<u>Fiscal Year</u>	<u>Real Property</u>				<u>Total Real Property</u>	<u>Personal Property</u>	<u>Exemptions</u>		<u>Net Assessed Value</u>
	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Other⁽²⁾</u>			<u>Real Property</u>	<u>Personal Property</u>	
2002	\$ 70,890,848	\$14,527,301	\$ 4,623,766	\$ 8,917,103	\$ 98,959,018	\$ 7,765,378	\$23,394,227	\$108,812	\$ 83,221,357
2003	83,809,792	15,984,452	5,146,783	9,596,581	114,537,608	8,030,740	29,752,587	123,306	92,692,455
2004	100,217,685	18,973,425	5,845,196	8,809,883	133,846,189	7,802,109	37,867,051	96,583	103,684,664
2005	115,915,180	20,865,838	6,608,021	9,856,473	153,245,512	7,736,460	45,489,222	107,407	115,385,343
2006	141,454,575	22,631,725	7,370,441	11,369,305	182,826,046	7,945,606	57,736,030	115,196	132,920,426
2007	180,929,375	25,815,165	8,423,169	13,997,786	229,165,495	8,133,702	78,843,175	83,781	158,372,241
2008	200,427,164	29,366,491	8,981,128	17,485,296	256,260,079	7,983,385	88,247,206	104,821	175,891,437
2009	182,802,510	30,551,972	9,889,096	18,069,720	241,313,298	8,040,643	81,280,987	957,831	167,115,123
2010	141,528,406	32,086,536	10,614,387	19,216,722	203,446,051	7,955,487	61,968,982	961,614	148,470,942
2011	113,578,222	29,380,497	9,407,282	20,617,820	172,983,821	7,732,226	50,360,983	934,185	129,420,879

⁽¹⁾ Assessed Values are at 100% estimated market value.

⁽²⁾ Agricultural property and vacant property of non-profit agricultural use.

Source: Broward County, Florida Property Appraiser's Assessment Roll Recapitulation. Broward County, Florida Records, Taxes and Treasury Division.

The following table sets forth the amount of property taxes levied and collected by the County for the fiscal years ended September 30, 2002 through September 30, 2011.

Broward County Tax Levies and Tax Collection
(\$ in Thousands)

<u>Fiscal Year</u> <u>Ended</u> <u>September 30</u>	<u>Property</u> <u>Tax</u> <u>Levy⁽¹⁾</u>	<u>Property</u> <u>Tax</u> <u>Discount</u>	<u>Net</u> <u>Tax Levy</u>	<u>Current</u> <u>Tax</u> <u>Collections</u>	<u>Percent of</u> <u>Current Tax</u> <u>Collections</u> <u>of Net</u> <u>Tax Levy</u>	<u>Total Tax</u> <u>Collected⁽²⁾</u>	<u>Percent of</u> <u>Total Tax</u> <u>Collected</u> <u>to Net</u> <u>Tax Levy</u>
2002	\$608,170	\$20,671	\$587,499	\$582,475	99.14%	\$583,990	99.41%
2003	672,307	22,884	649,423	642,509	98.94	645,481	99.41
2004	732,945	25,227	707,718	703,924	99.46	704,907	99.62
2005	800,804	27,538	773,266	769,594	99.53	771,082	99.74
2006	895,189	30,176	865,013	860,792	99.51	862,984	99.83
2007	954,981	31,171	923,810	919,392	99.52	923,769	100.00
2008	927,080	29,542	897,538	892,074	99.39	895,457	99.84
2009	885,797	28,456	857,341	847,494	98.85	847,494	99.85
2010	793,371	26,205	767,166	758,499	98.87	758,499	98.87
2011	711,835	24,170	687,665	681,850	99.15	681,850	99.15

⁽¹⁾ Net of certified adjustments.

⁽²⁾ Includes taxes collected in the year following assessment and delinquencies for the prior year.

Source: Broward County, Florida Records, Taxes and Treasury Division.

Principal Taxpayers
September 30, 2011
(\$ in Thousands)

<u>Taxpayer</u>	<u>Business or Use</u>	<u>Taxes Levied</u>	<u>Percent to</u> <u>Aggregate</u> <u>Taxes Levied</u>
1. Florida Power and Light Co.	Utility	\$36,129	1.00%
2. Bellsouth Telecommunications	Communication	10,430	0.33
3. Sunrise Mills, LTD	Development	8,123	0.26
4. Diplomat Properties, LTD	Development	6,635	0.21
5. TRG-Holiday	Resort	6,100	0.20
6. Wal-Mart Stores, Inc.	Retail	5,574	0.18
7. WCI Communities	Development	4,250	0.14
8. Publix Super Markets, Inc.	Retail	3,386	0.11
9. City of Fort Lauderdale	Government	3,246	0.10
10. Pembroke Lakes Mall, LTD	Development	3,206	0.10

Source: Tax Roll of the County.

All ad valorem taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Revenue Collection Division of the County. A notice is

mailed to each property owner on the assessment roll for the taxes levied by the County, school board and other taxing authorities. Taxes may be paid upon receipt of such notice with discounts at the rate of 4% if paid in the month of November, 3% if paid in the month of December, 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid during the month of March are without discount. All taxes on real and personal property become delinquent on April 1 of the year following the year in which the taxes were levied, or within 60 days after the mailing of the original tax notice of the final assessment rate, whichever is later.

Delinquent real property taxes bear interest at the rate of 18% per year from the date of delinquency until a tax certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the tax certificate. Delinquent tangible personal property taxes also bear interest at the rate of 18% per year from the date of delinquency until paid. Delinquent personal property taxes must be advertised within 45 days after delinquency, and after May 1, the property is subject to warrant, levy, seizure and sale.

On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the County Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property with delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate. Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. Florida law provides that real property tax liens are superior to all other liens, except prior Internal Revenue Service liens.

To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates are not redeemed by the property owner within 2 years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

Section 197.016(2), Florida Statutes, requires the County Tax Collector to distribute the taxes collected to each governmental unit levying the tax. Such distribution is to be made four times during the first two months after the tax roll comes into its possession, and once per month thereafter.

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Tax Certificates Held By Broward County
(\$ in Thousands)

<u>Fiscal Year</u> <u>September 30</u>	<u>Tax Sale Year</u>	<u>Taxes Due⁽¹⁾</u>	<u>Number of</u> <u>Certificates</u> <u>Initially Held</u> <u>by County</u> <u>From Tax Sale</u>	<u>Balance Due</u> <u>as of</u> <u>January 31,</u> <u>2012⁽²⁾</u>	<u>% of Gross</u> <u>Taxes Due⁽³⁾</u>
2006	Tax Roll 2005	\$3,111,445	443	\$25	0.0008%
2007	Tax Roll 2006	3,689,900	363	44	0.0012
2008	Tax Roll 2007	3,747,842	2,681	11	0.0003
2009	Tax Roll 2008	3,669,500	392	4	0.0001
2010	Tax Roll 2009	3,409,133	92	44	0.0013
2011	Tax Roll 2010	3,124,563	345	175	0.0056
Total		\$20,752,303	4,316	\$282	0.0014 ⁽⁴⁾

(1) Represents the gross taxes collectible for all taxing authorities in the County.

(2) Represents certificates held by the County for unpaid taxes for which no revenue has been received.

(3) Total percentage calculated only for those tax years where moneys are due.

(4) Represents total of balance due as a percentage of total taxes due for all years listed.

Source: Broward County, Florida Records, Taxes and Treasury Division.

County held certificates accrue interest at the rate of 1.5% per month.

The "Notes to Financial Statements" to the County's audited financial statements for the fiscal year ended September 30, 2011, which are attached hereto as "APPENDIX B" state the following: "The General Obligation Refunding Bonds Debt Service Fund had an unassigned fund deficit of \$20,000 which the County intends to eliminate in the fiscal year ended September 30, 2012." The County believes this deficit may have been caused by an error in the formula for distributing ad valorem taxes at the beginning of the fiscal year ended September 30, 2011. The County anticipates this deficit will not effect the County's ability to pay debt service on the Series 2012 Bonds.

FINANCIAL RESULTS

Fiscal and Accounting Procedures

The accounts of the County are organized on the basis of funds or account groups, each of which is considered a separate accounting entity in accordance with generally accepted accounting principles, as defined by the Governmental Accounting Standards Board ("GASB"). The operation of each fund is accounted for in a separate set of self-balancing accounts which comprise its assets or other debits, liabilities, fund equities, revenue and expenditures or expenses. The various funds are grouped by type in the financial statements.

For the past 26 years, the County has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada.

For a complete description of the fund types and account groups, see the Notes to the financial statements of the County in "APPENDIX B" herein.

Cash Management

The County's Finance Department strives to achieve maximum permissible financial return on available cash resources. Idle cash balances are invested on a daily basis within the constraints imposed by applicable law and County policies. See "INVESTMENT POLICY" herein. Substantially all of the County's investments are either insured, registered or physically held in the County's name in order to safeguard its investments. For purposes of maximizing interest earnings, substantially all the County's cash and investments are pooled, except where separate cash and investment accounts are maintained in accordance with applicable legal requirements. The County has consistently invested more than 99% of its available cash. A summary and comparison of the County's investment portfolio performance is as follows:

	2010	2011
Average Portfolio Balance (in thousands)	\$2,320,379	\$1,935,504
Average Investment Yield	1.89%	1.48%
Total Investment Earnings (in thousands)	\$ 43,475	\$28,940

General Fund

The General Fund is used to account for revenue and expenditures applicable to the general operations of the County government that are not legally restricted for a purpose.

County services paid for, in part, through the General Fund include a County-wide library system, park system, provisions for emergency medical services and primary health care, the transfer of countywide responsibility for traffic engineering to the County from the municipalities to provide for uniform traffic flows, the transfer to the County of road construction and maintenance responsibilities from the State Department of Transportation, a consolidated court system, expansion of the sheriff's road patrol, several new detention facilities, and expanded detention programs.

Ad valorem taxation constitutes the single largest source of revenue to the General Fund. The County has experienced a decrease in ad valorem tax revenue over the past few fiscal years due to several factors, including a decrease in property values, legislative amendments and the downturn in the economy. The net increase in other local revenue, including those derived from licenses, permits, charges for services, and other miscellaneous sources, primarily reflects the growth in fee income from governmental services as well as fee adjustments.

Chapter 129, Florida Statutes, requires that the budget include 95% of all receipts reasonably anticipated from all sources, including taxes to be levied, and 100% of the amount of balances of both cash and liquid securities estimated to be brought forward at the beginning of the fiscal year. The 5% reduction of anticipated receipts causes an understatement of resources reflected in the budget available for expenditure. Chapter 129 also prohibits the expenditure of unbudgeted funds. The County's practice has been to budget reserves for contingencies. The provision of Chapter 129 which prohibits reserving fund balances causes the unbudgeted revenue and unspent reserves to flow through to the Ending Fund Balance, creating an Ending Fund Balance in excess of that which can be budgeted. The County has kept its expenditures in parity with revenue and consistently operated within the concept of a balanced

budget, thus preserving fund balances sufficient to fund expenditures during October and November until the ad valorem tax revenue is received.

The following chart shows information regarding the General Fund over the five-year period ended September 30, 2007 through September 30, 2011.

Broward County
Summary Schedule of Revenue, Expenditures and Changes in
Fund Balances – General Fund⁽¹⁾
(\$ In Thousands)

	Fiscal years Ended September 30				
	2007	2008	2009	2010 ⁽²⁾	2011 ⁽³⁾
REVENUES:					
Ad Valorem Taxes (Net of Discounts)	\$837,101	\$816,859	\$777,991	\$265,249	\$627,517
Special Assessment/Impact Fees	1,367	2,315	1,106	4	1
Licenses and Permits	21,725	18,483	16,805	17,071	16,067
Federal Grants	56,128	66,954	53,912	73,949	61,667
State Revenue:					
Revenue Sharing	34,064	38,134	35,203	23,573	35,503
Grants	30,836	23,571	23,402	22,517	27,602
Licenses	604	612	607	593	-
Tourist Tax	-	-	-	37,534	40,630
One-Half Cent Sales Tax	53,342	50,827	45,705	46,320	48,474
Other	-	-	-	2,000	2,000
Charges for Services	339,626	330,037	335,052	90,641	104,496
Fines and Forfeitures	4,159	4,249	4,036	2,426	14,143
Interest Income	32,719	20,988	15,623	6,794	8,159
Miscellaneous Revenue	38,240	22,772	25,923	15,589	20,858
Total Revenues	\$1,449,911	\$1,395,801	\$1,335,365	\$604,260	1,007,117
EXPENDITURES:					
Current:					
General Government	\$198,137	\$202,612	\$188,215	\$170,055	\$192,909
Public Safety	22,924	17,153	12,669	16,884	418,247
Transportation	128,088	142,526	131,571	120,230	119,189
Human Services	144,187	140,310	143,926	140,634	134,319
Culture and Recreation	122,012	121,941	116,959	131,337	123,417
Physical Environment	19,493	15,683	17,619	12,334	18,168
Economic Environment	22,055	19,903	17,942	25,240	21,427
Debt Service:					
Principal Retirement	14,750	960	1,588	-	-
Interest and Fiscal Charges	414	125	38	-	2
Total Expenditures	\$672,060	\$661,213	\$630,527	\$616,714	\$1,022,678

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Broward County
Summary Schedule of Revenue, Expenditures and Changes in
Fund Balances – General Fund⁽¹⁾
(\$ in Thousands) – continued

	Fiscal Years Ended September 30				
	2007	2008	2009	2010 ⁽²⁾	2011 ⁽³⁾
Excess of Revenue Over (Under) Expenditures	\$777,851	\$734,588	\$704,838	(\$12,454)	(\$15,561)
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	105,297	109,781	95,110	57,888	74,335
Operating Transfers Out	(877,657)	(836,309)	(809,198)	(45,034)	(26,926)
Total Other Financing Sources (Uses)	(772,360)	(726,528)	(714,088)	12,854	47,409
Net Change in Fund Balances	5,491	8,060	(9,250)	400	31,848
Fund Balance, October 1	278,158 ⁽²⁾	281,033	291,117	296,397	325,289
Changes in Reserves for Inventory	(2,616)	2,024	414	(16)	(392)
FUND BALANCES, SEPTEMBER 30	\$281,033	\$291,117	\$282,281	\$296,781	\$356,745

⁽¹⁾ Prepared by the County from audited financial statements (on a modified accrual basis).

⁽²⁾ Due to the implementation of GASB 54 during the fiscal year ended September 30, 2010, the County allocated General Fund revenues to the Sheriff, Property Appraiser and Supervisor of Election Operations Funds instead of reporting those revenues in the General Fund. This implementation resulted in a change in presentation of revenues from the previous fiscal year. Actual ad valorem taxes were \$82.6 million below ad valorem taxes levied for the fiscal year ended September 30, 2009 due to the substantial reduction in the ad valorem tax roll for the fiscal year ended September 30, 2010.

⁽³⁾ In 2010, the County was an early implementer of GASB 54. Once final rules were published, the County determined that going forward ad valorem revenues should be accounted for in the manner consistent with the fiscal year ended September 30, 2009 and prior.

Source: Broward County, Florida Comprehensive Annual Financial Report Fiscal Year ended September 30, 2011.

Other Governmental Funds

The table hereinafter set forth regarding other governmental funds of the County reflects the activity recorded in the Special Revenue Fund, Capital Projects Fund and Debt Services Fund of the County. These funds are legally segregated for specific purposes and project expenditures which are tied directly to revenue availability in a given fiscal year. The property taxes reflect ad valorem taxes levied for capital outlay and debt service. The fund balances are composed primarily of funds in the County Transportation Trust, Capital Outlay Fund and Debt Service Fund to preserve their integrity. These funds are segregated and accounted for outside the general operations of the County government as special projects to eliminate any impact on the funding of basic services or to recognize their one-time funding character (e.g. Capital Outlay Fund)

Broward County
Summary Schedule of Revenue, Expenditures and Changes in
Fund Balances - Other Governmental Funds⁽¹⁾
(\$ in Thousands)

	Fiscal Years Ended September 30,				
	2007	2008	2009	2010	2011
REVENUES:					
Taxes (Net of Discounts)	\$66,040	\$68,999	\$69,930	\$98,662	\$56,984
Special Assessment/Impact Fees	1,169	619	242	-	-
Licenses and Permits	459	473	727	740	825
Federal Grants	20,305	55,443	30,339	65,645	59,066
State Revenue:					
Grants	12,294	9,642	5,731	3,400	3,704
Tourist Tax	41,439	42,773	35,507	-	-
Other	12,373	8,282	8,867	3,838	4,508
Charges for Services	17,416	16,652	13,971	12,707	1,928
Fines and Forfeitures	6,544	11,565	7,342	7,878	9,686
Interest Income	31,276	21,929	17,466	5,147	2,599
Miscellaneous	15,250	13,708	13,537	7,169	8,922
Total Revenues	\$224,565	\$250,085	\$203,659	\$205,186	\$148,222
EXPENDITURES:					
Current:					
General Government	\$30,520	\$34,698	\$33,392	\$29,708	\$-
Public Safety	27,112	30,530	32,528	34,630	40,242
Human Services	239	313	475	685	-
Culture and Recreation	26,526	27,257	27,922	451	-
Physical Environment	4,093	3,533	2,949	3,624	3,023
Economic Environment	11,486	6,623	6,545	3,526	4,024
Capital Outlay	169,404	190,395	118,380	72,410	92,309
Debt Service:					
Principal Retirement	66,760	68,540	72,166	87,025	54,770
Interest and Fiscal Charges	42,983	40,019	35,778	32,073	37,473
Bond and Loan Issuance Costs	1,469	16	0	1,899	2
Total Expenditures	\$380,322	\$401,924	\$330,135	\$266,031	\$231,843

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Broward County
Summary Schedule of Revenue, Expenditures and Changes in
Fund Balances - Other Governmental Funds⁽¹⁾
(\$ in Thousands) – continued

	Fiscal Years Ended September 30				
	2007	2008	2009	2010	2011
Excess of Revenue Over (Under)					
Expenditures	(\$155,757)	(\$151,839)	(\$126,476)	(\$60,845)	(\$83,621)
OTHER FINANCING SOURCES					
(USES):					
Refunding Loans and Bonds Issued	171,835	0	0	214,690	-
Premium on Bonds Issued	13,037	0	0	5,262	-
Discount on Bonds Issued	0	0	0	(16)	-
Payment to Refunded Loans and					
Bonds Escrow Agent	(186,062)	0	0	0	-
Loans and Bonds Issued	0	0	4,664	0	-
Swaption Termination	1,519	0	0	0	-
Operating Transfers In	223,371	203,200	153,859	71,884	43,170
Operating Transfers Out	(91,508)	(84,066)	(51,053)	(21,566)	(26,528)
Total Other Financing Sources (Uses)	\$132,192	\$119,134	\$107,470	\$270,254	\$16,642
Net Change in Fund Balances	(23,565)	(32,705)	(19,006)	209,409	(66,979)
Fund Balances, October 1	554,646	531,081	498,376	325,647	508,721
FUND BALANCES, SEPTEMBER 30	\$531,081	\$498,376	\$479,370	\$535,056	\$441,742

⁽¹⁾ Prepared by the County from audited financial statements (on a modified accrual basis).

Source: Broward County, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 31, 2011.

LIABILITIES OF THE COUNTY

Insurance Considerations Affecting the County

Section 768.28, Florida Statutes, provides limits on the liability of the State of Florida and its political subdivisions of \$200,000 to any one person, or \$300,000 for any single incident or occurrence. See "LIABILITIES OF THE COUNTY - Ability to be Sued, Judgments Enforceable" below. Under the protection of this limit and Chapter 440, Florida Statutes, covering Workmen's Compensation, the County established a Self Insurance Fund to provide coverage against Workmen's Compensation claims (on losses up to \$250,000 per claim), general liability and accidents involving County owned motor vehicles. The County self-insures its mass transit fleet and is self-funded for medical malpractice claims. The County's group health coverage is placed with an outside carrier. The County carries public liability insurance for the Fort Lauderdale-Hollywood International Airport.

Certain budgetary funds and all enterprise funds are charged a fee by the Self Insurance Fund, which accumulates such fees for the payment of claims. The Self Insurance Fund indemnifies each

contributing fund against any losses in a given year in excess of the fee charged. This indemnification is possible since the County maintains funding for all contingent liabilities (including unasserted or incurred but not reported claims) as projected by actuaries retained by the County. In the event that the actual losses are less than the fees charged, such amounts will be retained in the Self-Insurance Fund.

Claim settlements and loss expenses are accrued and a liability simultaneously established in the Self-Insurance Fund for the estimated settlement value of claims reported for incidents during the period as determined by actuarial computation.

Ability to Be Sued, Judgments Enforceable

Notwithstanding the liability limits described above, the laws of the State of Florida provide that each county has waived sovereign immunity for liability in tort to the extent provided in Section 768.28, Florida Statutes. Therefore, the County is liable for tort claims in the same manner and, subject to limits stated below, to the same extent as a private individual under like circumstances, except that the County is not liable for punitive damages or interest for the period prior to judgment. Such legislation also limits the liability of a county to pay a judgment in excess of \$200,000 to any one person or in excess of \$300,000 because of any single incident or occurrence. Judgments in excess of \$200,000 and \$300,000 may be rendered, but may be paid from County funds only pursuant to further action of the Florida Legislature. See "LIABILITIES OF THE COUNTY – Insurance Considerations Affecting the County" herein.

Indebtedness of the County

Direct Debt

The County meets certain of its financial needs through debt financing. The table which follows is a schedule of the outstanding debt of the County as of September 30, 2011, including that which is payable from sources other than ad valorem taxes. This table does not reflect the County's outstanding certificates of participation which, as of September 30, 2011, were outstanding in the amount of \$7,205,000.

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**Broward County
Outstanding County Debt
As of September 30, 2011⁽¹⁾
(\$ in Thousands)**

<u>Bond Issues</u> ⁽¹⁾	General Obligation <u>Bonds</u>	Special Obligation <u>Bonds</u>	Enterprise Funds Revenue <u>Bonds</u>	General Funds <u>Loans/Notes</u>
Port Revenue Refunding Bonds, Series 1989 A			\$53,185	
Port Facilities Revenue Bonds, Series 1998 A, B and C			121,545	
Airport System Refunding Revenue Bonds, Series 1998 E			57,755	
Airport System Revenue Bonds, Series 1998 G, H-1 & H-2			124,945	
General Obligation Bonds, Series 2001A	\$7,535			
General Obligation Refunding Bonds, Series 2001B	7,605			
Airport System Revenue Bonds, Series 2001 I, J-1 and J-2			284,150	
Water & Sewer Utility Revenue and Revenue Refunding Bonds, Series 2003			102,600	
Water & Sewer Utility Revenue Refunding Bonds, Series 2003B			61,885	
Tourist Development Taxes Special Revenue Refunding Bonds (Convention Center), Series 2004		\$7,020		
General Obligation Bonds (Parks and Land Preservation Project), Series 2004 ⁽²⁾	67,060			
Airport System Revenue Bonds, Series 2004 L			116,000	
General Obligation Bonds (Parks and Land Preservation Project), Series 2005 ⁽³⁾	109,495			
Water and Sewer Utility Revenue Bonds, Series 2005A			76,740	
Professional Sports Facilities Tax & Rev. Ref. Bonds, Series 2006A and B		153,270		
General Obligation Refunding Bonds, Series 2007A	86,690			
General Obligation Bonds, Series 2007B	77,830			
Subordinate Port Facilities Refunding Revenue Bonds, Series 2008			39,525	
Airport System Revenue Refunding Bonds, Series 2009O			99,350	
Water and Sewer Utility Revenue Bonds, Series 2009A			173,710	
Port Facilities Revenue Bonds, Series 2009			78,660	
Half-Cent Sales Tax Revenue Bonds (Main Courthouse), Series 2010 A, B and C				\$214,690
Total	\$356,215	\$160,290	\$1,390,050	\$214,690

(1) Does not include any bonds issued subsequent to September 30, 2011.

(2) Refunded with proceeds of the Series 2012 Bonds. See "PLAN OF REFUNDING" herein.

(3) A portion refunded with proceeds of the Series 2012 Bonds. See "PLAN OF REFUNDING" herein.

Source: Broward County, Florida Finance and Administrative Services Department.

Overlapping Debt

The table set forth below summarizes the general obligation debt of the County and the School District of Broward County, which the County believes to be the only political subdivision to have outstanding general obligation debt overlapping that of the County, as of September 30, 2011. While the County believes the amount of debt of the School District of Broward County set forth below to be accurate, it should be understood that this amount was derived from source materials which were not compiled and are not subject to verification by the County. Accordingly, no assurance can be given as to the absolute accuracy of these amounts. In addition, 31 municipalities and various special taxing districts that do not have coterminous boundaries with the County have the power to levy ad valorem taxes on some or all of the property located in the County. The extent to which these governmental units have outstanding general obligation debt is not known.

Net Direct County General Obligation Debt ⁽¹⁾	\$355,915,000
School District of Broward County General Obligation Debt	-
Total Net Direct and Overlapping General Obligation Debt	\$355,915,000

⁽¹⁾ Prior to issuance of Series 2012 Bonds. Net of amounts available in Debt Service Funds for debt retirement.

Source: Broward County, Florida Finance and Administrative Services Department and School District of Broward County, Florida Treasurer's Office.

Debt Ratios

The following table sets forth certain ratios relating to the County's debt, as of September 30, 2011.

	<u>Amount</u>	<u>Per Capita⁽²⁾</u>	<u>Debt to Net Value</u>
Net Direct County General Obligation Debt ⁽¹⁾	\$355,915,000	\$203.01	0.27%
Overlapping Debt	-	-	-
Totals	\$355,915,000	\$203.01	0.27%

⁽¹⁾ Net of amounts available in Debt Service Funds for debt retirement.

⁽²⁾ Per Capita Debt calculated using Broward County's 2011 population.

Source: Broward County, Florida Finance and Administrative Services Department and School District of Broward County, Florida Treasurer's Office.

Certificates of Participation

The County has entered into Master Lease-Purchase Agreements (the "Lease Agreements") with the Broward County Commission Governmental Leasing Corporation (the "Corporation"), a single purpose not-for-profit Florida corporation, to finance the acquisition, construction and or equipping of certain facilities. The Corporation was formed by the County solely for the purpose of acting as lessor of the facilities, with the County as lessee. The Board serves as the Board of Directors of the Corporation. The Corporation has title to the facilities subject to the rights of the County under the terms of the Lease Agreements. A trustee has been appointed to collect and disburse all amounts due under the Lease Agreements.

Simultaneously with the Lease Agreements, the Corporation issued Certificates of Participation, Series 1998 and Series 2004 to refund certain prior certificates, (collectively, the "Certificates"), to third parties, evidencing undivided proportionate interests in basic lease payments to be made by the County, as lessee.

The Lease Agreements further provide for successive one-year renewal lease terms, unless earlier terminated following an event of default or a non-appropriation of funds to make the lease payments. Failure to appropriate funds to pay the lease payments will result in termination of the Lease Agreements and the return of certain of the leased property to the trustee.

The basic lease payments and consequently, the principal and interest components payable to the owners of Certificates, are payable solely from revenue appropriated by the County for that purpose. The County is not legally required to appropriate sums for the purpose of making the lease payments and the Certificates are not general obligations or a pledge of the full faith and credit of the County. Payments of principal and interest on the Series 1998 and Series 2004 Certificates are insured by AMBAC Assurance Corp. and National Public Finance Guarantee Corporation, respectively, under municipal bond insurance policies.

Basic lease payments represented by the Certificates are payable to the owners of the Certificates on each December 1 and June 1, and will be reflected as debt service expenditures when remitted to the trustee.

The obligation through maturity to the Holders of the Certificates, which will be serviced by the annual lease payments is as follows (in thousands):

Fiscal Year Ending <u>September 30</u>	<u>Total Payments</u>
2012	3,828
2013	<u>3,831</u>
Total	\$7,659
Less Interest	<u>(454)</u>
Principal Outstanding	\$7,205

Interest on the Certificates ranges from 2.00% to 5.00%.

Source: Broward County, Florida Finance and Administrative Services Department.

DISCLOSURE PURSUANT TO SECTION 517.051, FLORIDA STATUTES

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the County except by an offering circular containing full and fair disclosure of all defaults as to payment of principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, the FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the County, and certain additional financial information, unless the County

believes in good faith that such information would not be considered material by a reasonable investor. The County is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The County has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The County does not believe that any information about any default on such securities is appropriate or would be considered material by a reasonable investor in the Series 2012 Bonds because the County would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the County would have been pledged or used to pay such securities or the interest thereon.

INVESTMENT POLICY

The County adopted a detailed written investment policy on September 27, 1995 that applies to all funds (cash, cash equivalents and investments) held by or for the benefit of the Board, except for proceeds of refunded bond issues which are deposited in escrow, debt service funds governed by their bond indentures and funds of the constitutional officers and other components of the County governed by independent boards, unless as authorized by mutual agreement.

The objectives of the investment policy are: (1) preservation of capital; (2) liquidity; (3) yield maximization; (4) investment responsibility; and (5) exceeding the average return on the 3-month treasury bill or the average rate on federal funds, whichever is highest.

Subject to certain restrictions in the County's investment policy concerning maximum allowable percentages, the County may invest in the following types of securities: (a) direct obligations of, or obligations guaranteed by, the United States of America; (b) obligations of federal agencies of the United States of America (as outlined in the investment policy); (c) the Florida Local Government Surplus Funds Trust Fund; (d) funding agreements, investment agreements or guaranteed investment contracts; (e) repurchase agreements; (f) commercial paper; (g) state and/or local government taxable and/or tax-exempt debt; (h) bank time deposits; (i) registered investment companies; (j) shares of the Government Fund or any other investment fund established by the Florida Counties Investment Trust; (k) collateralized mortgage obligations; (l) World Bank notes, bonds and discount notes; (m) obligations of the Tennessee Valley Authority; and (n) reverse repurchase agreements. Investments in any derivative securities, including interest only or principal only and inverse floaters investments, are prohibited unless specifically designated above. The County utilizes portfolio diversification as a way to control risk. Investment managers are expected to display prudence in the selection of securities as a way to minimize default risk. To control risk of illiquidity, a minimum of ten percent of the portfolio shall be held in overnight repurchase agreements and/or U.S. Treasury instruments.

The County's investment policy may be modified from time to time by the Board.

LITIGATION

There is no pending or, to the knowledge of the County, any threatened litigation against the County of any nature whatsoever which in any way questions or affects the validity of the Series 2012

Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the collection of ad valorem taxes. Neither the creation, organization or existence, nor the title of the present members of the Board, or other officers of the County, is being contested.

The County experiences claims, litigation, and various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the County, but may, in the aggregate, have a material impact thereon. In the opinion of the County Attorney, however, the County will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences on the financial condition of the County.

TAX MATTERS

In the opinion of Edwards Wildman Palmer LLP and the Law Offices of Carol D. Ellis, P.A., Co-Bond Counsel to the County ("Co-Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Co-Bond Counsel is of the further opinion that interest on the Series 2012 Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Co-Bond Counsel observes that such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. Co-Bond Counsel expresses no opinion regarding any other federal tax consequences arising with respect to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2012 Bonds.

The Code imposes various requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2012 Bonds. Failure to comply with these requirements may result in interest on the Series 2012 Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Series 2012 Bonds. The County has covenanted to comply with such requirements to ensure that interest on the Series 2012 Bonds will not be included in federal gross income. The opinion of Co-Bond Counsel assumes compliance with these covenants.

Co-Bond Counsel is further of the opinion that the Series 2012 Bonds and the interest thereon are exempt from taxation under existing laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein. Co-Bond Counsel has not opined as to the taxability of the Series 2012 Bonds or the income therefrom under the laws of any state other than Florida. A complete copy of the proposed form of opinion of Co-Bond Counsel is set forth in "APPENDIX E" attached hereto.

To the extent the issue price of any maturity of the Series 2012 Bonds is less than the amount to be paid at maturity of such Series 2012 Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Series 2012 Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Series 2012 Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Series 2012 Bonds is the first price at which a substantial amount of such maturity of the Series 2012 Bonds is sold to the public (excluding bond houses, brokers,

or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Series 2012 Bonds accrues daily over the term to maturity of such Series 2012 Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Series 2012 Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Series 2012 Bonds. Bondholders should consult their own tax advisors with respect to the tax consequences of ownership of Series 2012 Bonds with original issue discount, including the treatment of purchasers who do not purchase such Series 2012 Bonds in the original offering to the public at the first price at which a substantial amount of such Series 2012 Bonds is sold to the public.

Series 2012 Bonds purchased, whether at original issuance or otherwise, for an amount greater than the stated principal amount to be paid at maturity of such Series 2012 Bonds, or, in some cases, at the earlier redemption date of such Series 2012 Bonds ("Premium Bonds"), will be treated as having amortizable bond premium for federal income tax purposes. No deduction is allowable for the amortizable bond premium in the case of obligations, such as the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, a Bondholder's basis in a Premium Bond will be reduced by the amount of amortizable bond premium properly allocable to such Bondholder. Holders of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Prospective Bondholders should be aware that certain requirements and procedures contained or referred to in the Resolution and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Series 2012 Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Co-Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Series 2012 Bonds may adversely affect the value of, or the tax status of interest on, the Series 2012 Bonds.

Further, prospective Bondholders should be aware that from time to time legislation is or may be proposed which, if enacted into law, could result in interest on the Series 2012 Bonds being subject directly or indirectly to federal income taxation, or otherwise prevent Bondholders from realizing the full benefit provided under current federal tax law of the exclusion of interest on the Series 2012 Bonds from gross income. To date, no such legislation has been enacted into law. However, it is not possible to predict whether any such legislation will be enacted into law. Further, no assurance can be given that any pending or future legislation, including amendments to the Code, if enacted into law, or any proposed legislation, including amendments to the Code, or any future judicial, regulatory or administrative interpretation or development with respect to existing law, will not adversely affect the market value and marketability of, or the tax status of interest on, the Series 2012 Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to any such legislation, interpretation or development.

Although Co-Bond Counsel is of the opinion that interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2012 Bonds may otherwise affect a Bondholder's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Bondholder or the Bondholder's other items of income or deduction. Co-Bond Counsel

expresses no opinion regarding any such other tax consequences, and Bondholders should consult with their own tax advisors with respect to such consequences.

LEGAL MATTERS

Certain legal matters incident to the validity of the Series 2012 Bonds are subject to the approval of Edwards Wildman Palmer LLP, West Palm Beach, Florida, and the Law Offices of Carol D. Ellis, P.A., West Palm Beach, Florida, Co-Bond Counsel, whose respective approving opinions, the proposed form of which is attached hereto as "APPENDIX E," will be delivered at the time of issuance of the Series 2012 Bonds. The opinions will speak only as of their date, and subsequent distribution of them by recirculation of the Official Statement or otherwise shall create no implication that Co-Bond Counsel has reviewed or expresses any opinions concerning any of the matters referenced in the opinions subsequent to their respective dates. Co-Bond Counsel has not been engaged to, nor has it undertaken to, review compliance with any federal or state law with regard to the sale or distribution of the Series 2012 Bonds. Certain legal matters relating to disclosure will be passed on by Bryant Miller Olive P.A., Tampa, Florida and the Law Offices of Steve E. Bullock, P.A., Miramar, Florida, Co-Disclosure Counsel to the County. Certain legal matters will be passed upon for the County by the Office of the County Attorney. Moskowitz, Mandell, Salim & Simowitz, P.A., Fort Lauderdale, Florida is serving as Counsel to the Underwriters in connection with the issuance of the Series 2012 Bonds.

RATINGS

Moody's Investors Service, Standard & Poor's and Fitch Ratings have assigned the Series 2012 Bonds the rating of "Aaa," "AA+" and "AAA," respectively. Such ratings reflect only the view of the rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment circumstances so warrant. A downward change in or withdrawal of such ratings, or any of them, may have an adverse effect on the market price of the Series 2012 Bonds. An explanation of the significance of the ratings can be obtained from the rating agencies, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, 23rd Floor, , New York, New York 10007, Standard and Poor's Ratings Services, 55 Water Street, 38th Floor, New York, New York 10041 and Fitch Ratings, One State Street Plaza, New York, New York 10004.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

At the time of the delivery of the Series 2012 Bonds, the Verification Agent will deliver a report on the mathematical accuracy of the computations contained in schedules provided to it and prepared by Public Financial Management, Inc. on behalf of the County relating to (a) the sufficiency of the anticipated cash and maturing principal amounts and interest on the Federal Securities to pay, when due, the principal, upon prior redemption, and interest on the Refunded Bonds and (b) the "yield" on the Series 2012 Bonds and on the Federal Securities considered by Co-Bond Counsel in connection with their opinion that the Series 2012 Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code, as amended.

CONTINUING DISCLOSURE

The County will covenant for the benefit of the Series 2012 Bondholders to provide certain financial information and operating data relating to the County and the Series 2012 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The County has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC (the "Rule"). Effective July 1, 2009, the sole Repository is the MSRB. The County has agreed to file notices of certain enumerated material events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX D - FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The Continuing Disclosure Certificate shall be executed by the County upon the issuance of the Series 2012 Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2012 Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. In the past five years, the County has never failed to comply with any prior agreements to provide continuing disclosure information pursuant to the Rule.

UNDERWRITING

The Series 2012 Bonds are being purchased by Merrill Lynch, Pierce, Fenner & Smith, Incorporated, acting on behalf of itself and Goldman, Sachs & Co. and Ramirez & Co., Inc. (collectively, the "Underwriters") at an aggregate purchase price of \$117,889,480.84, representing the \$101,345,000.00 principal amount of the Series 2012 Bonds, plus a net premium of \$16,955,973.00, less Underwriters' discount of \$411,492.16. The Underwriters will be obligated to purchase all of the Series 2012 Bonds if any Series 2012 Bond is purchased. The Series 2012 Bonds are being offered for sale to the public at the yields and/or prices shown on the inside cover page of this Official Statement. The Series 2012 Bonds may be offered to certain dealers, banks, and other at prices lower or yields higher than the public offering prices.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the County, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time

hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

Goldman, Sachs & Co. ("Goldman Sachs"), one of the Underwriters of the Series 2012 Bonds, has entered into a master dealer agreement (the "Master Dealer Agreement") with Incapital LLC ("Incapital") for the distribution of certain municipal securities offerings, including the Series 2012 Bonds, to Incapital's retail distribution network at the initial public offering prices. Pursuant to the Master Dealer Agreement, Incapital will purchase Series 2012 Bonds from Goldman Sachs at the initial public offering price less a negotiated portion of the selling concession applicable to any Series 2012 Bonds that Incapital sells.

CONTINGENT FEES

The County has retained Co-Bond Counsel, Co-Financial Advisors and Co-Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2012 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (including the fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2012 Bonds.

FINANCIAL STATEMENTS

The general purpose financial statements of Broward County, Florida for the fiscal year ended September 30, 2011, included as "APPENDIX B" hereto as part of this Official Statement, have been audited by Crowe Horwath LLP, independent certified public accountants, as set forth in their report dated March 9, 2012 which report is also appended hereto as part of said "APPENDIX B." Crowe Horwath LLP has not participated in the preparation or review of this Official Statement. The financial statements are attached hereto as a matter of public record. Such financial statements speak only as of September 30, 2011. The consent of Crowe Horwath LLP has not been sought.

CO-FINANCIAL ADVISORS

Public Financial Management, Inc. and Fidelity Financial Services, L.C. are serving as Co-Financial Advisors to the County in connection with the sale of the Series 2012 Bonds. The Co-Financial Advisors assisted in matters relating to the planning, structuring and issuance of the Series 2012 Bonds and provided other advice. The Co-Financial Advisors will not engage in any underwriting activity with regard to the issuance and sale of the Series 2012 Bonds. The Co-Financial Advisors are not obligated to undertake and have not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

CERTIFICATE AS TO OFFICIAL STATEMENT

Concurrently with the delivery of the Series 2012 Bonds, the Mayor and the County Administrator will furnish a certificate that, to the best of their knowledge, the Official Statement, as of its date and as of the date of delivery of the Series 2012 Bonds, does not contain any untrue statement of a

material fact and does not omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used or which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

MISCELLANEOUS

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the owners or Beneficial Owners of the Series 2012 Bonds.

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EXECUTION

This Official Statement has been duly executed and delivered by the Mayor and the County Administrator of Broward County, Florida.

BROWARD COUNTY, FLORIDA

By: /s/ John E. Rodstrom, Jr.
John E. Rodstrom, Jr.
Mayor

By: /s/ Bertha W. Henry
Bertha W. Henry
County Administrator

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APPENDIX A

GENERAL INFORMATION REGARDING BROWARD COUNTY, FLORIDA

Broward County, Florida (the "County"), created in October 1915 by the legislature of the State of Florida ("Florida"), is located on the southeast coast of Florida and has an area of approximately 1,197 square miles. The County is bordered on the south by Miami-Dade County and on the north by Palm Beach County. Located within the County are 31 municipalities. The County ranks second in Florida and 18th in the nation with a 2010 Census population of approximately 1.75 million persons. Approximately 50% of the County's population lives in its seven largest cities: Fort Lauderdale, Pembroke Pines, Hollywood, Coral Springs, Pompano Beach, Miramar and Davie. Four airports, including the Fort Lauderdale-Hollywood International Airport, are located in the County. Port Everglades, Florida's deepest harbor and a leading international cruise port, is located less than two miles from Fort Lauderdale-Hollywood International Airport.

Governmental Structure

The County is governed by the provisions of its Charter (the "Charter") as amended, originally adopted by the electors of the County on November 5, 1974. Under the Charter, the County functions as a home rule government consistent with the provisions of the Florida Constitution and the general laws of Florida.

The nine member Board of County Commissioners (the "Board") is the legislative body of the County government. The Board annually elects a Mayor who serves as presiding officer. The Charter provides for one County Commissioner to be elected from each of the nine Commission districts. Elections are held every two years for staggered four year terms. Each candidate must be a registered elector and a legal resident of the district to be represented.

The County Commissioners and expiration of their terms are as follows:

John E. Rodstrom, Jr., Mayor	November 2012
Kristin D. Jacobs, Vice Mayor	November 2014
Suzanne N. Gunzbürger, Commissioner	November 2014
Dale Holness, Commissioner	November 2012
Chip LaMarca, Commissioner	November 2014
Ilene Lieberman, Commissioner	November 2012
Stacy Ritter, Commissioner	November 2012
Barbara Sharief, Commissioner	November 2014
Lois Wexler, Commissioner	November 2012

The County Administrator, appointed by the Board, is the chief administrative officer of the County government. The County Administrator directs the functions of County government through several offices, seven major departments, and various divisions within each department. Pursuant to an Administrative Code adopted by the Board, unless otherwise stated in the Charter, the County Administrator can appoint, suspend, or remove all County employees, with the exception of the County Auditor and the County Attorney. The County Administrator also serves as ex-officio Clerk of the Board.

Under the Charter, checks and balances are provided by the Office of the County Auditor. The County Auditor, appointed by the Board, maintains an advisory position to that body.

Legal services are provided to the County government by the Office of the County Attorney. The County Attorney is appointed by the Board. Staff attorneys, appointed by the County Attorney, represent the Board and all other departments, divisions, boards, and offices in certain legal matters affecting the County.

Population

In the years since it began as an agricultural community of 5,000, the County has steadily grown and is the second largest county in Florida and the 18th largest county in the nation according to the 2010 Census.

Year	Broward County		State of Florida		United States	
	Population	Change ¹	Population	Change ¹	Population	Change ¹
1960	333,946	–	4,951,560	–	179,323,000	–
1970	620,100	8.57%	6,789,443	3.71%	203,212,000	1.33%
1980	1,018,257	6.42	9,747,061	4.36	226,505,000	1.15
1990	1,255,488	2.33	13,003,362	3.34	249,632,692	1.02
2000	1,623,018	2.93	15,982,378	2.29	281,421,906	1.27
2010 ⁽²⁾	1,748,066	0.77	18,801,310	1.76	308,745,538	0.97

⁽¹⁾ Average annual percentage increase over the preceding period.

⁽²⁾ 2010 represents the last year data is available at the County level from the US Census Bureau.

Source: U.S. Department of Commerce, Bureau of Census.

Labor Force and Unemployment Rates

Year Ended December 31	Estimated Broward County Civilian Labor Force	Unemployment Rates		
		Broward County	Florida	United States
2002	860,005	6.0	5.5	5.8
2003	877,270	5.5	5.1	6.0
2004	899,880	4.7	4.6	5.5
2005	947,447	3.8	3.9	5.1
2006	974,486	3.1	3.3	4.6
2007	991,155	3.4	3.8	4.6
2008	1,001,139	6.6	7.3	6.5
2009	1,002,039	10.1	11.5	9.4
2010	993,076	10.5	12.0	9.2
2011	978,951	8.6	9.7	8.5

Source: Florida Research and Economic Database and US Bureau of Labor Statistics

Estimated Nonagricultural Employment by Economic Sector
Fort Lauderdale Metropolitan Statistical Area
(in thousands)

	2007 <u>Total</u>	2007 Percent <u>of Total</u>	2008 <u>Total</u>	2008 Percent <u>of Total</u>	2009 <u>Total</u>	2009 Percent <u>of Total</u>	2010 <u>Total</u>	2010 Percent <u>of Total</u>	2011 <u>Total</u>	2011 Percent <u>of Total</u>
Grand Total	<u>789.8</u>	<u>100.0%</u>	<u>772.3</u>	<u>100.0%</u>	<u>772.3</u>	<u>100.0%</u>	<u>696.9</u>	<u>100.0%</u>	<u>711.7</u>	<u>100.0%</u>
Goods Producing	90.7	11.5%	77.8	10.1%	77.8	8.8%	56.4	8.1%	52.8	7.4%
Construction	59.5	7.5%	49.4	6.4%	49.4	5.1%	32.0	4.6%	29.0	4.1%
Manufacturing	31.1	3.9%	28.3	3.7%	28.3	3.6%	24.3	3.5%	23.2	3.3%
Service Providing	699.1	88.5%	694.5	89.9%	694.5	91.2%	640.5	91.9%	658.9	92.6%
Trade, Transportation and Utilities	174.9	22.1%	170.4	22.1%	170.4	22.5%	158.2	22.7%	161.5	22.7%
<i>Wholesale Trade</i>	47.2	6.0%	46.4	6.0%	46.4	6.5%	43.2	6.2%	42.5	6.0%
<i>Retail Trade</i>	103.7	13.1%	100.6	13.0%	100.6	12.9%	93.6	13.4%	96.5	13.6%
<i>Transportation, Warehousing and Utilities</i>	24.0	3.0%	23.4	3.0%	23.4	3.2%	21.4	3.1%	22.5	3.2%
Financial Activities	65.6	8.3%	59.6	7.7%	59.6	7.2%	51.0	7.3%	55.3	7.8%
Information	19.9	2.5%	19.8	2.6%	19.8	2.5%	15.5	2.2%	15.7	2.2%
Professional and Business Services	129.2	16.4%	123.7	16.0%	123.7	16.4%	113.4	16.3%	113.4	16.5%
Education and Health Services	91.4	11.6%	98.6	12.8%	98.6	12.8%	97.9	14.0%	97.5	13.7%
Leisure and Hospitality	79.5	10.1%	80.7	10.4%	80.7	10.5%	73.5	10.5%	80.2	11.3%
Other Services	34.3	4.3%	34.8	4.5%	34.8	4.6%	31.5	4.5%	30.7	4.3%
Government	104.2	13.2%	106.9	13.8%	106.9	14.7%	99.5	14.3%	100.4	14.1%
<i>Federal</i>	7.8	1.0%	7.8	1.0%	7.8	1.0%	7.3	1.0%	7.8	1.1%
<i>State and Local</i>	96.4	12.2%	99.1	12.9%	99.1	13.7%	92.2	13.2%	92.6	13.0%

Source: Florida Agency for Workforce Innovation, Labor Market Statistics, Current Employment Statistics Program (year-to-date average for the years ended December 31).

Largest Employers

The County has a diversified economy with a balance among technology, manufacturing, financial, international and domestic tourism, residential and commercial construction, and retail trade. There were approximately 92,051 business establishments with operations in the County at the end of fiscal year 2011. According to the 2009 Economic Census conducted by the United States Census Bureau, approximately 90% of firms within the County have fewer than 20 employees; additionally, approximately 150 businesses have corporate, division, or regional headquarters in the County. The table below shows the principal employers in the County for the fiscal year ended September 30, 2011.

<u>Company</u>	<u>Employees</u>
Broward County School Board	26,933
Broward County Government	11,089
Memorial Healthcare System	10,700
Broward Health	8,207
American Express	4,846
Nova Southeastern Univ.	3,919
PRC	3,000
Kaplan Higher Education	3,000
The Answer Group	2,800
City of Fort Lauderdale	2,487

Source: Broward County Planning and Redevelopment Division.

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Per Capita Personal Income⁽¹⁾
Broward County, Florida, and United States

<u>Year Ended December 31</u>	<u>Broward County</u>	<u>Percent of Florida</u>	<u>Percent of U.S.</u>	<u>State of Florida</u>	<u>Percent of U.S.</u>	<u>United States</u>
2000	29,409	105.9	99.8	27,764	94.2	29,469
2001	30,702	105.9	101.0	29,048	95.5	30,413
2002	31,785	106.8	102.8	29,758	96.3	30,906
2003	32,844	109.1	104.3	30,116	95.6	31,487
2004	34,008	108.0	103.0	31,469	95.2	33,050
2005	36,595	107.6	106.2	34,001	98.6	34,471
2006	39,743	108.2	108.2	36,720	100.00	36,714
2007	41,169	107.2	106.6	38,417	99.5	38,615
2008	41,974	107.5	104.5	39,064	97.3	40,166
2009 ⁽²⁾	41,185	106.0	104.0	38,965	104.0	39,635

⁽¹⁾ Stated in current dollars (i.e., actual dollars for each year with no adjustment for inflation).

⁽²⁾ 2009 is the last year for which data is available.

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis.

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Taxable Sales for the County

The following table shows the taxable sales within the County for the calendar years 2000-2011 and the percentage increase in such sales for each year.

Taxable Sales (\$ in Thousands)		
Year Ended December 31	Taxable Sales	Percent Change from Prior Year
2000	\$23,785,139	8.74%
2001	25,422,717	6.88
2002	25,194,309	(0.90)
2003	25,122,603	(0.28)
2004	27,608,938	9.90
2005	31,941,903	15.70
2006	34,759,141	8.82
2007	30,678,853	(11.70)
2008	29,523,345	(3.77)
2009	26,261,882	(11.10)
2010	26,898,615	2.42
2011	28,008,981	4.11

Source: State of Florida, Department of Revenue.

Tourism

Tourism is an important component of the County's economy. The combination of favorable climate (Fort Lauderdale has a mean temperature of 75.5 degrees Fahrenheit), together with diverse recreational opportunities, including theaters, parks, public beaches, yacht basins, fishing, golf, tennis, restaurants, thoroughbred racing, jai alai, casino gambling and water recreational facilities, have made the County a tourist center. The County's multipurpose convention center expansion was completed in 2002 giving the facility a total of 600,000 gross square feet of space. The three level, 180,000 square foot expansion is mainly comprised of a 50,000 square foot exhibit hall, a 33,000 square foot ballroom and 15,000 sq. ft of meeting room space. Connecting corridors were built at all levels in order to provide convenient access between the original building and the expansion as well as from the original building to the adjacent parking garage.

Tourists now visit the County over the entire year instead of merely during winter months and the tourism industry is currently drawing from a worldwide market. Preliminary numbers from the Greater Fort Lauderdale Convention and Visitors Bureau report that more than 11.06 million people visited Broward County in calendar year 2011, and had an economic impact of \$9.01 billion. The County's 2011 hotel occupancy rate was 70.1%, an increase of 4.2% over the previous year and the Average Daily Rate (ADR) was \$108.92, an increase of 1.1% over the previous year.

Building Permits

In the late 1980's, the construction of multi-family units exceeded the construction of single family homes. In contrast, the number of permits issued in the 1990's for single family homes exceeded the number of permits issued for multi-family units. The gap between the two has narrowed significantly in the recent past due to a number of factors including the very limited availability of vacant land and continued population growth, both of which have contributed to increased housing density. The yearly data for building permits is presented in the following table.

Building Permits Issued in Broward County
(\$ in Thousands)

Calendar <u>Year</u>	Single Family <u>Units</u>	Multi- Family <u>Units</u>	Total Residential <u>Units</u>	Total Residential <u>Valuation</u>	Permit <u>Valuation</u>
2000	9,148	2,689	11,837	1,459,803	1,459,803
2001	8,296	2,490	10,786	1,383,892	1,383,892
2002	5,701	6,319	12,020	1,561,660	1,561,660
2003	3,931	4,432	8,363	1,080,166	1,080,166
2004	4,811	3,980	8,791	1,077,816	1,077,816
2005	3,353	2,817	6,170	1,112,104	1,112,104
2006	3,308	3,378	6,686	991,153	991,153
2007	1,754	2,179	3,933	617,307	617,307
2008	967	1,205	2,172	346,893	346,893
2009	563	486	1,049	159,077	159,077
2010	979	189	1,168	222,589	222,589
2011	1,442	998	2,440	278,805	278,805

Source: Bureau of Economic and Business Research, University of Florida; Sun-Sentinel Research Services; U.S. Bureau of the Census.

Education

Broward County Public Schools is the sixth largest public school and the largest, fully accredited public school district in the nation with approximately 258,000 students currently enrolled and a fiscal year ending June 30, 2012 budget of approximately \$3.2 billion. The system consists of 300 schools: 232 traditional schools and centers, 68 charter schools and a virtual school serving elementary, middle, and high school students. Broward County Public Schools is an independent operating and taxing entity, meaning that it is separate from the County.

There are three four-year colleges and universities in the County: Florida Atlantic University and Florida International University, which are public, and Nova Southeastern University, which is private. Florida Atlantic University and Florida International University are two of the nine universities in the State of Florida University system. Broward College, Prospect Hall College, City College, Fort Lauderdale College, the Art Institute of Fort Lauderdale, and Keiser Institute of Technology are two-year colleges

located in the County. There are also seven educational institutions in the County with degree or certificate programs providing vocational and technical education.

Transportation

Surface Transportation: The County is served by three bus lines, two railroads (Florida East Coast Railway and CSX), and major freight carriers. The road system within the County, totaling approximately 4,800 miles, contains over 140 miles of interstate and other expressways (including I-95, I-75, I-595, the Florida Turnpike, and the Sawgrass Expressway) and approximately 375 miles of divided highways. The County-operated bus system, with an active fleet of 303 fixed route busses and 70 community busses, serviced 35.9 million passengers in the fiscal year ended September 30, 2011 and is projected to serve approximately 35.4 million passengers during fiscal year 2012. TRI-Rail, a commuter rail system, provides service along a 66 mile corridor from Palm Beach County to Miami-Dade County.

Sea Transportation: Port Everglades, the State's deepest harbor and one of the top three cruise ports in the world, is located in the County – less than two miles from Fort Lauderdale-Hollywood International Airport. Port Everglades is served by major motor freight carriers and two railroads. All functions, assets, and liabilities of Port Everglades passed over to the County in November, 1994 as the result of a local bill which dissolved the separate governing body of the Port and transferred all related duties and powers to the Board. In the fiscal year ended September 30, 2011, Port Everglades handled 108.26 million barrels of petroleum and 5.79 million tons of containerized cargo. A total of 3,952,843 cruise ship passengers went through Port Everglades on 969 sailings in fiscal year 2011.

A portion of Port Everglades has been designated a Foreign Trade Zone ("FTZ"), where foreign components can be assembled, packaged, and shipped without usual customs duties. The FTZ at Port Everglades was the first such operating zone established in Florida. The FTZ now includes eleven sites within and outside of the Port's boundaries on a total of 388 acres. In calendar year 2011, cargo valued at more than \$330 million was received and more than \$312 million was shipped from all active general-purpose FTZ areas combined.

Air Transportation: Four airports are located in the County. There are three general aviation airports and the Fort Lauderdale-Hollywood International Airport (the "Airport"), which is used by most major national commercial airlines and several foreign commercial airlines. For the fiscal year ended September 30, 2011, enplaned passengers totaled 11,671,530 – an increase of 7.0% over fiscal year 2010. Approximately 96,339 total tons of cargo was handled at the Airport in the fiscal year ended September 30, 2011 – an increase of 1.19% over the amount handled in the fiscal year ended September 30, 2010.

Public Works Department

The Public Works Department of the County is made up of the following Divisions: Administration, Construction Management, Seaport Engineering & Construction, Facilities Maintenance, Highway Construction & Engineering, Highway & Bridge Maintenance, Traffic Engineering, Solid Waste and Recycling Services, and Water and Wastewater Services.

The Administration Section provides overall management direction, coordination, technical review, project management review and financial management for the various activities of the

department and implements County policies to develop opportunities for small businesses. The Division also provides property and construction project management services.

The Construction Management Division provides County agencies with professional planning and design services for the development of the capital improvement plan, interior space planning, project design, construction management and contract administration.

The Seaport Engineering and Construction Division provides the County's Port Everglades Department with in-house engineering and construction management capability for project design, construction management and contract administration.

The Facilities Maintenance Division oversees the leasing, maintenance, operation and renovation of most County governmental facilities (including courthouses, libraries, social service agencies, and administrative offices), parking areas and grounds. This includes the provision of security services in many of these facilities.

The Highway Construction & Engineering Division oversees project management for major roadway improvement projects and participates in the Land Development Review process. It is also responsible for engineering plan review, permitting and roadway inspections as well as surveying, design and project management services for intersection improvement and congestion management projects.

The Highway & Bridge Maintenance Division provides the essential service of maintaining the County's road system and the unincorporated street system. Roadway maintenance projects include the construction of roadways, paths and curbs, including roadway turn lanes, street widening and resurfacing. The division is also responsible for sidewalk installation and repair, guardrail installation and guardrail repair/replacement, and the maintenance of roadway medians and roadside shoulders, the repair and maintenance of 75 fixed bridges, the operation and maintenance of the three County bascule (draw) bridges, roadway drainage improvements, neighborhood entranceway beautification and maintenance, and street brooming and cleaning of catch basins and storm water pipe to comply with the National Pollution Discharge Elimination Standards (NPDES).

The Traffic Engineering Division operations include the planning, design, engineering, construction and maintenance of all traffic control devices for County maintained roads (traffic signals, signs and markings). In addition, unincorporated area services include school crossing guards and street lighting installation and maintenance.

The Solid Waste and Recycling Services Division offers a comprehensive waste management and recycling system for the residents of Broward County. Through its operations, W.R.S. provides community residents with viable methods to address waste management issues by offering program solutions which include land filling and waste-to-energy, garbage collection, trash transfer stations, disposal of household hazardous waste, and electronics recycling collection. The County's resource recovery system includes facilities at three regional sites. The southern site, which began commercial operations in August 1991, consists of a 2,250 tons per day waste-to-energy facility and residue landfill. The northern site, which began commercial operations in March 1992, consists of a 2,250 tons per day waste-to-energy facility operated in conjunction with an adjacent landfill. The third site, located in the western portion of the County, is a contingency landfill backing up the two waste-to-energy facilities. Landfill operations began on this site in September 1988.

The Water and Wastewater Services Division plans, designs, and constructs facilities to ensure adequate capacity for potable water, sewer and storm water, and provides retail water and sewer services for over 50,000 customers. Water and Wastewater Services is also responsible for pumping, treating and distributing water, as well as providing for collection, treatment, reuse and disposal of wastewater for over 600,000 citizens. The Division is also involved in the operation of waterways, water control structures and well systems as well as removal of aquatic vegetation from certain bodies of water throughout the County.

Overview of the Budget Process

The County Administrator prepares and submits the proposed annual budget and capital program to the Board and executes the budget and capital program in accordance with ordinances adopted by the Board. A policy-setting workshop is held with the Board in January or February of each year to review major trends and provide staff with policy guidance for developing the budget. Once guidance from the Board has been received, the Director of the Office of Management and Budget distributes specific instructions on budgetary policies and procedures to the County's departments, divisions, and offices. Each department then prepares and submits its budget. Internal meetings to review agency-requested budgets are then held to develop budget recommendations to the County Administrator. After approval by the County Administrator, the proposed budget is submitted to the Board in early July. During August, the Board conducts budget workshops to review the proposed budget. The budget, as amended in the budget workshops, is again reviewed during public hearings held in September before final approval and adoption by the Board. The Board must adopt the final budget and establish the final millage rate necessary to fund the budget no later than September 30th.

Chapter 129, Florida Statutes, defines and places a legal requirement upon county governments to adopt and operate within a balanced annual budget. In addition to being the annual operating plan, the adopted budget represents the legal authority to expend funds. Chapter 129, Florida Statutes, provides penalties for making unbudgeted expenditures. The County has consistently operated within a balanced budget and is required to continue this practice.

The Board's adopted budget for the fiscal year ending September 30, 2012 contains a millage rate of 5.5530 mills. With respect to the individual components of the fiscal year ending September 30, 2012 millage rate, the operating millage rate is 5.1220; the capital outlay millage rate is 0.0640 mills, and the remaining 0.3670 mills funds this year's debt service payments associated with various voter-approved General Obligation bonds.

Capital Improvement Program for Public Improvements

The Board requires the County Administrator to develop and submit to the Board for approval a continuous five-year Capital Improvement Program (the "CIP"). In each year, the County Administrator must review the CIP, revise it as necessary, and prepare the CIP for approval and adoption by the Board. An annual update of the CIP provides, upon approval by the Board, a continuous five year program.

The CIP development process is coordinated by the Office of Management and Budget and involves the linking of all County agencies for comprehensive review, input, and development. The CIP also utilizes input from the long range capital improvement plan. The CIP development process includes

public participation as well as input from governmental entities for certain joint projects and project requests. The adopted CIP for the fiscal years ending September 30, 2012-2016 includes the following:

Transportation and Mass Transit Projects *	\$ 398,145,460
Environmental/Beach Renourishment/Waste Disposal.....	87,564,360
Aviation.....	796,048,250
Port	471,376,090
Water/Wastewater	343,484,040
Criminal Justice/Public Safety	25,981,990
Libraries/Parks/Boating Improvement.....	42,959,240
General Government/Court Facilities *	161,802,450
Neighborhood Improvement/Redevelopment/Housing/Economic Development	<u>101,122,050</u>
Total	\$2,428,483,930

It is anticipated that the adopted CIP for the fiscal years ending September 30, 2012-2016 will be funded as follows:

Bonds	\$900,942,270
Federal and State Grants	292,918,220
Local Sources (Taxes, Fees, Fund Balance)	<u>1,234,623,440</u>
Total	\$2,428,483,930

*Note: also includes reserves for projects included in the capital program in future years.

Non-Ad Valorem Revenues

The following table presents the net non-ad valorem revenues available to the County for the payment of debt service for a covenant to budget and appropriate debt and certain special revenue debt for the fiscal year ended September 30, 2011.

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**Net Available Non-Ad Valorem Revenues
for the fiscal year ended September 30, 2011*
(Dollars in Thousands)**

License and Permit Fees	\$ 16,067
State Revenue Sharing	35,503
Licenses (State Revenue)	0
Local Government Half Cent Sales Tax	48,958
Tourist Tax	40,630
Utility Services Taxes and Fire Rescue Tax	4,948
Fines and Forfeitures	14,143
Interest Earnings	8,159
Charges for Services	347,255
Miscellaneous Revenue	22,967
Other State Revenues	2,000
Non-Revenue Sources/Fund Balance	276,827
Federal/State Grants	89,269
Special Assessments	<u>1,091</u>
Total Gross Non-Ad Valorem Revenues	\$907,817
Less Operations Costs not paid by Ad Valorem Taxes	<u>(643,539)</u>
Total Net Available Non-Ad Valorem Revenues	\$264,278

*Preliminary and unaudited as of February 7, 2012.

Source: Broward County, Florida Comprehensive Annual Financial Report Fiscal Year ended September 30, 2011 and Broward County, Florida Finance and Administrative Services Department.

Employee Relations

As of October 1, 2011 (fiscal year ending September 30, 2012), the County had 5,469 full and part-time funded positions, as compared with 5,477 in the fiscal year ended September 30, 2011, excluding employees of constitutional officers. The County budget also provides for 309 federal and state grant employee positions in fiscal year 2012. The Constitutional Officers are funded for 5,327 positions in the fiscal year ending September 30, 2012.

There are seven organized collective bargaining units within the County: Amalgamated Transit Union, Local 1267 (Mass Transit, 771 unit employees); Amalgamated Transit Union, Local 1591 (White Collar, 1,029 unit employees); Federation of Public Employees (Blue Collar, 1,044 unit employees); Government Supervisory Association of Florida, Local 100 (GSA Supervisors, 310 unit employees); Federation of Public Employees; Federation of Public Employees, Supervisory (Port Everglades Supervisors, 13 unit employees); Federation of Public Employees, Non-Supervisory (Port Everglades White Collar, 63 unit employees); and Government Supervisory Association of Florida, Local 100 (GSA Professionals, 1,122 unit employees). This information is based on data as of December 15, 2011.

All contracts expire September 30, 2012, with the exception of the Mass Transit which expires on September 30, 2013. The County has never experienced a serious work stoppage and Florida law prohibits public employees from striking.

Florida Retirement System

General

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www.dms.myflorida.com and the Florida Comprehensive Annual Financial Reports available at http://www.myfloridacfo.com/aadir/statewide_financial_reporting. No representation is made by the County as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The Florida State Board of Administration ("SBA") manages the FRS. FRS membership is required for all employees filling a regularly established position in a state agency, city agency, state university, state community college, or district school board. The FRS is currently comprised of 976 participating employers, including 55 state agencies, 396 city agencies, 67 district school boards, 28 community colleges, 182 cities, 231 special districts, 5 hospitals and 12 other agencies.

For those members who enrolled in the FRS defined benefit plan (the "FRS Pension Plan") prior to July 1, 2011, benefits under the FRS Pension Plan vest after six years of service for all membership classes. Regular Class, SMSC and EOC members are eligible for normal retirement with six or more years of creditable service and an age 62 or higher, or 30 years of creditable service regardless of age. Special Risk Class and Special Risk Administrative Support Class members are eligible for normal retirement with six or more years of special risk class service and an age 55 or higher, or 25 years of special risk service regardless of age. With up to four years of active duty wartime service and a total of 25 years of service including special risk service, the retirement age drops to age 52. Without at least six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the retirement requirements of the Regular Class. Regardless of class, a member may take early retirement any time after vesting within 20 years of normal retirement age; however, there is a five percent benefit reduction for each year prior to normal retirement age. The State Constitution prohibits increasing benefits without concurrently providing for funding the increase on a sound actuarial basis.

Subject to provisions of Section 121.091, Florida Statutes, the Defined Retirement Option Program (the "DROP") permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months while the member's benefits accumulate in the FRS Trust Fund. For those members who entered DROP prior to July 1, 2011, such member's benefits will earn monthly interest at an equivalent annual rate of 6.50%. For those members who entered DROP on and after July 1, 2011, the annual interest rate shall equal 1.3% per year.

Participating employers must comply with the statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan. Employer contribution rates are based on a level percentage of payrolls and are determined using the entry-age actuarial cost method. Pursuant to SB 2100, beginning on July 1, 2011, all FRS Pension Plan and FRS Investment Plan members (except those in DROP) are required to contribute 3% on a pre-tax basis. See

"*Litigation Relating to SB 2100*" below. The County is required to contribute to the FRS an amount equal to a variable percentage of each employee's salary, where the percentage is based upon the employee's statutory classification. The statutory classifications and percentages that affect the County beginning on July 1, 2011 are as follows:

Class or Plan	Percent of Gross Salary	
	<u>Employee⁽¹⁾</u>	<u>Employer⁽²⁾</u>
Regular	3%	4.91%
Special Risk	3	14.10
Elected Officials	3	11.14
Deferred Retirement Option Program	0	4.42
Senior Management	3	6.27

(1) See "*Litigation Relating to SB 2100*" below.

(2) In addition to the statutory contributions required by Section 121.71, Florida Statutes, the County's contribution percentages also take into account a 0.03% administrative fee (does not apply to DROP), an educational expense fee and 1.11% retiree health insurance subsidy fee and a required employer contribution to address UAL of 0.49% for regular employees, 2.75% for special risk employees, 0.73% for the elected officials and 0.32% for the senior management employees.

Source: Section 121.71, Florida Statutes.

The annual required contribution for the County for the fiscal year ended September 30, 2011 was approximately \$93.2 million, or 13.7% of covered payroll.

Litigation Relating to SB 2100

The State Legislature passed Senate Bill 2100 ("SB 2100") during its 2011 session, which was signed by Governor Rick Scott on May 20, 2011. SB 2100 makes significant changes to the FRS with respect to employee contributions and employer contributions, among other items. Effective July 1, 2011, all members of FRS were required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduced the required employer contribution rates for each membership class and subclass of the FRS. For fiscal year ended June 30, 2011, contribution rates ranged from 10.77% to 23.25% of annual covered payroll. Under SB 2100, employer contribution rates range from 4.91% to 14.10% of annual covered payroll. The bill eliminated the cost of living adjustment for all FRS employees for service earned on or after July 1, 2011, although the bill does contemplate reinstatement of the adjustment in 2016 under certain circumstances.

Although no further action is required on the part of the Florida Legislature to implement the amendments in SB 2100, on June 20, 2011, the Florida Education Association and the Police Benevolent Association, joined by the Florida Public Services Union, a chapter of the Service Employees International Union and Teamsters Local 385 (collectively, the "FRS Plaintiffs"), filed a lawsuit in Circuit Court in Tallahassee, Florida challenging the above described legislative changes with respect to existing FRS members. The lawsuit alleges SB 2100 unlawfully impairs state employee contracts, constitutes a taking of private property without full compensation and violates public employees' constitutional right to collective bargaining by effectively removing the subject of retirement from the collective bargaining process. On March 6, 2012, the Circuit Court granted the FRS Plaintiffs' motion for summary judgment finding there is no genuine issue as to any material fact. The Circuit Court held the challenged portions

of SB 2100 constituted an unconstitutional impairment of the FRS Plaintiffs' contract with the State by changing the FRS from a noncontributory plan with a cost-of-living adjustment to a contributory plan without a cost-of-living adjustment. The Circuit Court also held the mandatory 3% employee contribution to the FRS and the elimination of the cost-of-living adjustment constituted a taking of private property for a public use without full compensation being paid. Finally, the Circuit Court held SB 2100 abridges the right of public employees to collectively bargain over wages, hours and other terms or conditions of employment. Governor Scott issued a statement that the State will appeal the Circuit Court decision, which will result in an automatic stay of the decision. As such, there will be no immediate impact on the County's budget. However, if the FRS Plaintiffs are ultimately successful on appeal, the impact to the County's finances could be substantial given the current State economy.

SB 2100 makes other changes to the FRS that only apply to employees who initially enroll on or after July 1, 2011, including: (1) the average final compensation upon which retirement benefits are calculated will be based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement; (2) the DROP is maintained but the interest accrual rate will be reduced from 6.5% to 1.3%; (3) the normal retirement age is increased from 62 to 65; and (4) the years of creditable service is increased from 30 to 33 and the vesting period is increased to eight years (formerly six). The litigation referenced above did not challenge these changes.

Other Postemployment Benefit Plans

The County has two single employer defined benefit healthcare plans, the County plan and the Broward Sheriff's Office plan. The County plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The Broward Sheriff's Office plan provides postemployment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. The provisions of the plan for the Broward Sheriff's Office may be amended through negotiations between the Broward Sheriff's Office and its employee bargaining units. The plans have no assets and do not issue separate financial reports.

In accordance with Section 112.0801, Florida Statutes, because the County provides medical plans to employees of the County and their eligible dependents, the County is required to provide retirees the opportunity to participate in the group employee health plan. Retired employees have the option of continuing the same type of medical, including prescription drug benefits, and dental insurance coverage available to them while they were employed with the County (the "Plan"). The County provides other post-employment benefits ("OPEB") for certain of its retired employees in the form of an implicit rate subsidy by providing access to health insurance plans. The cost of the premiums is paid totally by the retirees. As with all governmental entities of similar size providing similar plans, the County was required to comply with the Governmental Accounting Standards Board's Statement No. 45 – Accounting and Financial Reporting by Employees for Post-employment Benefit Plans other than Pension Plans (GASB 45) no later than its fiscal year ended September 30, 2008. Similar to most other jurisdictions, the County has historically accounted for the annual premiums associated with its Plan as part of its annual budget on a pay as you go basis. GASB 45 applies accounting methodology similar to that used for pension liabilities (GASB 27) to OPEB and attempts to more fully disclose the costs of employment by requiring governmental units to include future OPEB costs in their financial statements. While GASB 45 requires recognition and disclosure of the unfunded OPEB liability, there is no requirement that the liability of such Plan be funded.

The calculation for the fiscal year ended September 30, 2011 produced an unfunded obligation of \$43,582,000 for County employees and \$251,707,000 for Broward Sherriff's Office employees, and an annual required contribution of \$4,399,000 for County employees and \$21,551,000 for Broward Sherriff's Office employees, respectively. The County implemented GASB 45 in fiscal year 2008; however, it does not intend to fund the "unfunded obligation." See "APPENDIX B – General Purpose Financial Statements of Broward County, Florida for the Fiscal Year Ended September 30, 2011."

APPENDIX B

**GENERAL PURPOSE FINANCIAL STATEMENTS OF THE COUNTY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

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REPORT OF INDEPENDENT AUDITORS

Board of County Commissioners
 Broward County, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Broward County, Florida (the County), as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of (1) Clerk of Circuit and County Courts (a discretely presented component unit), (2) Broward County Health Facilities Authority (a discretely presented component unit), (3) Broward County Housing Finance Authority (a discretely presented component unit), (4) Broward County Aviation Department (a major enterprise fund), (5) Broward County Water and Wastewater Services (a major enterprise fund), (6) Property Appraiser Operations Fund (a nonmajor governmental fund), and (7) Broward County Supervisor of Elections (a nonmajor governmental fund), which represent the percentages of assets, net assets/fund balances, and revenues listed below:

	Assets	Net Assets/Fund Balances	Revenues
Governmental Activities:			
Property Appraiser Operations Fund	0.07%	0.10%	1.15%
Broward County Supervisor of Elections	0.06%	0.00%	0.74%
	0.13%	0.10%	1.89%
Business-type Activities:			
Broward County Aviation Department	50.82%	52.10%	41.78%
Broward County Water and Wastewater Services	22.41%	16.75%	19.26%
	73.23%	68.85%	61.04%
Discretely Presented Component Units:			
Clerk of Circuit and County Courts	47.32%	31.41%	97.25%
Broward County Health Facilities Authority	0.40%	0.38%	0.18%
Broward County Housing Finance Authority	52.28%	68.21%	2.57%
	100.00%	100.00%	100.00%
Major Funds:			
Broward County Aviation Department	100.00%	100.00%	100.00%
Broward County Water and Wastewater Services	100.00%	100.00%	100.00%
Aggregate Remaining Fund Information:			
Property Appraiser Operations Fund	0.34%	0.57%	6.49%
Broward County Supervisor of Elections	0.27%	0.00%	4.19%
	0.61%	0.57%	10.68%

(Continued)

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

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 to the financial statements, the County restated beginning fund balances to correct the classification of certain funds that were improperly classified as special revenue funds in its previously issued financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2012 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, budgetary comparison information, and schedule of funding progress on pages 12 through 17, 62 through 65, and 66, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Board of County Commissioners
Broward County, Florida

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental financial schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules, and supplemental financial schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Crowe Horwath LLP".

Crowe Horwath LLP

Fort Lauderdale, Florida
March 9, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2011

The management of Broward County offers this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2011. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our Letter of Transmittal.

FINANCIAL HIGHLIGHTS

The following are key financial highlights for the fiscal year:

- The assets of the County exceeded its liabilities at September 30, 2011 by \$ 4.8 billion (net assets). Of this amount, \$836 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$52 million: \$77 million from business-type activities which was partially offset by a \$25 million decrease in net assets of governmental activities.
- As of September 30, 2011, the County's governmental funds reported combined ending fund balances of \$1.3 billion, a decrease of \$76 million from the prior year.
- At September 30, 2011, unassigned fund balance for the General Fund was \$102 million, or 9.8% percent of total general fund expenditures and transfers out.
- The County's total bonded debt decreased by \$135 million or 5.9% percent during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements contain three components: government-wide financial statements; fund financial statements; and notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of Broward County's finances, in a manner similar to a private sector business.

The statement of net assets presents information on all of Broward County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Broward County is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, transportation, human services, culture and recreation, physical environment, and economic environment. The business-type activities of the County include water and wastewater, resource recovery, aviation, and a seaport.

The government-wide financial statements include not only the County itself, but also the Housing Finance Authority, the Health Facilities Authority, and the Clerk of the Courts, legally separate entities for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 19 and 20 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the County can be divided into three categories: governmental funds; proprietary funds; and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Broward County maintains 24 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Sheriff Contractual Services Fund, the Transportation Capital Projects Fund, and the Capital Outlay Reserve Fund, which are

considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund and the major special revenue fund to demonstrate compliance with these budgets.

Proprietary funds – The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its water and wastewater, resource recovery, aviation and seaport operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its self-insurance, vehicle fleet, and print shop operations. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for four proprietary operations, all of which are considered to be major funds of the County. Conversely, the three internal service

funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds and the non-major enterprise funds is provided in the form of combining statements in the *Other Supplementary Information* section of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

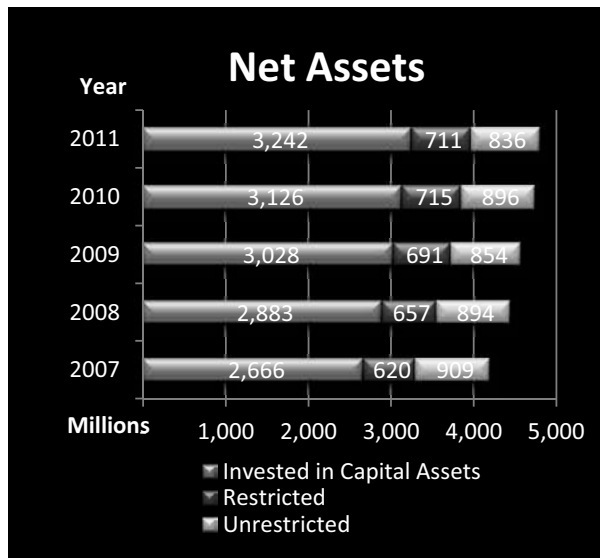
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the general and major special revenue funds. The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds and fiduciary funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$4.8 billion as of September 30, 2011.

Broward County's Net Assets As of September 30, 2011 and 2010 (In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 1,578,773	\$1,660,865	\$ 954,806	\$1,038,080	\$2,533,579	\$2,698,945
Capital assets	2,278,555	2,270,880	2,726,535	2,641,440	5,005,090	4,912,320
Total assets	3,857,328	3,931,745	3,681,341	3,679,520	7,538,669	7,611,265
Long-term debt outstanding	1,046,350	1,085,891	1,423,292	1,506,774	2,469,642	2,592,665
Other liabilities	147,709	157,948	132,239	123,843	279,948	281,791
Total liabilities	1,194,059	1,243,839	1,555,531	1,630,617	2,749,590	2,874,456
Net assets:						
Invested in capital assets, net of related debt	1,887,557	1,843,431	1,354,527	1,282,520	3,242,084	3,125,951
Restricted	298,836	302,833	411,764	412,477	710,600	715,310
Unrestricted	476,876	541,642	359,519	353,906	836,395	895,548
Total Net Assets	\$ 2,663,269	\$2,687,906	\$2,125,810	\$2,048,903	\$4,789,079	\$4,736,809



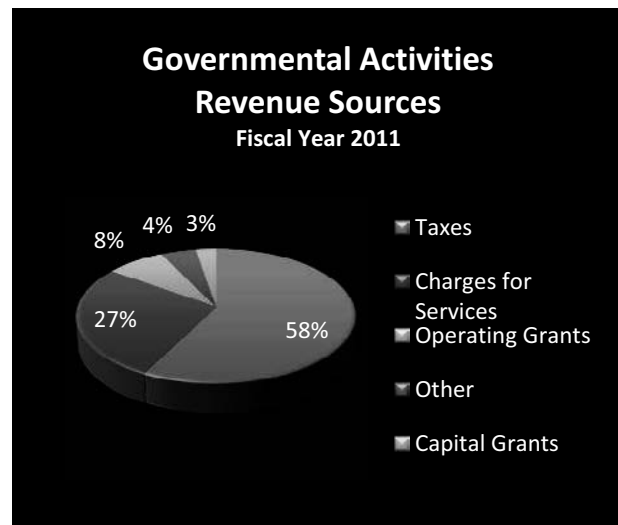
The largest portion of the County's net assets reflects its investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt used to acquire those assets still outstanding. These capital assets are used to provide services to citizens; consequently these assets are not available for future spending. It should also be noted that the resources required to repay the related debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets may be used to meet the County's ongoing obligations to citizens and creditors. As of September 30, 2011 the County reports positive balances in all three categories of net assets, both for the government as a whole as well as for its separate governmental and business-type activities.

Governmental and Business-type Activities

The County's governmental activities had net expenses of \$973 million before general revenues. However, these services are funded primarily from general taxes and other general revenues, which reduced net expenses to \$23 million before transfers. Key elements of this decrease are as follows: Charges for services revenues decreased by 1%, and Operating and Capital Grants revenues decreased by 6% and 13% respectively. Also, Property tax revenues decreased by 10.5% as unemployment remained high, credit remained tight, foreclosures continued to be high and property values fell.

The County's business-type activities had net revenue of \$70 million and increased net assets by \$77 million, with all major operations reporting net revenues for the year except Resource Recovery System.



Broward County's Net Assets
For the Years Ended September 30, 2011 and 2010
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues						
Charges for services	\$ 415,700	\$ 421,609	\$ 581,125	\$ 574,227	\$ 996,825	\$ 995,836
Operating grants and contributions	118,750	126,471		1,813	118,750	128,284
Capital grants and contributions	41,152	47,496	38,571	43,064	79,723	90,560
General revenues						
Property taxes	688,641	769,207			688,641	769,207
Other taxes	190,587	185,623			190,587	185,623
Other	70,691	69,613	5,695	8,255	76,386	77,868
Total revenues	1,525,521	1,620,019	625,391	627,359	2,150,912	2,247,378
Expenses						
General government	189,850	203,699			189,850	203,699
Public safety	25,905	24,115			25,905	24,115
Transportation	188,116	173,169			188,116	173,169
Human services	135,480	141,203			135,480	141,203
Culture and recreation	156,814	144,700			156,814	144,700
Physical environment	38,496	21,305			38,496	21,305
Economic environment	32,368	32,244			32,368	32,244
Sheriff	714,365	736,512			714,365	736,512
Property Appraiser	17,716	18,150			17,716	18,150
Supervisor of Elections	11,303	12,173			11,303	12,173
Interest on long-term debt	38,442	28,983			38,442	28,983
Aviation			205,210	209,987	205,210	209,987
Port Everglades			116,499	111,863	116,499	111,863
Water and wastewater			112,002	115,647	112,002	115,647
Resource recovery system			111,619	102,757	111,619	102,757
Solid waste			938	2,738	938	2,738
Unincorporated area waste			2,020	2,023	2,020	2,023
Water management			1,499	1,283	1,499	1,283
Total expenses	1,548,855	1,536,253	549,787	546,298	2,098,642	2,082,551
Increase in net assets						
before transfers	(23,334)	83,766	75,604	81,061	52,270	164,827
Transfers	(1,303)	(1,466)	1,303	1,466		
Increase in net assets	(24,637)	82,300	76,907	82,527	52,270	164,827
Net assets - Beginning	2,687,906	2,605,606	2,048,903	1,966,376	4,736,809	4,571,982
Net assets - Ending	\$ 2,663,269	\$ 2,687,906	\$ 2,125,810	\$ 2,048,903	\$ 4,789,079	\$ 4,736,809

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to insure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund

balance may serve as a useful measure of a government's net resources available for spending at the end of its fiscal year.

At September 30, 2011, the County's governmental funds reported combined ending fund balances of \$1,302 million, a decrease of \$76 million from the prior year. This decrease resulted from the decrease of the Capital Outlay Reserve of \$44 million, which is primarily due to the fact that property taxes and interest revenues decreased and the expenditures of various capital improvement projects were funded by prior year fund balance, and a general decrease in the fund balance of Other Governmental Funds.

Approximately 1% (\$11 million) of the combined fund balance is nonspendable, 45% (\$583 million) is restricted, 33% (\$435 million) is Committed, 13% (\$174 million) is Assigned and 8% (\$99 million) is unassigned and available for spending at the government's discretion.

The General Fund is the chief operating fund of the County. At September 30, 2011, the unassigned fund balance of the General Fund was \$102 million and the total fund balance was \$357 million. As a measure of the General Fund's liquidity, the total fund balance represents approximately 34% percent of total General Fund expenditures and transfers out.

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail.

Aviation operating revenues decreased \$3.9 million or 2.1%. Unrestricted net assets of the Aviation Department were \$66 million at September 30, 2011.

Port Everglades operating revenues increased \$14.5 million or approximately 11.7% due primarily to cruise revenues. Unrestricted net assets of the Port Everglades Fund were \$210 million at September 30, 2011.

Water and Wastewater System operating revenues increased \$4.4 million or 4.1% due to general growth in system usage and to rate increases. Unrestricted net assets of the Water and Wastewater System were \$34 million at September 30, 2011.

Resource Recovery System operating revenues decreased by \$5.8 million or 5.6% due primarily to lower tipping fees. Unrestricted net assets of the Resource Recovery System were \$46 million at September 30, 2011.

BUDGETARY HIGHLIGHTS

Budget and actual comparison schedules are provided in *Required Supplementary Information* for the General Fund and all major special revenue funds. Budget and actual comparison schedules are also provided in the Combining and Individual Fund Statements and Schedules for all nonmajor funds with annually appropriated budgets. The budget and actual comparison schedules show the original adopted budgets, the final revised budget, actual results, and variance between the final budget and actual results for the General Fund and major special revenue funds. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, new bond or loan proceeds, new grant awards, or other unanticipated revenues.

Differences between the original budget and the final amended budget for the General Fund were relatively minor and can be summarized as follows:

- Revenue increased \$6.5 million or .6% primarily due to increases in Fines and Forfeitures.
- Expenditures were increased \$88.9 million or 8.4% due primarily to increases in Property Appraiser, Sheriff and Public Works.

- Operating transfers in were increased \$7.3 million or 11.2%
- Operating transfers out were increased \$2.7 million or 10.6% due to increased expected transfers to other funds.

General Fund actual total revenues were \$1.007 billion or 100.6% of the final budget amount. Total expenditures of \$1.02 billion were 89% of the final budget as several functional areas were under budget due to reductions of general spending. Net transfers in were \$47.4 million or 107% of the budget. Revenues exceeded expenditures and transfers, resulting in an increase in the General Fund balance of \$31.8 million, which compared to a budgeted decrease of \$100 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2011 amounted to \$5 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, parks, roads, highways, and bridges. The total increase in the County's investment in capital assets for the current fiscal year was 1.9%.

Major capital asset events during the fiscal year included the following:

- Road improvement of Pine Island Road from Oakland Park Boulevard to Commercial Boulevard (\$1.5 million)
- Road improvement of NW 21 Avenue from NW 19th Street to Oakland Park Boulevard (\$1.6 million)
- Improvements to the County's parks system (\$1.2 million)
- Completion of the Central County Neighborhood Improvement Program for improvements to roadways, water, sewer, drainage, sidewalks, and landscaping (\$63 million)

Broward County's Capital Assets (In Thousands)

(net of depreciation)

September 30, 2011

	Governmental Activities	Business-type Activities	Total 2011	Total 2010
Land	\$ 400,070	\$ 346,072	\$ 746,142	\$ 745,638
Landfill		39,760	39,760	40,245
Property held for leasing		195,970	195,970	183,939
Buildings	690,282	783,213	1,473,495	1,528,267
Improvements	838,260	486,416	1,324,676	1,237,982
Equipment	177,868	595,373	773,241	786,941
Construction in progress	172,075	279,731	451,806	389,308
Total	\$ 2,278,555	\$ 2,726,535	\$ 5,005,090	\$ 4,912,320

Additional information on the County's capital assets can be found in Note 3 to the financial statements.

Long-Term Debt

At September 30, 2011, the County had total bonded debt outstanding of \$2.2 billion, a 5.9% decrease from the prior year. Of

this amount, \$356 million comprises debt backed by the full faith and credit of the government, \$375 million is special obligation debt secured by dedicated revenue sources, \$30 million is loans payable and other obligations, and \$1.4 billion is secured solely by specified revenue sources (i.e. revenue bonds).

Broward County's Outstanding Debt (In thousands)
September 30, 2011

	Governmental Activities	Business-type Activities	Total 2011	Total 2010
General Obligation Bonds	\$ 356,215		\$ 356,215	\$ 393,665
Special Obligation Bonds	374,980		374,980	383,080
Loans Payable and Other Obligations	27,205	\$ 2,766	29,971	43,991
Revenue Bonds		1,390,050	1,390,050	1,465,695
Total	\$ 758,400	\$ 1,392,816	\$ 2,151,216	\$ 2,286,431

The County's outstanding bonded indebtedness decreased by \$135 million during the year. The County continues to meet its financial needs through prudent use of its revenues and creative debt financing programs. The County's financial strength and sound financial management practices are reflected in its general obligation bond investment ratings, which are among the highest levels attained by Florida counties:

Aaa Moody's Investor Services
AA+ Standard & Poor's Corporation
AAA Fitch IBCA, Inc.

The County's required Annual Disclosure Statement may be found on line at www.broward.org/finance. This disclosure report details and updates certain statistics and financial performance which form the basis for the security for the County's indebtedness. Additional information on the County's long-term debt can be found in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local, national and international economic factors influence the County's revenues. Positive economic growth is correlated with increased revenues from property taxes, sales taxes, charges for services, as well as state and federal grants. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, new construction, assessed valuation, and Enterprise Fund revenues.

- The unemployment rate for the County at the end of September was 9.3%, lower than the rate for the State of Florida (10.6%) and higher than that of the nation (9.0%).
- Tourist visitors during 2011 were 11 million, a new record and an increase of 700,000 compared with 2010
- Net assessed value of real and personal property within the County decreased 11.1%.
- Inflation in the region remains at a relatively low level.

All of these factors were considered in preparing the County's

budget for the 2012 fiscal year. Although the County's property tax millage rate remained the same, efficiencies resulted in cost reductions and some revenue increases helped fund expanded facilities and certain program expansions designed to address Commission goals.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Accounting Division Director
115 S. Andrews Avenue, Room 221
Fort Lauderdale, FL 33301

Basic Financial Statements

Spotlight on: Environmental Protection

Maribel Feliciano
Natural Resources Specialist
Pollution Prevention Remediation
and Air Quality Division



Maribel Feliciano from Pollution Prevention Remediation and Air Quality Division recently received the U.S. Department of Energy Florida Gold Coast Clean Cities Community Involvement Award.

She was recognized for her “exemplary commitment to alternative fuels education and outreach in the South Florida region.” As Chair of the Gold Coast Clean Cities Education and Outreach Committee, Maribel develops and coordinates educational events, materials and programs to promote the use of alternative fuels and vehicles to Clean Cities Coalition members, stakeholders, municipalities and residents. She was able to secure funding to hire a Clean Cities Intern through the U.S. Department of Energy, in order to further education and outreach efforts. The award recognizes her leadership in promoting the use of alternative fuel vehicles within the region.



STATEMENT OF NET ASSETS

September 30, 2011
(In Thousands)

	<i>Primary Government</i>			<i>Component Units</i>
	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Total</i>	
ASSETS				
Cash and Cash Equivalents	\$ 478,200	\$ 111,854	\$ 590,054	\$ 3,743
Investments	947,832	290,423	1,238,255	10,448
Receivables (Net)	17,094	39,494	56,588	3,984
Delinquent Taxes Receivable (Net)	5,823		5,823	
Internal Balances	30,940	(30,940)		
Due from Primary Government				166
Due from Other Governments (Net)	78,421	8,285	86,706	105
Inventories	10,724	13,022	23,746	
Prepaid Expenses	1,480		1,480	
Advance to Component Unit	883		883	
Other Current Assets	1,749	18,032	19,781	304
Restricted Assets:				
Cash and Cash Equivalents		101,284	101,284	856
Investments		384,694	384,694	
Deferred Swap Outflow		5,752	5,752	
Deferred Charges	5,627	12,906	18,533	
Capital Assets:				
Non-depreciable	572,145	625,803	1,197,948	653
Depreciable (Net)	1,706,410	2,100,732	3,807,142	5,786
Total Assets	3,857,328	3,681,341	7,538,669	26,045
LIABILITIES				
Accounts Payable	41,601	28,160	69,761	627
Accrued Liabilities	34,693	8,150	42,843	2,450
Accrued Interest Payable	11,601		11,601	
Due to Component Unit	166		166	
Due to Other Governments	9,779	7,100	16,879	36
Escrow Deposits	13,575		13,575	228
Unearned Revenues	36,294	17,898	54,192	737
Other Current Liabilities		4,510	4,510	
Liabilities Payable from Restricted Assets		60,669	60,669	
Advance from Primary Government				883
Fair Value of Interest Rate Swap		5,752	5,752	
Non-current Liabilities:				
Due Within One Year	96,667	81,352	178,019	746
Due in More Than One Year	949,683	1,341,940	2,291,623	2,368
Total Liabilities	1,194,059	1,555,531	2,749,590	8,075
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	1,887,557	1,354,527	3,242,084	5,984
Restricted for:				
Capital Projects	203,106	158,223	361,329	
Debt Service	14,867	98,867	113,734	
Transportation	23,485		23,485	
E-911	22,699		22,699	
Court Fee Funds	25,667		25,667	
Equipment Modernization	1,453		1,453	
Sheriff Special Revenue Funds	7,559		7,559	
Passenger Facility Charges		103,427	103,427	
Landfill Closure		28,681	28,681	
Revenue Bonds Renewal and Replacement		22,566	22,566	
Other				2,171
Unrestricted	476,876	359,519	836,395	9,815
Total Net Assets	\$2,663,269	\$2,125,810	\$4,789,079	\$17,970

See accompanying notes

STATEMENT OF ACTIVITIES

for the fiscal year ended September 30, 2011
(In Thousands)

					Net (Expenses) Revenue and Changes in Net Assets			
Program Revenues					Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
Activities:								
Primary Government:								
Governmental Activities:								
General Government	\$ 189,850	\$ 48,395		\$ 2,910	\$(138,545)		\$(138,545)	
Public Safety	25,905	11,737	\$ 10,886		(3,282)		(3,282)	
Transportation	188,116	40,246	14,160	35,216	(98,494)		(98,494)	
Human Services	135,480	3,437	47,832		(84,211)		(84,211)	
Culture and Recreation	156,814	19,363	4,301	300	(132,850)		(132,850)	
Physical Environment	38,496	7,229	2,983	2,726	(25,558)		(25,558)	
Economic Environment	32,368	3,241	15,910		(13,217)		(13,217)	
Sheriff	714,365	278,669	22,675		(413,021)		(413,021)	
Property Appraiser	17,716	2,882			(14,834)		(14,834)	
Supervisor of Elections	11,303	501	3		(10,799)		(10,799)	
Interest on Long-term Debt	38,442				(38,442)		(38,442)	
Total Governmental Activities	1,548,855	415,700	118,750	41,152	(973,253)		(973,253)	
Business-type Activities:								
Aviation	205,210	227,721		31,212		\$ 53,723	53,723	
Port Everglades	116,499	139,177		3,423		26,101	26,101	
Water and Wastewater	112,002	114,051		3,936		5,985	5,985	
Resource Recovery System	111,619	97,465				(14,154)	(14,154)	
Solid Waste	938	715				(223)	(223)	
Unincorporated Area Waste	2,020	1,501				(519)	(519)	
Water Management	1,499	495				(1,004)	(1,004)	
Total Business-type Activities	549,787	581,125		38,571		69,909	69,909	
Total Primary Government	\$2,098,642	\$996,825	\$118,750	\$79,723	(973,253)	69,909	(903,344)	
Component Units:								
Clerk of Courts	\$ 45,700	\$ 45,150						\$(550)
Housing Finance Authority	1,355	1,015						(340)
Health Facilities Authority	40	83						43
Total Component Units	\$ 47,095	\$ 46,248						(847)
General Revenues:								
Taxes:								
Property Taxes					688,641		688,641	
One-Half Cent Sales Tax					62,035		62,035	
Gasoline Taxes					82,974		82,974	
Other					45,578		45,578	
Revenue Sharing - Unrestricted					35,503		35,503	
Interest Income					17,064	5,695	22,759	179
Miscellaneous					18,124		18,124	
Transfers					(1,303)	1,303		
Total General Revenues and Transfers					948,616	6,998	955,614	179
Change in Net Assets					(24,637)	76,907	52,270	(668)
Net Assets - Beginning					2,687,906	2,048,903	4,736,809	18,638
Net Assets - Ending					\$2,663,269	\$2,125,810	\$4,789,079	\$17,970

See accompanying notes.

BALANCE SHEET

Governmental Funds

September 30, 2011

(In Thousands)

	MAJOR FUNDS					
	General Fund	Sheriff Contractual Services	Transportation Capital Projects	Capital Outlay Reserve	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$67,904		\$ 18,759	\$ 62,912	\$307,946	\$ 457,521
Investments	301,157		131,664	279,365	145,387	857,573
Receivables (Net):						
Accounts	2,771	\$ 141				2,912
Other	4,983		39	2,099	7,005	14,126
Delinquent Taxes Receivable (Net)	5,292	16		147	368	5,823
Due from Other County Funds	12,041	3,351	9,887	20	730	26,029
Due from Other Governments (Net)	42,325	2,457	15,780	5	17,786	78,353
Inventories	7,767		2,004			9,771
Other Assets	524		1,146		12	1,682
Advances to Component Unit	455			428		883
Total Assets	\$445,219	\$ 5,965	\$179,279	\$344,976	\$479,234	\$1,454,673
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 29,877		\$ 3,570	\$ 3,545	\$ 3,592	\$ 40,584
Accrued Liabilities	20,107		2,267	1,395	4,059	27,828
Due to Other County Funds	772	\$ 8,830			13,078	22,680
Due to Component Unit	166					166
Due to Other Governments	9,482				297	9,779
Escrow Deposits	7,203		6,360		12	13,575
Deferred Revenues	20,867	69	39	147	16,454	37,576
Total Liabilities	88,474	8,899	12,236	5,087	37,492	152,188
Fund Balances:						
Nonspendable	9,295		2,004		12	11,311
Restricted	49,819		157,102	7,001	368,910	582,832
Committed	30,859		7,937	332,888	62,928	434,612
Assigned	164,395				9,912	174,307
Unassigned	102,377	(2,934)			(20)	99,423
Total Fund Balances	356,745	(2,934)	167,043	339,889	441,742	1,302,485
Total Liabilities and Fund Balances	\$445,219	\$ 5,965	\$179,279	\$344,976	\$479,234	\$1,454,673

See accompanying notes.

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

September 30, 2011
(In Thousands)

Fund balances - total governmental funds \$ 1,302,485

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

	Asset Cost	Accumulated Depreciation	Net	
Land	\$ 400,070		\$ 400,070	
Construction in Progress	172,075		172,075	
Buildings	1,002,623	\$ (312,341)	690,282	
Improvements	1,182,686	(344,426)	838,260	
Equipment	698,364	(521,572)	176,792	2,277,479

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds. 9,501

Certain assets reported in governmental activities are not financial resources and therefore are not reported in governmental funds.

Prepaid expenses	\$ 1,480	
Deferred charges - unamortized bond issuance costs	5,627	7,107

Some liabilities applicable to the County's governmental activities are not due and payable in the current period and are not reported as fund liabilities.

General obligation bonds	\$ (356,215)	
Special obligation bonds	(374,980)	
Loans payable and other obligations	(27,205)	
Discount/(premium) and deferred on refunding	(18,720)	
Compensated absences	(101,038)	
Postemployment benefits other than pension	(68,565)	
Accrued interest payable	(11,601)	(958,324)

Internal service funds are used by management to charge the costs of self-insurance, printing and fleet services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 25,021

Total net assets of governmental activities \$ 2,663,269

See accompanying notes.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)

Governmental Funds

for the fiscal year ended September 30, 2011

(In Thousands)

	MAJOR FUNDS					Total Governmental Funds
	General Fund	Sheriff Contractual Services	Transportation Capital Projects	Capital Outlay Reserve	Other Governmental Funds	
Revenues:						
Taxes (Net of Discounts)	\$ 627,517	\$ 2,017	\$ 60,623	\$ 7,823	\$ 56,984	\$ 754,964
Special Assessment/Impact Fees	1	1,090	3,235	554		4,880
Licenses and Permits	16,067		488		825	17,380
Federal Grants	61,667				59,066	120,733
State Revenues:						
Revenue Sharing	35,503					35,503
Grants	27,602		1,057		3,704	32,363
Licenses			388	448		836
Gasoline Taxes			22,351			22,351
Tourist Tax	40,630					40,630
One-Half Cent Sales Tax	48,474	484	13,077			62,035
Other	2,000				4,508	6,508
Charges for Services	104,496	242,759	3,738	109	1,928	353,030
Fines and Forfeitures	14,143				9,686	23,829
Interest Income	8,159		1,640	3,436	2,599	15,834
Miscellaneous	20,858	2,109	1,985	293	8,922	34,167
Total Revenues	1,007,117	248,459	108,582	12,663	148,222	1,525,043
Expenditures:						
Current:						
General Government	192,909					192,909
Public Safety	418,247	242,597			40,242	701,086
Transportation	119,189					119,189
Human Services	134,319					134,319
Culture and Recreation	123,417					123,417
Physical Environment	13,168				3,023	16,191
Economic Environment	21,427				4,024	25,451
Capital Outlay		2,850	51,107	48,730	92,309	194,996
Debt Service:						
Principal Retirement					54,770	54,770
Interest and Fiscal Charges	2				37,473	37,475
Bond and Loan Issuance Costs					2	2
Total Expenditures	1,022,678	245,447	51,107	48,730	231,843	1,599,805
Excess of Revenues Over (Under) Expenditures	(15,561)	3,012	57,475	(36,067)	(83,621)	(74,762)
Other Financing Sources (Uses):						
Transfers In	74,335	3,026	10,361	493	43,170	131,385
Transfers Out	(26,926)	(10,077)	(60,782)	(8,375)	(26,528)	(132,688)
Total Other Financing Sources (Uses)	47,409	(7,051)	(50,421)	(7,882)	16,642	(1,303)
Net Change in Fund Balances	31,848	(4,039)	7,054	(43,949)	(66,979)	(76,065)
Fund Balances, October 1, as Restated	325,289	1,105	159,553	383,838	508,721	1,378,506
Changes in Fund Balance for Inventory and Prepaids	(392)		436			44
Fund Balances (Deficit), September 30	\$ 356,745	\$(2,934)	\$167,043	\$339,889	\$441,742	\$1,302,485

See accompanying notes.

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) TO THE STATEMENT OF ACTIVITIES

for the fiscal year ended September 30, 2011
(In Thousands)

Net change in fund balances - total governmental funds	\$ (76,065)	
Changes in fund balance for inventory and prepaids	44	(76,021)
Total change in net assets reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the statement of activities, the loss on disposed capital assets is reported.		
Expenditures for capital assets	144,681	
Current year depreciation	(135,015)	
Loss on disposition of assets	(1,477)	8,189
Some of the revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
		(752)
Bond and loan proceeds provide current financing resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of principal is an expenditure in the governmental funds but reduces the long-term liability in the statement of net assets.		
Principal payment		54,770
Governmental funds report bond and loan issuance costs as expenditures. However, these amounts are reported on the statement of net assets as deferred charges and amortized over the life of the debt.		
Bond issuance costs	2	
Amortization of bond and loan issuance costs	(525)	(523)
Governmental funds report operating leases as expenditures. However, these amounts are reported on the statement of net assets as prepaid expenses and amortized over the life of the lease.		
Amortization of prepaid rent		(45)
Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as expenditures in governmental funds. These expenses are:		
Change in compensated absences	4,063	
Change in postemployment benefits other than pension	(15,619)	
Change in accrued interest payable	(2,668)	
Change in arbitrage rebate payable	54	
Amortization of debt discount and premium	3,230	
Amortization of refunding difference	(1,680)	(12,620)
The net revenue of certain activities of internal service funds is reported with governmental activities on the statement of activities.		2,365
Change in net assets of governmental activities	\$ (24,637)	

See accompanying notes.

PROPRIETARY FUNDS

Statement of Net Assets

September 30, 2011

(In Thousands)

	Aviation	Port Everglades	Water and Wastewater	Resource Recovery System	Other Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 33,179	\$ 13,945	\$ 41,847	\$ 11,479	\$11,404	\$ 111,854	\$ 20,679
Investments	38,949	192,508		58,881	85	290,423	90,259
Accounts Receivable (Net)	11,142	5,350	12,764	10,219	19	39,494	56
Due from Other County Funds					275	275	21,357
Due from Other Governments (Net)	7,526	744			15	8,285	68
Inventories	389	5,384	7,121		128	13,022	953
Other Current Assets	14,267	3,062	703			18,032	67
Total Current Assets	105,452	220,993	62,435	80,579	11,926	481,385	133,439
Noncurrent Assets:							
Restricted Assets:							
Cash and Cash Equivalents	71,787	16,778	12,719			101,284	
Investments	286,238	13,966	51,314	31,994	1,182	384,694	
Deferred Swap Outflow			5,752			5,752	
Deferred Charges	7,400	3,040	2,466			12,906	
Capital Assets:							
Land	282,797	56,754	4,901		1,620	346,072	
Construction in Progress	142,041	29,426	108,117	147		279,731	
Landfill (Net)				39,760		39,760	
Property Held for Leasing (Net)		195,970				195,970	
Buildings (Net)	553,535	144,868	83,907	887	16	783,213	
Improvements (Net)	411,968	61,365		12,797	286	486,416	
Equipment (Net)	9,662	84,906	499,034	1,681	90	595,373	1,076
Total Noncurrent Assets	1,765,428	612,825	762,458	87,266	3,194	3,231,171	1,076
Total Assets	1,870,880	833,818	824,893	167,845	15,120	3,712,556	134,515
LIABILITIES							
Current Liabilities:							
Accounts Payable	3,041	8,168	4,974	11,800	177	28,160	1,017
Accrued Liabilities	3,990	2,647	6,275	560	129	13,601	7,324
Due to Other County Funds	3,196	155	21,355	275		24,981	
Due to Other Governments	351	1,119	2,177	3,422	31	7,100	
Unearned Revenues	17,898					17,898	8,219
Other Current Liabilities	4,187		12	311		4,510	27,360
Total Current Liabilities	32,663	12,089	34,793	16,368	337	96,250	43,920
Noncurrent Liabilities:							
Liabilities Payable from Restricted Assets	88,113	19,689	28,473		295	136,570	
Revenue Bonds and Loans Payable							
Long-Term (Net)	639,295	267,807	402,623			1,309,725	
Other Long-Term Liabilities	3,358	1,710	2,957	23,191	999	32,215	71,808
Fair Value of Interest Rate Swap		5,752				5,752	
Total Noncurrent Liabilities	730,766	294,958	434,053	23,191	1,294	1,484,262	71,808
Total Liabilities	763,429	307,047	468,846	39,559	1,631	1,580,512	115,728
NET ASSETS							
Invested in Capital Assets, Net of Related Debt	732,753	287,782	276,709	55,271	2,012	1,354,527	1,076
Restricted for:							
Capital Projects	158,047	176				158,223	
Debt Service	46,933	11,824	40,110			98,867	
Passenger Facility Charges	103,427					103,427	
Landfill Closure				27,499	1,182	28,681	
Revenue Bonds Renewal and Replacement		16,966	5,600			22,566	
Unrestricted	66,291	210,023	33,628	45,516	10,295	365,753	17,711
Total Net Assets	\$1,107,451	\$526,771	\$356,047	\$128,286	\$13,489	2,132,044	\$ 18,787
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities						(6,234)	
Net assets of business-type activities						\$2,125,810	

See accompanying notes.

PROPRIETARY FUNDS

Statement of Revenues, Expenses and Changes in Fund Net Assets

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Aviation</i>	<i>Port Everglades</i>	<i>Water and Wastewater</i>	<i>Resource Recovery System</i>	<i>Other Nonmajor Enterprise Funds</i>	<i>Total</i>	<i>Internal Service Funds</i>
Operating Revenues:							
Concessions	\$ 47,915					\$ 47,915	
Parking Fees	38,710	\$ 8,173				46,883	
Terminal Rentals	39,050					39,050	
Airfield Fees	14,177					14,177	
Building and Ground Rentals	12,513	10,409				22,922	
Vessel and Cargo Services		118,453				118,453	
Wastewater Treatment Charges			\$ 64,843			64,843	
Water Sales			45,114			45,114	
Tipping Fees				\$ 93,519		93,519	
Recycling				3,561	\$ 172	3,733	
Customer Facility Charges	25,148					25,148	
Assessments					1,207	1,207	
Miscellaneous	1,845	2,142	4,094	385	1,332	9,798	\$116,121
Total Operating Revenues	179,358	139,177	114,051	97,465	2,711	532,762	116,121
Operating Expenses:							
Personal Services	31,360	17,943	24,664	4,418	2,203	80,588	7,042
General Operating	83,981	56,239	39,279	96,886	2,368	278,753	108,763
Depreciation	52,497	25,363	30,975	1,716	85	110,636	652
Total Operating Expenses	167,838	99,545	94,918	103,020	4,656	469,977	116,457
Operating Income (Loss)	11,520	39,632	19,133	(5,555)	(1,945)	62,785	(336)
Non-Operating Revenues (Expenses):							
Interest Income	2,323	830	1,570	862	110	5,695	1,230
Interest Expense	(36,689)	(15,778)	(17,608)	(207)		(70,282)	
Gain (Loss) on Sale of Capital Assets	12	27	25	196		260	45
Passenger Facility Charges	48,363					48,363	
Other	(547)	(1,109)	557	(8,585)	199	(9,485)	1,123
Total Non-Operating Revenues (Expenses)	13,462	(16,030)	(15,456)	(7,734)	309	(25,449)	2,398
Income (Loss) Before Capital Contributions and Transfers	24,982	23,602	3,677	(13,289)	(1,636)	37,336	2,062
Capital Contributions	31,212	3,423	3,936			38,571	
Transfers In				287	1,853	2,140	
Transfers Out				(550)	(287)	(837)	
Change in Net Assets	56,194	27,025	7,613	(13,552)	(70)	77,210	2,062
Total Net Assets, October 1	1,051,257	499,746	348,434	141,838	13,559		16,725
Total Net Assets, September 30	\$1,107,451	\$526,771	\$356,047	\$128,286	\$13,489		\$ 18,787
Adjustment to reflect the allocation of internal service fund change in fund net assets to business-type activities						(303)	
Change in fund net assets of business-type activities						\$76,907	

See accompanying notes

PROPRIETARY FUNDS

Statement of Cash Flows

for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Aviation</i>	<i>Port Everglades</i>	<i>Water and Wastewater</i>	<i>Resource Recovery System</i>	<i>Other Nonmajor Enterprise Funds</i>	<i>Total</i>	<i>Internal Service Funds</i>
Cash Flows from Operating Activities:							
Cash Received from Customers	\$ 184,878	\$ 141,138	\$ 116,498	\$ 97,677	\$ 2,722	\$ 542,913	\$ 9,734
Cash Received for Premiums							94,558
Cash Payments to Suppliers for Goods and Services	(94,703)	(56,557)	(38,846)	(92,886)	(3,371)	(286,363)	(78,839)
Cash Payments to Employees for Services	(31,177)	(17,820)	(24,888)	(4,466)	(2,098)	(80,449)	(7,105)
Cash Payments for Claims							(24,930)
Other Cash Received		(253)		53	199	(1)	1,123
Other Cash Paid			853	(6,252)		(5,399)	
Net Cash Provided by (Used for) Operating Activities	58,998	66,508	53,617	(5,874)	(2,548)	170,701	(5,459)
Cash Flows from Noncapital Financing Activities:							
Transfers In				287	1,853	2,140	
Transfers Out				(550)	(287)	(837)	
Net Cash Provided by (Used for) Noncapital Financing Activities				(263)	1,566	1,303	
Cash Flows from Capital and Related Financing Activities:							
Acquisition and Construction of Capital Assets	(111,809)	(17,853)	(64,245)	(860)	(7)	(194,774)	(138)
Proceed from Internal Loan			21,355			21,355	
Proceeds from Sale of Capital Assets		27	25	244		296	45
Debt Principal Payments	(47,280)	(16,855)	(9,706)	(6,545)		(80,386)	
Interest and Fiscal Charges Paid	(37,764)	(15,195)	(17,752)	(228)		(70,939)	
Capital Contributions	37,922	3,692	2,384			43,998	
Receipt of Passenger Facility Charges	48,372					48,372	
Net Cash Used for Capital and Related Financing Activities	\$ (110,559)	\$ (46,184)	\$ (67,939)	\$ (7,389)	\$ (7)	\$ (232,078)	\$ (93)

(continued)

See accompanying notes.

PROPRIETARY FUNDS
Statement of Cash Flows, continued
for the fiscal year ended September 30, 2011
(In Thousands)

	Aviation	Port Everglades	Water and Wastewater	Resource Recovery System	Other Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash Flows from Investing Activities:							
Purchase of Investment Securities	\$ (302,505)	\$ (358,602)	\$ (102,646)	\$ (82,817)	\$ (208)	\$ (846,778)	\$ (96,251)
Proceeds from Sale and Maturities of Investment Securities	379,540	322,105	87,341	102,413	396	891,795	105,037
Interest and Dividends on Investments	2,323	882	1,569	847	110	5,731	1,230
Net Cash Provided by (Used for) Investing Activities	79,358	(35,615)	(13,736)	20,443	298	50,748	10,016
Net Increase (Decrease) in Cash and Cash Equivalents	27,797	(15,291)	(28,058)	6,917	(691)	(9,326)	4,464
Cash and Cash Equivalents, October 1	77,169	46,014	82,624	4,562	12,095	222,464	16,215
Cash and Cash Equivalents, Sept 30	\$ 104,966	\$ 30,723	\$ 54,566	\$ 11,479	\$ 11,404	\$ 213,138	\$ 20,679
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:							
Operating Income (Loss)	\$ 11,520	\$ 39,632	\$ 19,133	\$ (5,555)	\$ (1,945)	\$ 62,785	\$ (336)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:							
Depreciation Expense	52,497	25,363	30,975	1,716	85	110,636	652
Miscellaneous Non-Operating Revenue (Expense)	(547)	(253)	853	(7,971)	199	(7,719)	1,123
Decrease (Increase) in Assets:							
Accounts Receivable (Net)	375	1,943	2,014	212	11	4,555	68
Due from Other County Funds							(21,347)
Due from Other Governments (Net)					(275)	(275)	
Inventory	(11)	314	121		(27)	397	(171)
Other Current Assets	(6,878)	308	560			(6,010)	
Increase (Decrease) in Liabilities:							
Accounts Payable	(2,606)	485	(248)	3,514	(272)	873	(200)
Accrued Liabilities	(1,753)	3	128	85	3	(1,534)	9,453
Due to Other County Funds	1,316	(581)		275		1,010	
Due to Other Governments	(185)	(844)	228	2,276	31	1,506	
Unearned Revenue	6,762					6,762	
Other Current Liabilities	(1,366)			4		(1,362)	1,096
Noncurrent Liabilities	(126)	138	(147)	(430)	(358)	(923)	4,203
Total Adjustments	47,478	26,876	34,484	(319)	(603)	107,916	(5,123)
Net Cash Provided by (Used for) Operating Activities	\$ 58,998	\$ 66,508	\$ 53,617	\$ (5,874)	\$ (2,548)	\$ 170,701	\$ (5,459)
Noncash Investing, Capital and Financing Activities:							
Change in Fair Value of Investments	\$ 1,604	\$ 130	\$ 3,111	\$ 719	\$ 90	\$ 5,654	\$ 788
Capital Contributions			1,552			1,552	

See accompanying notes.

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

Agency Funds

September 30, 2011

(In Thousands)

	<i>Total</i>
ASSETS	
Cash and Cash Equivalents	\$ 12,217
Investments	34,647
Accounts Receivable (Net)	1,261
Delinquent Taxes Receivable (Net)	116,995
Due from Other Governments (Net)	318
Total Assets	\$165,438
LIABILITIES	
Accounts Payable	\$ 346
Due to Other Governments	11,866
Due to Individuals	4,885
Escrow Deposits	146,927
Evidence Seizures	1,414
Total Liabilities	\$165,438

See accompanying notes.

COMPONENT UNITS

Statement of Net Assets

September 30, 2011
(In Thousands)

	<i>Clerk of Courts</i>	<i>Housing Finance</i>	<i>Health Facilities</i>	<i>Total</i>
ASSETS				
Cash and Cash Equivalents	\$ 3,612	\$ 36	\$ 95	\$ 3,743
Investments		10,448		10,448
Receivables (Net)	2,514	1,470		3,984
Due from Primary Government	157		9	166
Due from Other Governments (Net)	105			105
Other Current Assets	304			304
Restricted Assets:				
Cash and Cash Equivalents	556	300		856
Capital Assets:				
Non-depreciable		653		653
Depreciable (Net)	5,077	709		5,786
Total Assets	12,325	13,616	104	26,045
LIABILITIES				
Accounts Payable	627			627
Accrued Liabilities	2,333	117		2,450
Due to Other Governments			36	36
Escrow Deposits		228		228
Unearned Revenue	737			737
Advance from Primary Government		883		883
Non-current Liabilities:				
Due Within One Year	616	130		746
Due in More Than One Year	2,368			2,368
Total Liabilities	6,681	1,358	36	8,075
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	5,077	907		5,984
Restricted for Other	2,171			2,171
Unrestricted	(1,604)	11,351	68	9,815
Total Net Assets	\$ 5,644	\$12,258	\$ 68	\$17,970

See accompanying notes

COMPONENT UNITS

Statement of Activities for the fiscal year ended September 30, 2011 (In Thousands)

	<i>Clerk of Courts</i>	<i>Housing Finance</i>	<i>Health Facilities</i>	<i>Total</i>
Program Expenses:				
Personal Services	\$37,334	\$ 752		\$38,086
Professional Fees		232	\$ 4	236
General Operating	5,913	295		6,208
Depreciation	2,453	54		2,507
Interest Expense		22		22
Payment to Primary Government Professional Fees			36	36
Total Program Expenses	45,700	1,355	40	47,095
Program Revenues:				
Charges for Services				
Court Related Revenues	42,837			42,837
Fines and Forfeitures	1			1
Recording Fees	2,312			2,312
Authority Fees		843	83	926
Rentals		117		117
Bond Issuance and Redemption Income		55		55
Total Program Revenues	45,150	1,015	83	46,248
Program Income (Loss)	(550)	(340)	43	(847)
General Revenues:				
Interest and Investment Income		178	1	179
Total General Revenues		178	1	179
Change in Net Assets	(550)	(162)	44	(668)
Net Assets - Beginning	6,194	12,420	24	18,638
Net Assets - Ending	\$ 5,644	\$12,258	\$68	\$17,970

See accompanying notes.

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NOTE I -SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Broward County, Florida (County) is a political subdivision of the State of Florida. It is guided by an elected Board of County Commissioners, which is governed by the Florida Statutes and a local County Charter. In addition there are four elected Constitutional Officers: the Clerk of the Circuit and County Courts (Clerk); Property Appraiser; Sheriff; and Supervisor of Elections. The Board of County Commissioners (BOCC), Property Appraiser, Sheriff, and Supervisor of Elections comprise the Broward County primary government.

The accompanying financial statements present the County (the primary government) and its component units. Component units are entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the County.

Blended Component Units

Water Control Districts are special taxing districts created to maintain and improve water resource and drainage programs in the County and are governed by a board comprised of the BOCC. The financial results of the four individual Water Control Districts (District No. 2, District No. 3, District No. 4 and Cocomar) are combined into one Special Revenue Fund to facilitate presentation.

The legal authority by which each of the following Water Districts was created and the financial statement requirements for them are as follows:

Broward County Water Control District No. 2 -

Section 298.01, F.S.; County Ord. No.79-93. The governing body is the Board of County Commissioners. Separate financial statements are not required or prepared.

Broward County Water Control District No. 3 -

Section 298.01, F.S.; County Ref. 4/15/69. The governing body is the Board of County Commissioners. Separate financial statements are not required or prepared.

Broward County Water Control District No. 4 -

Section 298.01, F.S.; County Ref. 3/29/66. The governing body is the Board of County Commissioners. Separate financial statements are not required or prepared.

Cocomar Water Control District -

Section 125.01(5) (a), F.S.; County Ord. No. 80-17. The governing body is the Board of County Commissioners. Separate financial statements are not required or prepared.

The following organizations are also shown as blended component units:

The **Broward County Community Redevelopment Agency (CRA)** acts in an advisory capacity to the County to establish and carry out redevelopment objectives in economically deprived areas of the County. It was established by Florida Statute Section 163.356 and County Ordinance No. 80-110. The governing body is the BOCC. The agency conducted no financial transactions during the year and has no assets, liabilities or fund balance.

The **Broward County Educational Facilities Authority (EFA)** acts in an advisory capacity to the County in alleviating the shortage of educational facilities and projects in the County. It was established by Florida Statute Section 243.021 and County Ordinance No. 86-15. The BOCC appoints the governing body. The authority conducted no financial transactions during the year and has no assets, liabilities or fund balance.

The **Broward County Governmental Leasing Corporation (Corporation)** has entered into master lease-purchase agreements with the County to finance the acquisition, construction or equipping of certain facilities and is governed by the BOCC. The Corporation was formed by the County solely for the purpose of acting as lessor of the facilities. The Corporation has no financial activity to report.

Discretely Presented Component Units

The Clerk of Circuit and County Courts (Clerk) is an elected, Constitutional Office of the County and has separate legal standing from the County. The governing body of the Clerk is not the same as the governing body of the County. The Clerk provides services to the courts and receives most of its revenues from those who are utilizing court services and processes. The Clerk is included as a component unit because its exclusion from the financial reporting entity could render the County's financial statements misleading.

The Broward County Health Facilities Authority (HeFA) was created to assist in the acquisition, construction, financing and refinancing of health facilities in the County. It was established by Florida Statute Section 154.207 and County Ordinance No. 77-35. The HeFA is governed by a Board appointed by the BOCC and is financially accountable to the County. The HeFA is authorized to issue bonds which are not deemed to constitute a debt of HeFA, the County, or any political sub-division thereof (see Note 4).

The Broward County Housing Finance Authority (HFA) was established in 1979 by County Ordinance No. 79-41 for the purpose of encouraging the investment of private capital and stimulating the construction of residential housing for low and moderate income families through the use of public financing. The HFA is governed by a Board appointed by the BOCC, and the County must also approve HFA's contracts and bond issues. The HFA is authorized to issue revenue bonds that are not deemed to constitute a debt of HFA, the County, or any political sub-division thereof (see Note 4).

The HFA has a note payable to the County which is secured by an office building. The principal balance of the note was \$455,000 on September 30, 2011. The note is due in full on or before July 1, 2015 and bears interest at 4 percent.

Complete financial statements for each of the individual discretely presented component units that issue them may be obtained at the entity's administrative offices as follows. Financial statements are not required for other component units.

Clerk of Circuit and County Courts

Finance and Budget Department
201 S.E. 6th Street, Room 275
Fort Lauderdale, FL 33301

Broward County Health Facilities Authority

Accounting Division
P. O. Box 14740
Fort Lauderdale, FL 33302

Broward County Housing Finance Authority

Accounting Division
P. O. Box 14740
Fort Lauderdale, FL 33302

B. Basis of Presentation

Government-wide Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government (the County) and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for the County's funds, including governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Separate statements for each fund category are presented. The emphasis of the fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The County reports the following major governmental funds:

General Fund – This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Sheriff Contractual Services Fund – This fund accounts for all financial resources relating to services provided by the Sheriff's Office for law enforcement services, and emergency medical and fire protection services to the Fort Lauderdale-Hollywood International Airport, Port Everglades, unincorporated areas, and a number of municipalities through police services contracts.

Transportation Capital Projects Fund – This fund accounts for transportation construction and maintenance capital projects funded by state and local gas taxes, developer contributions, and payments from other government agencies.

Capital Outlay Reserve Fund – This fund accounts for special capital outlay projects not routine in nature and not considered ordinary operating expenditures.

The County reports the following major enterprise funds:

Aviation Fund – This fund accounts for the operations of the Fort Lauderdale-Hollywood International and North Perry Airports.

Port Everglades Fund – This fund accounts for the operation, maintenance, and construction of the County's seaport system.

Water and Wastewater Fund – This fund accounts for water and sewerage treatment services provided to certain incorporated and unincorporated areas of the County.

Resource Recovery Fund – This fund accounts for the operations of the County's Resource Recovery System and other solid waste activities.

The County also reports the following fund types:

Internal Service Funds – These funds account for self-insurance coverage for workers' compensation claims, public liability, medical malpractice, and County-owned vehicle accidents, for consolidated vehicle management services, and for printing services, all of which are provided to other County functions on a cost-reimbursement basis.

Agency Funds – These funds account for taxes and licenses collected on behalf of the County and other taxing entities, funds received and disbursed by the Sheriff's Office in a fiduciary capacity, and various other funds and fees received and disbursed in a fiduciary capacity.

C. Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements – The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues to be available if they are collected within sixty days of the end of the current fiscal period except for grants which are collected within six months. Intergovernmental revenues, property taxes and interest are significant revenue sources considered to be susceptible to accrual in the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences claims and judgments and postemployment benefits other than pensions, are recorded only when payment is due.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. While governments have the option of following subsequent private-sector guidance for their business-type activities, the County has elected not to follow subsequent private-sector guidance.

Proprietary Fund Financial Statements – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and of the internal service funds are charges to customers for the purchase or use of the proprietary fund's principal products or services. Operating expenses for enterprise funds and internal service funds include the cost of sales of goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Fund Financial Statements – Agency funds report only assets and liabilities, have no measurement focus, and use the accrual basis of accounting.

D. Assets, Liabilities and Net Assets or Fund Balances

1. Deposits and Investments

The County maintains an investment pool for substantially all cash and cash equivalents and investments of all funds. All money market investments and participating interest-earning investment contracts with a remaining maturity at time of purchase of ninety days or less are recorded at amortized cost plus accrued interest. All other investments are carried at fair value as determined from quoted market prices. Each fund's portion of the pool is presented as "cash and cash equivalents", "investments" or "restricted assets" as appropriate. Earnings are allocated to each fund based on average daily balances of cash and investments.

The County considers cash and cash equivalents to be cash on hand, demand deposits, investments and equity in the County's cash management pool with original maturities at time of purchase of three months or less.

The County is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, repurchase agreements, certificates of deposit, the State Board of Administration Investment Pool - an SEC Rule 2a-7 like fund which has the characteristics of a Money Market Fund, and the Florida Local Government Investment Trust. All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act," and are collateralized with eligible securities having a market value equal or greater than the average daily or monthly balance of all public deposits. The County's investment practices are governed by Chapters 125 and 218.415 of the Florida Statutes, County Ordinance 87-82, and the requirements of outstanding bond issues.

2. Receivables and Payables

Activity between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other County funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All trade and property tax receivables are shown net of an allowance for uncollectible accounts of \$81,928,000.

2. (a) Disaggregation of Receivables and Payables Balances

Receivables

Receivables in the General Fund consist of: 59% percent liens receivable, the majority of which are not expected to be collected within one year; 10% vendor receivables; 23% tourist development taxes receivable from hotels and motels; and 8% loans receivable from the Museum of Art, none of which are scheduled to be collected in the subsequent year. Receivables in the Special Revenue Funds consist of 78% local housing assistance receivables, which are principally long term notes receivable, none of which are scheduled to be collected in the subsequent year and 22% Sheriff Contractual Services receivables. Receivables in the Enterprise Funds are 74% due from customers and 26% due from haulers which deliver to the resource recovery plants.

Payables

Accounts payable balances in each fund are 100 percent payable to vendors.

3. Due from Other Governments

Sheriff Contractual Services Fund includes \$1,072,000 due from the City of Lauderdale Lakes. The total due from the City of Lauderdale Lakes is \$9,120,000 less an allowance of \$8,048,000.

4. Property Tax Calendar

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied and are due and payable on November 1 of each year and may be paid upon receipt of the notice at declining discounts through the month of February. All unpaid taxes on real and personal property become delinquent on April 1 of the year following the year in which the taxes were levied. Delinquent real property taxes bear interest at the rate of one and one-half percent per month, and interest continues to accrue until a certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the certificate. Personal property taxes bear interest at one and one-half percent per month from April 1 until paid. After May 1 of each year and following proper procedures, a court order may be issued to seize and sell the property.

5. Inventories and Prepaid Items

Inventories consist principally of materials and supplies held for consumption and are recorded at cost for Governmental Funds and at the lower of average cost or market for Proprietary Funds. In the Governmental Funds the cost of inventories is recorded as expenditures at the time of purchase, while in the other funds, the cost of inventories is recorded as expenditures when consumed. In the Governmental Funds, reported inventories are classified as Nonspendable fund balances. Payments for prepaid items are reported as expenditures in the Governmental Funds and are capitalized and reflected as prepaid expenses in the government-wide financial statements.

6. Restricted Assets

Restricted assets and reserves of the Enterprise Funds at September 30, 2011 represent amounts restricted for construction, debt service, maintenance and improvements under the terms of outstanding bond agreements or some other legal outside party requirements. These requirements establish a restriction on net assets in an amount equal to the restricted assets less any related liabilities.

Assets were restricted for the following purposes (in thousands):

Bond sinking and reserve accounts	\$196,597
Construction accounts	146,832
Landfill closure escrow accounts	28,681
Other restricted accounts	113,868
<hr/>	
Total	\$485,978

Amounts payable from restricted assets at September 30, 2011 consist of the following (in thousands):

Accounts payable	\$ 24,089
Revenue bonds and interest payable	103,014
Customers' deposits	8,961
Unearned revenue	211
Accrued closure costs	295
Total	\$136,570

Reclassified on government-wide statements (in thousands)

Current liabilities payable from restricted assets	\$60,669
Noncurrent liabilities	\$75,901

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), including those assets acquired prior to fiscal year ended September 30, 1980, are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The capitalization levels are \$1,000 for equipment and \$5,000 for land, buildings and infrastructure. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the business-type activities during fiscal 2011 was \$72,829,000. Of this amount, \$2,547,000 was included as part of the cost of capital assets under construction in connection with various construction projects.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures, and improvements	20-65 years
Runways, aprons, taxiways, and navigation easements	5-40 years
Furniture, fixtures, and equipment	3-15 years
Roads and streets	40 years
Bridges	50 years
Sidewalks and traffic signals	30 years
Lakes, waterways, and water control structures	50-75 years

8. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick leave and related fringe benefits. The cost of earned but unused vacation pay is accrued when earned in the government-wide and proprietary financial statements. A liability for earned but unused sick leave is accrued only to the extent that the leave will result in cash payments at termination. A liability for these amounts is reported in governmental funds only if they have matured, due to employee retirement or resignation.

9. Long-term Obligations

In the government-wide and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, deferral amounts on refundings as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and deferral amounts on refundings. Bond issuance costs are reported as deferred charges.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, deferral amounts on refundings, as well as bond issuance costs, during the current period. The face amount of the debt issues are reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Fund Balance Classification Policies and Procedures

In the fund financial statements, governmental funds report fund balance in classifications based on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. When both restricted and unrestricted resources are available for use when expenditures are incurred, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are to be used, the committed amounts are used first, followed by assigned then unassigned.

Fund balances are classified as follows:

- 1. Nonspendable – amounts cannot be spent because they are not in spendable form (e.g., inventories, prepaid and long-term loans and notes receivable) or legally or contractually required to be maintained intact.*
- 2. Restricted – amounts are restricted to specific purposes due to the constraints imposed externally by creditors, grantors, contributors, laws or regulations of other governments or by law through constitutional provision or enabling legislation.*
- 3. Committed – amounts can be used for specific purposes pursuant to the constraints imposed by formal actions (e.g., ordinance and resolution) of the County Commission, the County's highest level of decision making authority. Amounts specifically committed for use in satisfying contractual obligations are also included in this classification.*
- 4. Assigned – amounts are constrained by the County's intent to be used for specific purposes. Intent should be expressed by the County Commission or its designee. The Administrative Code identifies the Office of Management and Budget as the responsible agency for all activities relating to the allocation of County resources. Also included are all remaining amounts (except for negative balances) reported in Debt Service, Capital Project and Special Revenue Funds that are not classified as nonspendable and neither restricted nor committed.*
- 5. Unassigned – residual amount reported in General Fund and negative residual amount in Debt Service, Capital Project and Special Revenue Funds.*

The following is governmental fund balances in detail as of September 30, 2011 (in thousands):

	Major Funds				Other	Total
	General	Sheriff	Transportation	Capital	Governmental	Governmental
	Fund	Contractual	Capital	Outlay	Funds	Funds
		Services	Projects	Reserve		
Fund Balances:						
Nonspendable						
Inventory	\$ 7,767		\$ 2,004			\$ 9,771
Prepaid	524				\$ 12	536
Long-term Loans Receivable	1,004					1,004
Restricted for:						
E-911	22,699					22,699
Court Fee Funds	25,667					25,667
Equipment Modernization	1,453					1,453
Debt Service					26,127	26,127
Parks & Land Preservation				\$ 5,559	50,977	56,536
Beach Renourishment					23,519	23,519
Libraries					18,684	18,684
Unincorporated Area Capital Projects					35,907	35,907
Transportation			157,102		4,504	161,606
Building & Improvements				1,442	201,633	203,075
Public Safety - Sheriff					4,148	4,148
Inmate Welfare - Sheriff					3,411	3,411
Committed to:						
Park Open Space and Recreational				1,893		1,893
Public Art and Design				3,573		3,573
Public Safety				5,257	14,370	19,627
Air Quality and Pollution Recovery	2,873				637	3,510
Animal Care	966					966
Community Services					955	955
Transportation			7,937			7,937
Greater Fort Lauderdale Convention and Visitors Bureau	20,117					20,117
Water Control Districts					3,350	3,350
Law Library	851					851
Mosquito Control	5					5
Clerk of Court Data Processing	99					99
Manatee Protection Plan	897					897
Pay Telephone	117					117
Municipal Lighting District	527					527
Community Redevelopment and Affordable Housing				25,970		25,970
Convention Center Capital Projects					7,229	7,229
Unincorporated Area Capital Projects					36,387	36,387
Park Improvements				11,661		11,661
Building and Improvements				276,586		276,586
Library Improvements				1,238		1,238
Other Capital Projects				6,710		6,710
Other Purposes	4,407					4,407
Assigned to:						
Emergencies and Cash Flow	104,000					104,000
Fuel Increase	3,000					3,000
Library and Parks Operations	1,196					1,196
Sheriff	962					962
Other Post Employment Benefits	26,140					26,140
FRS Increases	3,400					3,400
Municipal Service District	5,139					5,139
Mass Transit - Operating	9,782					9,782
Central Examining Board	2,216					2,216
Debt Service					9,912	9,912
Other Purposes	8,560					8,560
Unassigned:	102,377	\$ (2,934)			(20)	99,423
Total Fund Balances	\$356,745	\$ (2,934)	\$167,043	\$339,889	\$441,742	\$1,302,485

E. Passenger Facility Charges

The Federal Aviation Administration (FAA) authorized the Aviation Department to impose a Passenger Facility Charge (PFC) of \$3 per departing passenger commencing January 1, 1995. This authorization was amended to increase the charge to \$4.50 per departing passenger effective October 1, 2005.

Through initial and subsequent FAA approvals, the Aviation Department is authorized to collect PFC's up to \$1,876,458,000 including interest, of which \$531,342,000 has been collected as of September 30, 2011. The net receipts from PFC's are non-refundable and restricted to be used on FAA "approved capital projects" and debt service on revenue bonds that fund approved PFC eligible projects. As of September 30, 2011, \$430,929,000 of the collected PFCs had been spent on approved projects or debt service, and the remaining \$100,413,000 of cash along with a receivable of \$3,014,000 is reflected as a restricted asset and a restriction of net assets.

F. Restatements

Certain funds reported as special revenue funds in previously issued financial statements do not meet the GASB 54 criteria for classification as special revenue funds. The correction has been made and fund balances as of the beginning of the year were restated as follows (in thousands):

<u>Governmental Funds</u>	Beginning Fund Balance Before Restatement	Beginning Fund Balance After Restatement	Effect on Prior Year Changes in Fund Balance
General Fund	\$296,781	\$325,289	\$28,508
Sheriff Operations	3,278		(3,278)
Sheriff Contractual Service		1,105	1,105
Nonmajor Special Revenue	54,379	28,044	(26,335)
	<u>\$354,438</u>	<u>\$354,438</u>	<u>\$ -</u>

G. Use of Estimates

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

H. Excess of Expenditures over Appropriations

For the year ended September 30, 2011, General Fund expenditures exceeded appropriations in the following departments (in thousands):

Public Safety - County Administration - Emergency Management Operations	\$ 59
Public Safety - Human Services - Mental Health	558
Public Safety - Human Services - Medical Examiner and Trauma Services	410
Public Safety - Environmental Protection and Growth Management - Emergency Management	606
Public Safety - Public Works - Facilities Improvement	3,724
Transportation - Public Works - Road and Street Facilities	1,115
Transportation - Aviation	369
Human Services - Community Services - Animal Care and Regulation	22
Physical Environment - Public Works - Waste and Recycling Services	63

For the year ended September 30, 2011, expenditures exceeded appropriations in the Half-Cent Sales Tax Revenue Bonds Debt Service Fund by \$42 thousand and in the Certificates of Participation Debt Service Fund by \$14,000.

I. Deficits

At September 30, 2011, the Sheriff Contractual Services Fund had an unassigned Fund deficit of \$2,934,000, primarily due to a long term receivable of \$8,048,000 due from the City of Lauderdale Lakes. The General Obligation Refunding Bonds Debt Service Fund had an unassigned fund deficit of \$20,000 which the County intends to eliminate in fiscal year 2012.

NOTE 2 -DEPOSITS AND INVESTMENTS

A. Summary of Deposit and Investment Balances

The following is a summary of the County's deposit and investment balances as of September 30, 2011 (in thousands):

	Statement of Net Assets		Fiduciary	
	Primary	Component	Funds	Total
	Government	Units		
Cash and cash equivalents	\$ 590,054	\$ 3,743	\$ 12,217	\$ 606,014
Investments	1,238,255	10,448	34,647	1,283,350
Restricted assets	485,978	856		486,834
Total	\$ 2,314,287	\$ 15,047	\$ 46,864	\$ 2,376,198

B. Deposits

The County maintains a pool for substantially all cash and cash equivalents and investments. These balances are reflected in the financial statements as "cash and cash equivalents", "investments", or "restricted assets" as appropriate. Earnings are allocated monthly to each fund based on average daily balances of cash and investments.

All cash deposits are held in qualified public depositories pursuant to State Statutes. Under the Statutes, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depositories' collateral pledging level. The pledging level may range from 50% to 125% depending upon the depositories' financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential 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.

C. Investments

The County has a formal investment policy that, in the opinion of management, is designed to insure conformity with State Statutes and seeks to limit exposure to investment risks. The investment policy specifies the types, issuer, and maturity of investment securities which are permissible, as well as performance measurement criteria. Securities are held to maturity with limited exceptions outlined in the investment policy. Qualified institutions utilized for investment transactions are also addressed within the policy, as well as diversification requirements for the investment portfolio. In 2007, the County was the first county portfolio in the state to receive the highest possible rating from Standard & Poor's (AAAF/Sl+), based on credit quality, risk and stability. In August 2011, Standard & Poor's downgraded the US Government's credit rating to AA+ from AAA. This resulted in the county's rating being lowered to AAf/Sl+ due to the high concentration and duration of US Government securities in the portfolio.

Under State Statutes and County Ordinances, the County is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, commercial paper, repurchase agreements, certificates of deposit, certain Money Market Funds and the Florida Local Government Investment Trust. County policy requires that securities underlying repurchase agreements must have a market value of at least 101 percent of the cost of the repurchase agreements. There were no losses during the period due to default by counterparties to investment transactions and, in the opinion of County management, no types of investments during the period other than those permitted as enumerated above. The County does not have any direct exposure to subprime backed securities.

As of September 30, 2011, the County's investments consisted of the following (in thousands):

Investment Type	Fair Value	Weighted Average Maturity (Days)
U.S. Treasury	\$ 112,816	747
U.S. Agencies	1,424,929	1,000
TLGP-FDIC Backed Bonds	35,432	1,173
Commercial Paper	83,414	162
Money Market Mutual Funds	3,895	1
Total Fair Value	\$ 1,660,486	
Portfolio Weighted Average Maturity		942

Interest Rate Risk - In accordance with its investment policy, the County manages its exposure to interest rate volatility by limiting the weighted average maturity of its investment portfolio within the following maturity categories: overnight 35%; 1-30 days 80%; 31-90 days 80%; 91 days to 1 year 70%; 1-2 years 40%; 2-3 years 20%; 3-4 years 15%; 4-5 years 10%. As of September 30, 2011 the portfolio weighted average maturity was 942 days, and was in accordance with the County's investment policy.

Credit Risk -The County's investment policy contains specific rating criteria for certain investments. The policy states that commercial paper, bonds, notes, or obligations of the State of Florida, any municipality or political subdivision or any agency or authority of the state, if such obligations are rated, must be rated in one of the two highest rating categories by at least two nationally recognized rating agencies. Commercial paper not rated must be backed by a letter of credit or line of credit rated in one of the two highest rating categories. Any investments in World Bank Notes, Bonds and Discount Notes must be rated AAA or equivalent by Moody's Investor Service and/or Standard and Poor's Corporation.

The County's investments in U.S. Treasuries and U.S. Agencies are rated AA+ by Standard & Poor's and AAA by Fitch Ratings, and Aaa by Moody's Investor Services. The County's investments in commercial paper are rated P-1 by Moody's Investor Services and A-1 or higher by Standard & Poor's. The County's investments in Money Market Mutual Funds are rated AAAm by Standard & Poor's.

Concentration of Credit Risk - The County places no limit on the amount that may be invested in securities of the U. S. Government and Agencies thereof, or government sponsored corporate securities. The County requires that all other investments be diversified with no more than 5% of the value of the portfolio invested in the securities of any single issuer. GASB 40 requires disclosure of investments constituting 5% or more in any one issuer. The investments which exceed the 5% threshold are: the Federal Home Loan Bank (24.0%), the Federal Home Loan Mortgage Corporation (25.1%), the Federal National, Mortgage Association (26.1%), and the Federal Farm Credit Bank (9.4%).

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2011 is as follows (in thousands):

Governmental Activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 399,609	\$ 461		\$ 400,070
Construction in progress	191,105	52,525	\$ 71,555	172,075
Total capital assets not being depreciated	590,714	52,986	71,555	572,145
Capital assets being depreciated:				
Buildings	988,074	14,549		1,002,623
Improvements	1,083,308	99,378		1,182,686
Equipment	682,062	49,463	19,205	712,320
Total capital assets being depreciated	2,753,444	163,390	19,205	2,897,629
Less accumulated depreciation for:				
Buildings	278,105	34,236		312,341
Improvements	302,756	41,670		344,426
Equipment	492,417	59,761	17,726	534,452
Total accumulated depreciation	1,073,278	135,667	17,726	1,191,219
Total capital assets being depreciated, net	1,680,166	27,723	1,479	1,706,410
Governmental activities – capital assets, net	\$2,270,880	\$ 80,709	\$ 73,034	\$2,278,555

Business-type Activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 346,029	\$ 43		\$ 346,072
Construction in progress	198,203	202,389	\$ 120,861	279,731
Total capital assets not being depreciated	544,232	202,432	120,861	625,803
Capital assets being depreciated:				
Landfill	48,577			48,577
Property held for leasing	241,205	14,867		256,072
Buildings	1,220,707	1,720		1,222,427
Improvements	748,156	65,215		813,371
Equipment	925,556	32,428	2,388	955,596
Total capital assets being depreciated	3,184,201	114,230	2,388	3,296,043
Less accumulated depreciation for:				
Landfill	8,332	485		8,817
Property held for leasing	57,266	2,836		60,102
Buildings	402,409	36,805		439,214
Improvements	290,726	36,230	1	326,955
Equipment	328,260	34,280	2,317	360,223
Total accumulated depreciation	1,086,993	110,636	2,318	1,195,311
Total capital assets being depreciated, net	2,097,208	3,594	70	2,100,732
Business-type activities capital assets, net	\$ 2,641,440	\$ 206,026	\$ 120,931	\$ 2,726,535

Depreciation expense was charged to function/programs of the primary government as follows (in thousands):

Governmental Activities:		
General Government	\$	23,417
Public Safety		6,780
Transportation		34,528
Human Services		1,479
Culture and Recreation		26,863
Physical Environment		18,682
Economic Environment		344
Sheriff		23,574
Total depreciation expense - governmental activities	\$	135,667
Business - type Activities:		
Aviation	\$	52,497
Port Everglades		25,363
Water and Wastewater		30,975
Resource Recovery		1,716
Other		85
Total depreciation expense - business-type activities	\$	110,636

Construction Commitments

At September 30, 2011, the County had in process various uncompleted construction projects with remaining balances totaling approximately \$235,287,000. The retainage payable on these contracts totaled \$16,649,000. Funding for these projects is to be provided by the proceeds of related bond issues, loans and future taxes.

Property Held for Leasing

Property held for leasing consists of land and buildings leased under operating leases to commercial enterprises by the Aviation and Port Everglades Funds. Lease terms vary from one to ninety-nine years and require, in some cases, the construction of leasehold improvements that will be contributed to the County at lease termination.

The following is a schedule of minimum future rentals on non-cancelable operating leases as of September 30, 2011 (in thousands):

Years ending September 30:	
2012	\$ 67,900
2013	63,575
2014	48,135
2015	41,155
2016	38,653
2017-2021	86,890
2022-2026	20,349
2027-2031	18,341
2032-2036	12,082
2037-2041	5,930
2042-2046	4,154
2047-2051	5,053
2052-2056	6,148
2057-2061	7,480
2062-2066	9,101
2067-2071	11,073
2072-2076	13,472
2077-2081	16,390
2082-2086	19,941
2087-2091	24,262
2092-2096	5,908
Total	\$ 525,992

Total minimum future rentals do not include contingent rentals that may be received under certain concession leases on the basis of a percentage of the tenant's gross revenue in excess of stipulated minimums. Contingent rentals for the fiscal year ended September 30, 2011 amounted to \$36,825,000.

The County has 25-year lease and use agreements with its major airline tenants (the signatory airline agreements). The agreements require that landing fees and terminal rentals be reviewed annually and adjusted as necessary so that the total revenue is sufficient to meet the Aviation Fund's requirements as determined by the rate and charges model of the signatory airline agreements. At the end of the fiscal year, after all required deposits have been made, any remaining excess funds are used to meet the requirements in the following fiscal year. These excess funds have been recorded as unearned revenue by the Aviation Fund at September 30, 2011. For the year ended September 30, 2011, these funds amounted to \$17,194,000.

Discretely Presented Component Units

Capital asset activity for the County's discretely presented component units for the year ended September 30, 2011 is as follows (in thousands):

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 653			\$ 653
Total capital assets not being depreciated	653			653
Capital assets being depreciated:				
Buildings	1,115			1,115
Equipment	17,705	\$ 2,997	\$ 1	20,701
Total capital assets being depreciated	18,820	2,997	1	21,816
Less accumulated depreciation for:				
Buildings	442	38		480
Equipment	13,082	2,468		15,550
Total accumulated depreciation	13,524	2,506		16,030
Total capital assets being depreciated, net	5,296	491	1	5,786
Capital assets, net	\$ 5,949	\$ 491	\$ 1	\$ 6,439

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NOTE 4 - LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended September 30, 2011 are as follows (in thousands):

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
Governmental Activities:					
General Obligation Bonds	\$ 393,665		\$ (37,450)	\$ 356,215	\$ 27,715
Special Obligation Bonds	383,080		(8,100)	374,980	8,955
Loans Payable and Other Obligations	36,425		(9,220)	27,205	6,730
Unamortized Bond Premiums, Discount and Deferred Amount on Refunding	20,270		(1,550)	18,720	
Claims, Judgments, and Arbitrage Liability	93,275	\$ 30,244	(24,984)	98,535	27,360
Compensated Absences	106,230	72,719	(76,819)	102,130	25,907
Postemployment Benefits Other Than Pensions	52,946	25,355	(9,736)	68,565	
Total	\$ 1,085,891	\$ 128,318	\$ (167,859)	\$ 1,046,350	\$ 96,667
Business-type Activities:					
Revenue Bonds Payable	\$ 1,465,695		\$ (75,645)	\$ 1,390,050	\$ 72,840
Loan Payable and Other Obligations	7,566		(4,800)	2,766	2,766
Unamortized Bond Premiums, Discount and Deferred Amount on Refunding	(8,208)		723	(7,485)	
Capital Lease	3,358		(2,879)	479	479
Compensated Absences	12,403	\$ 3,714	(4,240)	11,877	4,972
Postemployment Benefits Other Than Pensions	1,266	669	(251)	1,684	
Other	24,694	1,273	(2,046)	23,921	295
Total	\$ 1,506,774	\$ 5,656	\$ (89,138)	\$ 1,423,292	\$ 81,352

For the governmental activities, claims and judgments, compensated absences, and postemployment benefits other than pensions are generally liquidated by the general fund. Claims and judgments includes an estimated liability for insurance claims of \$98,535,000. There is no estimated arbitrage rebate liability for governmental activities at September 30, 2011. For the business-type activities, other long-term liabilities at September 30, 2011 included landfill closure and post closure costs of \$23,921,000.

The total obligations for Postemployment Benefits Other Than Pensions reflected above of \$70,249,000 is less than the total reflected in Note 11 by \$1,568,000 that applies to the Clerk of the Courts employees, a Component Unit.

Business-type loans payable and other obligations above includes an interest-free State Infrastructure Bank Loan amounting to \$2,766,000 with repayment due in fiscal year 2012.

The debt service requirements for all bonds and loans outstanding as of September 30, 2011 are as follows (in thousands):

GOVERNMENTAL ACTIVITIES										BUSINESS-TYPE ACTIVITIES	
Year Ending September 30	General Obligation Bonds		Special Obligation Bonds		Loan Payable and Other Obligations		Total		Revenue Bonds Payable		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Total Interest	Principal	Interest	
2012	\$ 27,715	\$ 16,960	\$ 8,955	\$ 20,208	\$ 6,730	\$ 1,218	\$ 43,400	\$ 38,386	\$ 72,840	\$ 69,712	
2013	21,055	15,814	10,850	19,816	5,115	948	37,020	36,578	76,410	66,044	
2014	22,100	14,769	12,385	19,356	1,500	726	35,985	34,851	68,410	62,512	
2015	23,210	13,655	10,580	18,865	1,570	662	35,360	33,182	60,435	59,303	
2016	24,385	12,481	11,375	18,333	1,490	595	37,250	31,409	63,540	56,126	
2017-2021	137,345	42,869	66,580	82,599	5,195	2,111	209,120	127,579	318,045	231,713	
2022-2026	100,405	8,619	86,450	62,814	4,455	963	191,310	72,396	382,060	139,829	
2027-2031			60,400	39,288	1,150	94	61,550	39,382	242,570	52,463	
2032-2036			47,565	25,391			47,565	25,391	105,740	11,467	
2037-2041			59,840	10,027			59,840	10,027			
Total	\$ 356,215	\$ 125,167	\$ 374,980	\$ 316,697	\$ 27,205	\$ 7,317	\$ 758,400	\$ 449,181	\$1,390,050	\$ 749,169	

Governmental loans payable and other obligations above include: First Florida loans amounting to \$20,000,000 of principal and \$6,863,000 of interest; Certificates of Participation amounting to \$7,205,000 of principal and \$454,000 of interest.

Certain bond indentures contain provisions as to annual debt service, sinking fund, and minimum net revenue requirements. In addition, certain indentures require maintenance of various accounts and specify the deposits to be made to such accounts. At September 30, 2011, the County was in compliance with significant debt covenants.

The following is a summary of the major provisions and significant debt service requirements for the outstanding bonds at September 30, 2011 (Dollars in thousands):

	Primary Purpose	Type	Interest Payment Rate %	Date
Governmental Activities				
General Obligation Bonds (GOB):				
2001 GOB A	Library Project	serial	4.0-5.25	1-1 7-1
2001 GOB B	Refunding Issue	serial	4.0-5.0	1-1 7-1
2004 GOB	Parks and Land Preservation	serial	2.0-5.0	1-1 7-1
2005 GOB	Parks and Land Preservation	serial	3.0-5.0	1-1 7-1
2007 GOB A Refunding	Library Partial Advance Refunding	serial	4.0-5.0	1-1 7-1
2007 GOB B Refunding	Parks Partial Advance Refunding	serial	5.0	1-1 7-1
Total General Obligation Bonds				
Special Obligation Bonds:				
2004 Tourist Development Tax	Refunding Issue	serial	3.0-3.375	4-1 10-1
2006 Professional Sports Facilities	Civic Arena - Refunding Issue - A	serial/term	4.0-5.0	3-1 9-1
2006 Professional Sports Facilities	Civic Arena - Refunding Issue - B	serial/term	5.7-6.0	3-1 9-1
2010 Half-Cent Sales Tax - Series A	Main Courthouse Project	serial/term	2.5-5.25	4-1 10-1
2010 Half-Cent Sales Tax - Series B	Main Courthouse Project	term	5.764-6.26	4-1 10-1
2010 Half-Cent Sales Tax - Series C	Main Courthouse Project	term	6.556	4-1 10-1
Total Special Obligation Bonds				
Business-type Activities Revenue Bonds				
Aviation Fund				
1998E Airport System Revenue	Refunding Issue	serial	4.8-5.1	4-1 10-1
1998 G Airport System Revenue	Improvements	serial	3.70-5.125	4-1 10-1
1998 G Airport System Revenue	Improvements	term	5.0	4-1 10-1
1998 H-1 Passenger Facility Charge	Improvements	serial	3.10-5.25	4-1 10-1
1998 H-2 Passenger Facility Charge	Improvements	serial	4.70-5.125	4-1 10-1
1998 H-2 Passenger Facility Charge	Improvements	term	5.0	4-1 10-1
2001 I Passenger Facility Charge	Improvements	term	4.0-5.75	4-1 10-1
2001 J-1 Airport System Revenue	Improvements	term	5.25-5.75	4-1 10-1
2001 J-2 Airport System Revenue	Improvements	term	5.8-6.9	4-1 10-1
2004 L Airport System Revenue	Improvements	serial	2.0-4.6	4-1 10-1
2009 O Airport System Revenue	Refunding Issue	serial	2.0-5.375	4-1 10-1
Total Aviation Bonds				
Port Everglades Fund				
1989 A Port Facilities Refunding	Refunding Issue	term	5.0	3-1 9-1
1998 A Port Facilities Revenue	Refunding issue	serial	4.75-4.8	3-1 9-1
1998 B Port Facilities Revenue	Refunding Issue	term	5.0	3-1 9-1
1998 C Port Facilities Revenue	Capital Improvements	serial	5.375	3-1 9-1
1998 C Port Facilities Revenue	Capital Improvements	term	5.0	3-1 9-1
2008 Subordinate Port Facilities	Refunding Issue	serial	Variable	Monthly
2009A Port Facilities	Capital Improvements	serial	3.0-6.0	3-1 9-1
Total Port Everglades Bonds				
Water and Wastewater Fund				
2003 A Water and Sewer Utility	Construction and Refunding Issue	serial	2.0-5.0	4-1 10-1
2003 A Water and Sewer Utility	Construction and Refunding Issue	term	4.625	4-1 10-1
2003 B Water and Sewer Utility	Refunding Issue	serial	2.5-5.0	4-1 10-1
2005 Water and Sewer Utility	Construction and Refunding Issue	serial	5.0	4-1 10-1
2005 Water and Sewer Utility	Construction and Refunding Issue	term	5.0	4-1 10-1
2009 A Water and Sewer Utility	Construction and Refunding Issue	serial	2.1-5.3	4-1 10-1
Total Water and Wastewater Bonds				
Total Revenue Bonds				

Optional Redemption		Final Maturity Date	Original Amount Issued	Retired /Refunded	Outstanding September 30
Year	Premium				
2007	1%	1/1/2012	\$ 135,135	\$ (127,600)	\$ 7,535
N/A	N/A	1/1/2012	146,620	(139,015)	7,605
2007	N/A	1/1/2024	187,770	(120,710)	67,060
2015	N/A	1/1/2025	154,135	(44,640)	109,495
N/A	N/A	1/1/2021	86,690		86,690
2022	N/A	1/1/2024	77,830		77,830
					\$ 356,215
2011	N/A	10/1/2013	\$ 19,280	\$ (12,260)	\$ 7,020
2016	N/A	9/1/2028	124,290	(16,765)	107,525
2016	N/A	9/1/2028	52,475	(6,730)	45,745
2020	N/A	10/1/2036	95,960		95,960
2020	N/A	10/1/2030	69,950		69,950
2020	N/A	10/1/2040	48,780		48,780
					\$ 374,980
2008	1%	10/1/2013	\$ 75,560	\$ (17,805)	\$ 57,755
2008	1%	10/1/2018	44,635	(21,040)	23,595
2019	N/A	10/1/2023	18,880		18,880
2008	1%	10/1/2015	66,620	(44,200)	22,420
2008	1%	10/1/2018	20,270		20,270
2019	N/A	10/1/2023	39,780		39,780
2011	1%	10/1/2026	41,855	(8,295)	33,560
2011	1%	10/1/2026	135,970	(2,475)	133,495
2016	N/A	10/1/2021	149,185	(32,090)	117,095
2014	1%	10/1/2027	142,015	(26,015)	116,000
2019	N/A	10/1/2029	101,140	(1,790)	99,350
					682,200
N/A	N/A	9/1/2016	79,580	(26,395)	53,185
2009	N/A	9/1/2012	13,195	(10,340)	2,855
2009	N/A	9/1/2027	79,825		79,825
2009	N/A	9/1/2012	43,795	(33,575)	10,220
2009	N/A	9/1/2027	28,645		28,645
2009	N/A	9/1/2027	46,145	(6,620)	39,525
2019	N/A	9/1/2029	83,235	(4,575)	78,660
					292,915
2014	N/A	10/1/2025	84,415	(2,030)	82,385
2014	N/A	10/1/2027	20,215		20,215
2014	N/A	10/1/2027	99,370	(37,485)	61,885
2015	N/A	10/1/2026	23,065		23,065
N/A	N/A	10/1/2030	53,675		53,675
2014	N/A	10/1/2034	175,380	(1,670)	173,710
					414,935
					\$ 1,390,050

First Florida Governmental Financing Commission Loans Payable

The First Florida Governmental Financing Commission (Commission) was created pursuant to the Florida Interlocal Cooperation Act of 1969, Section 163.01, Florida Statutes, as amended. The current members of the Commission are: Broward County, Florida; City of Hollywood, Florida; City of Boca Raton, Florida; City of Gainesville, Florida; City of Clearwater, Florida; City of Sarasota, Florida and the City of St. Petersburg, Florida.

The Commission is a separate legal entity and public body permitted to authorize, issue and sell bonds for the purpose of financing or refinancing any capital projects for its members. The Commission's stated purpose is to enable its participating members to benefit from the economies of scale associated with large financings.

The proceeds of the Commission's bonds are used to fund loans to the participating members. The repayment terms of the loan agreements are designed to provide for the payment of principal and interest on the bonds when due.

It is the Bond Counsel's opinion that each member of the Commission is liable only to the extent of the payments on its loan agreement. At September 30, 2011, the County had loans payable to the Commission totaling \$20,000,000.

The loans are included in Loans Payable and Other Obligations of Governmental Activities in the schedule of changes in long-term obligations and are due in annual installments through 2028. Interest on these loans is at fixed rates ranging from 3.6% to 8.0% payable semi-annually.

Obligation under Lease Purchase Agreements - Certificates of Participation

The County has entered into Master Lease-Purchase Agreements (Lease Agreements) with the Broward County Commission Governmental Leasing Corporation (Corporation), a single purpose not-for-profit Florida Corporation, to finance the acquisition, construction and or equipping of certain facilities. The Corporation was formed by the County solely for the purpose of acting as lessor of the facilities, with the County as lessee. The County Commissioners serve as the Board of Directors of the Corporation. The Corporation has title to the facilities subject to the rights of the County under the terms of the Lease Agreements. A Trustee has been appointed to collect and disburse all amounts due under the Lease Agreements.

Simultaneously with the Lease Agreements, the Corporation issued Certificates of Participation Series 1998 and Series 2004 (Certificates), to third parties, evidencing undivided proportionate interests in basic lease payments to be made by the County, as lessee. The Lease Agreements further provide for successive one year renewal lease terms unless earlier termination following an event of default or a non-appropriation of funds to make the lease payments. Failure to appropriate funds to pay the lease payments will result in termination of the Lease Agreements and the return of certain of the leased property to the Trustee.

The basic rent payments and, consequently, the principal and interest components payable to the owners of Certificates are payable solely from revenue appropriated by the County for that purpose. The County is not legally required to appropriate sums for the purpose of making the lease payments and the Certificates are not general obligations or a pledge of the faith and credit of the County. Payments of principal and interest on the Series 1998 and Series 2004 Certificates are insured by AMBAC Indemnity Corporation and Municipal Bond Investor Assurance Corporation (MBIA), respectively, under municipal bond insurance policies.

Basic lease payments represented by the Certificates are payable to the owners of the Certificates on each December 1 and June 1, and will be reflected as debt service expenditures when remitted to the Trustee.

The obligation through maturity to the holders of the Certificates, which will be serviced by the annual lease payments, is as follows (in thousands):

Year Ending September 30	Total Payments
2012	\$ 3,828
2013	3,831
Total	7,659
Less Interest	(454)
Principal Outstanding	\$ 7,205

Interest on the Certificates ranges from 2.00% to 5.00%. The principal amount of the Certificates has been included in Loans Payable and Other Obligations of Governmental Activities in the schedule of changes in long-term obligations at September 30, 2011.

Derivative Disclosure - Interest Rate Swap

Objective of the interest rate swap -The County entered into an interest rate swap agreement for \$46,145,000 of its 2008 Series Subordinate Port Facilities Refunding Revenue Bonds for the outstanding period of the bonds as a means to lower its true borrowing costs when compared against fixed-rate bonds at the time of issuance. The intention of the swap was to effectively change the County's variable interest rate. Based on the swap agreement, the County pays a synthetic fixed rate of 3.642%.

Terms - The bonds and the related swap agreement mature on September 1, 2027, and the swap's original notional amount of \$46,145,000 matches the original principal amount of the bonds issued. The swap was entered into at the same time that the bonds were issued (July 2008). The notional value of the swap and the principal amount of the associated debt declined beginning in fiscal 2008. The bonds are also subject to optional redemption beginning in 2008. Under the swap, the County pays the counterparty a fixed payment of 3.642% of the notional amount and receives a variable payment computed by the remarketing agent that would cause the bonds to have a market value equal to the principal thereof, plus accrued interest, under prevailing market conditions as of the date of the determination.

Fair value -As of September 30, 2011, the swap had a negative fair value of \$5,752,000. The swap's fair value is reported in "Deferred Swap Outflow" and "Fair Value of Interest Rate Swap" in the accompanying Statement of Net Assets. The swap's notional amount of \$39,525,000 matches the principal amount of the outstanding bonds.

Credit risk - As of September 30, 2011, the County was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value become positive, the County could be exposed to credit risk in the amount of the swap's fair value. The swap agreement is subject to termination prior to September 1, 2027, upon the occurrence of certain termination events. An irrevocable transferable direct-pay Letter of Credit (2008 Letter of Credit) was issued by The Bank of Nova Scotia (BONS) pursuant to the "Reimbursement Agreement" dated as of July 1, 2008 between the County and BONS. The 2008 Letter of Credit is an irrevocable obligation of BONS. The 2008 Letter of Credit was issued in an amount equal to the aggregate principal amount of the outstanding Series 2008 bonds, plus 56 days' interest thereon at the rate of 15% per annum. The Trustee, upon compliance with the terms of the 2008 Letter of Credit, is authorized and directed to draw amounts sufficient to pay principal and interest of the Series 2008 Bonds when due because of maturity, redemption or acceleration, delivered for purchase pursuant to a demand for purchase by the owner thereof or a mandatory tender for the purchase and not remarketed among other provisions.

Basis risk - Municipal interest rate swaps are normally based on a fixed payment and an indexed variable receipt instead of the actual variable debt payment. Any difference between the indexed variable receipt and the actual market-determined variable rate paid on the bonds is called "basis risk." Under the swap, the County will be paid the actual market-determined variable borrowing rate on the swap, as determined by the remarketing agent, which eliminates the basis risk.

Termination risk - Under certain conditions, the County or the counterparty may terminate the swap. If the swap is terminated, the variable-rate bonds would no longer carry a synthetic interest rate but would become fixed-rate bonds and this event could increase the County's total debt service. If at the time of termination the swap has a negative fair value by approximately the amount of such negative fair value, the counterparty would have no claim against the County for any other compensation.

Swap payments and associated debt - As interest rates vary, the variable-rate interest payments and swap payments will vary. Debt service requirements of the variable-rate bonds and the swap payments, based upon the fixed swap rate, were as follows (in thousands):

Year Ending September 30	Variable Rate Bonds		
	Principal	Interest	Total
2012	\$ 1,860	\$ 1,430	\$ 3,290
2013	1,930	1,358	3,288
2014	2,000	1,288	3,288
2015	2,075	1,216	3,291
2016	2,145	1,143	3,288
2017-2021	11,990	4,473	16,463
2022-2026	14,340	2,130	16,470
2027-2030	3,185	106	3,291
Total	\$39,525	\$13,144	\$52,669

The interest rate swap agreement does not affect the obligation of the County under the Indenture to repay the principal and variable interest on the Series 2008 bonds. However, during the term of the swap agreement, the County effectively pays a fixed rate on the debt. The debt service requirements to maturity for these bonds (presented in this note) are based on that fixed rate. The County will be exposed to variable rates if the counterparty to the swap defaults or if the swap agreement is terminated. A termination or default of the swap agreement may also result in the County making or receiving a termination or default payment.

Defeased Bonds

The County has entered into refunding transactions whereby refunding bonds have been issued to facilitate the retirement of the County's obligation with respect to certain bond issues already outstanding. The proceeds of the refunding issues have been placed in irrevocable escrow accounts and invested in U.S. Treasury obligations that, together with interest earned thereon, will provide amounts sufficient for future payments of interest and principal on the bond issues being refunded. Refunded bonds are not included in the County's outstanding long-term debt since the County has legally satisfied its obligations through the refunding transactions.

The following is a summary of the County's defeasance transactions (in thousands):

Year of Defeasance	Bond Issue(s) Defeased	Principal Outstanding September 30, 2011
1989	Port Facilities Revenue Bonds Series 1986	\$ 40,340
2007	General Obligation Bonds Library Project Series 2001A (Partially Refunded)	88,515
2007	General Obligation Bonds Parks & Land Series 2004 (Partially Refunded)	80,175

Conduit Debt

The two component units of the County, Broward County Health Facilities Authority (HeFA) and Broward County Housing Finance Authority (HFA) are authorized to issue bonds to fulfill their corporate purposes. Bonds issued by HeFA and HFA shall not be deemed to constitute a debt of the HeFA, HFA, the County, or any political sub-division thereof. As of September 30, 2011 the total revenue bonds outstanding of HeFA and HFA are \$18,470,000 and \$477,076,000 respectively.

There are also other industrial development bonds issued by the County which are not deemed to constitute a debt to the County or any political sub-division thereof. The County does not maintain the total outstanding balance of these bonds.

Capital Lease

The Aviation Fund entered into a lease agreement as lessee for financing the acquisition of shuttle buses. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The assets acquired through the capital lease are as follows (in thousands):

Asset:	
Equipment	\$9,656
Less: Accumulated depreciation	(4,651)
Total	\$5,005

The future minimum lease obligation and the net present value of the minimum lease payment as of September 30, 2011 is as follows (in thousands):

Year Ending September 30	
2012	\$492
Total minimum lease payments	492
Less: amount representing interest	(13)
Present value of minimum lease payments	\$479

Pledged Revenues

The County issues bonds that are secured by a pledge of specific revenues. Total pledged revenues to repay the principal and interest of revenue bonds as of September 30, 2011 are as follows (in thousands):

Governmental Activities:

	Professional Sports Franchise Facilities Tax, Sales Tax Rebate, and the County Preferred Revenue Allocation	Tourist Development Tax Revenue and Net Revenues of the Convention Center	Half-Cent Sales Tax and Federal Direct Payments from Build America Bonds
Current revenue pledged	\$22,275	\$ 30,875	\$ 64,944
Current year debt service	\$13,997	\$ 2,476	\$ 8,893
Total future revenues pledged*	\$233,205	\$ 7,390	\$ 451,082
Description of debt	Professional Sports Facilities Tax and Revenue Refunding Bonds, Series 2006 A & B	Tourist Development Tax Special Revenue Refunding Bonds (Convention Center), Series 2004	Half-Cent Sales Tax Revenue Bonds, Series 2010 A, B, & C
Purpose of debt	To refund Civic Arena Bonds Series 1996	To refund Tourist Development Tax Bonds Series 1994	Financing the acquisition and construction of a new courthouse and related parking facility
Term of commitment	2007-2028	2005-2013	2011-2041
Percentage of debt service to pledged revenues (current year)	62.8%	8.0%	13.7%

Business Type Activities:

	Airport Net Revenues	Port Everglades Net Revenues	Water and Sewer Net Revenues
Current revenue pledged	\$ 88,768	\$ 66,913	\$52,530
Current year debt service	\$ 55,925	\$ 32,043	\$29,999
Total future revenues pledged*	\$1,007,349	\$421,870	\$710,001
Description of debt	Airport System Revenue Bonds, issued 1998 -2009	Port Facility Revenue Bonds, issued 1989 -2009	Water and Sewer Utility Revenue Bonds issued 2003-2009
Purpose of debt	Improvement and Refunding	Capital Improvement and Refunding	Construction and Refunding
Term of commitment	2013-2030	2012-2029	2025-2035
Percentage of debt service to pledged revenues (current year)	63.0%	47.9%	57.1%

*Total future principal and interest payments

NOTE 5 - SELF-INSURANCE

The County is exposed to various risks and losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Under the County's Self-Insurance Program, the Risk Management Fund provides coverage for up to a maximum of \$2,000,000 (Self-Insured Retention Limit) for each workers' compensation occurrence. In addition, the County has purchased excess coverage for losses above the self-insured retention limit. Transportation Department, Auto liability, Medical malpractice, and General liability are entirely self-insured, with the County providing coverage up to the statutory limits of \$100,000 per person and \$200,000 per occurrence. The County (through the Risk Management Fund) purchases commercial insurance for life, disability, airport liability, property damage, and numerous smaller policies that are required by lease agreements, union contracts, state statutes, etc. Settled claims have not exceeded this commercial coverage in the past three years.

The Sheriff's Office operates a Self-Insurance Program for general, professional and auto liability risks. The Sheriff provides coverage up to the statutory limits of \$100,000 per person and \$200,000 per occurrence. Excess coverage for losses up to \$5,000,000 per occurrence is provided through commercial coverage. Settled claims have not exceeded this commercial coverage in the past three years.

Funds participating in the Self-Insurance Program make payments to the Risk Management Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish reserves for all losses. The actuarial estimates include the effects of specific, incremental claim adjustment expenses, salvage, subrogation and other allocated claim adjustments.

The reserves for the Self-Insurance Program totaled \$98,535,000 at September 30, 2011 and are reported as a liability of the Internal Service Funds. Participating funds are indemnified against any losses in a given year in excess of the fees charged. Fees charged are expensed as incurred in all funds. The total claims liability at September 30, 2011 reflects management's loss estimates of \$54,674,000 for all reported claims and \$48,360,000 for claims incurred but not reported, net of a discount of \$4,499,000 computed based on varying interest rates that range from 0.31% to 1.01%. The net assets accumulated in the County's Self-Insurance Program are designated for future catastrophic losses or for the purchase of additional commercial insurance against such losses when available at advantageous rates. Changes in the Program's claims liability amount in Fiscal Year 2010 and 2011 were (in thousands):

<i>Fiscal Year</i>	<i>Liability October 1</i>	<i>Current Year Claims and Changes in Estimates</i>	<i>Liability Claim Payments</i>	<i>Liability September 30</i>
2010	\$89,435	\$26,453	\$22,667	\$93,221
2011	\$93,221	\$30,244	\$24,930	\$98,535

NOTE 6 – INTERFUND BALANCES AND INTERFUND TRANSFERS

Interfund Balances

Interfund balances at September 30, 2011 are as follows (in thousands):

Due to	Due from							Total
	General Fund	Sheriff Contractual Services	Aviation	Port Everglades	Water and Wastewater	Resource Recovery System	Nonmajor Governmental	
General Fund		\$ 8,830					\$ 3,211	\$ 12,041
Sheriff Contractual Services			\$ 3,196	\$ 155				3,351
Transportation Capital Projects	\$ 40						9,847	9,887
Capital Outlay Reserve							20	20
Nonmajor Governmental	730							730
Enterprise						\$ 275		275
Internal Service	2				\$ 21,355			21,357
Total	\$ 772	\$ 8,830	\$ 3,196	\$ 155	\$ 21,355	\$ 275	\$ 13,078	\$ 47,661

The \$8,830,000 due from the Sheriff Contractual Services Fund to the General Fund is for a cash loan made to the Sheriff Contractual Services to cover negative cash. The \$9,847,000 due from Nonmajor Governmental to Transportation Capital Projects is for a cash loan to Transportation Capital Projects to cover negative cash. The \$21,355,000 due from Water and Wastewater to Internal Service is for a short term internal loan for a Water and Wastewater Neighborhood Improvement Project.

All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Interfund Transfers

Interfund transfers for the year ended September 30, 2011 are as follows (in thousands):

Transfer to	Transfer from							Total
	General Fund	Sheriff Contractual Services	Transportation Capital Projects	Capital Outlay Reserve	Resource Recovery	Nonmajor Governmental	Nonmajor Enterprise	
General Fund		\$ 9,663	\$ 55,881	\$ 7,811		\$ 980		\$ 74,335
Sheriff Contractual Services	\$ 3,026							3,026
Transportation Capital Projects						10,361		10,361
Capital Outlay Reserve	225					268		493
Resource Recovery							\$ 287	287
Nonmajor Governmental	22,372	414	4,901	564		14,919		43,170
Enterprise	1,303				\$ 550			1,853
Total	\$ 26,926	\$ 10,077	\$ 60,782	\$ 8,375	\$ 550	\$ 26,528	\$ 287	\$ 133,525

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 7 -LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State laws and regulations require the County to place a final cover on its landfills when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and postclosure care costs will be paid only near or after the landfill stops accepting waste, the County recognizes a portion of these costs as an operating expense in each period based on landfill capacity utilized.

At September 30, 2011, the County estimates that the cost of permanently capping and maintaining its landfills in accordance with existing regulations will be \$45,696,000. Of this amount, the County has accrued a liability of \$23,921,000 based on amortizing the total estimated cost over the operational life of the landfills. Of the total liability, \$295,000 is included in current liabilities payable from restricted assets and \$23,626,000 is included in other long-term liabilities on the Proprietary Funds Statement of Net Assets.

The County's three landfills are the Davie landfill, which has been closed and is now Vista View Park, the Southwest Regional (interim contingency) landfill and the resource recovery landfill. A summary of the landfill accounts is as follows (Dollars in thousands):

	Davie Landfill	Southwest Regional (Interim Contingency) Landfill	Resource Recovery Landfill
Liability 9/30/11	\$ 1,182	\$ 9,144	\$ 13,595
Estimated obligation remaining to be recognized		\$ 10,677	\$ 11,098
Estimated remaining life of landfill (in years)	N/A-closed	34	10
Capacity used to date	100%	57%	64%

The \$45,696,000 cost estimate is considered sufficient by County management and the County's consulting engineers. However, existing regulations may change which may require the County to incur additional closure and postclosure costs. With the completion of the Ash Monofill cell expansion project in 2009, the estimated capacity of the landfill was recalculated and the remaining life of the landfill was increased by 10 years. Based on the recent consulting engineers' analysis, the estimated life of the Southwest Regional landfill was extended by 21 years and the estimated closure date is scheduled for year 2045.

The County is required by state laws and regulations to make annual deposits to finance closure and postclosure care. At September 30, 2011, cash and investments of \$28,681,000 are held for these purposes. These are reported as restricted assets on the Proprietary Funds Statement of Net Assets. The County expects that future inflation costs will be paid from interest earnings on these annual deposits. However, if interest earnings are inadequate or additional closure or postclosure care requirements are determined, these costs may need to be covered by charges to future landfill users.

NOTE 8 -LARGE USER AGREEMENTS

The County has entered into agreements with large (wholesale) users of the North Regional Wastewater System (the System). These agreements provide that the cost of operating the System be charged to each large user on the basis of each user's proportionate share of total gallons processed. In addition, each large user is charged a debt service fee for the principal, interest and debt coverage requirements on debt issued to finance the construction of the North Regional Wastewater Treatment Facility. The debt service charge is based on the relative percentage of reserve capacity designated for each user to total reserved capacity.

NOTE 9 -RELATED PARTY TRANSACTIONS

The County allocates certain support department costs which include legal, fiscal, purchasing, personnel, internal audit and communication costs to other County departments. Certain funds are also charged for the cost of services provided by the Self-Insurance, Fleet Services and Print Shop Funds. Costs of approximately \$128,986,000 for the above-mentioned services were allocated between funds during the year ended September 30, 2011.

NOTE 10 -PENSION COSTS

The County participates in the Florida Retirement System (FRS), a cost-sharing, multiple-employer Public Employment Retirement System (PERS), which covers substantially all permanent full and part-time County employees. FRS offers a defined benefit plan (the "*Pension Plan*") or a defined contribution plan (the "*Investment Plan*").

Pension Plan benefits are computed on the basis of age, average final compensation and service credit. For employees enrolling in FRS for the first time after June 30, 2011, average final compensation is the average of the eight highest fiscal years of earnings compared with the average of the five highest years of earnings for those already enrolled. The Florida Retirement System provides vesting of benefits after eight years of creditable service for employees enrolling in the Pension Plan for the first time after June 30, 2011 compared with a vesting period of six years for those already enrolled. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. The FRS also provides death and disability benefits. A State statute establishes benefits.

FRS issues an annual financial report. A copy can be obtained by sending a written request to the Division of Retirement, P.O. Box 9000 Tallahassee, FL 32315-9000 or by visiting their website at <http://dms.myflorida.com>.

The County's required contribution rate is established by State statute, and ranges from 4.91% to 14.10% of covered payroll, based on employee risk groups. In 2011 the State legislature mandated a 3% employee contribution effective July 1, 2011 for all FRS covered employees. Employees who were enrolled in the Deferred Retirement Option Program (DROP) before July 1, 2011 are not subject to the contribution. The combined employer/employees contribution rates range from 7.91% to 17.10% of covered payroll based on employee risk groups. A summary of the covered payroll, contributions and percentage of covered payroll are as follows (in thousands):

	2011	2010	2009
Covered Payroll	\$681,151	\$660,335	\$694,408
Employee Contributions	\$ 4,463	-	-
Employer Contributions	\$ 93,204	\$ 97,184	\$ 96,058
Employer Contributions % of Covered Payroll	13.7%	14.7%	13.8%

The County has met all contribution requirements for the current year and the two preceding years.

NOTE 11 -OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The County has two single employer defined benefit healthcare plans, the County plan and the Broward Sheriff's Office (BSO) plan. The County plan allows its employees and their beneficiaries to continue obtaining health, dental and other insurance benefits upon retirement. The BSO plan provides postemployment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. The benefits of the County's plan conform with Florida statutes, which are the legal authority for the plan. The provisions of the BSO plan may be amended through negotiations between BSO and its employee bargaining units. The plans have no assets and do not issue separate financial reports.

Funding Policy and Annual OPEB Cost

The County makes no direct contribution to the County plan. Retirees and their beneficiaries pay the same group rates as are charged to the County for active employees. The County's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits in the same manner as the BSO actuaries which is described below as the Employer Contribution.

BSO retirees and their beneficiaries pay the same blended rates as active employees. However, BSO provides a discount of 2% for each year of service with BSO up to 50% of the blended rates if retirees and their beneficiaries meet certain qualifications and if the retiree was hired prior to October 1, 2007. BSO also pays 100% of the premiums for line-of-duty disabled retirees.

BSO makes no advance funding contributions to the plan; rather, it pays the discounts for retirees and their beneficiaries when due. In addition, the actuaries calculate an offset to the cost of these benefits that it includes in the Employer Contributions. This offset equals the total age-adjusted costs paid by BSO or its active employees for coverage of the retirees and their dependents for the year, net of the retirees' own payments for the year. Cumulatively, the County has set aside a reserve for future plan costs of \$24.28 million, including \$3.31 million during fiscal year 2011. The reserve balance also includes accumulated interest of \$.7 million. The County intends to set aside additional funds for this purpose when available in the future. However, the County did not establish an irrevocable trust fund, so these amounts are not considered as plan "funding" under the definitions of GASB Statement No. 45.

Other postemployment benefit (OPEB) cost for each plan is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The annual required contribution 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 over a period not to exceed thirty years. The annual OPEB cost for the County and BSO for the current year and related information for each plan are as follows (in thousands):

	<u>Broward County Employees</u>	<u>Broward Sheriff Employees</u>
Required contribution rates:		
Employer	Pay-as-you-go	Pay-as-you-go
Active Plan members	N/A	N/A
Annual required contribution	\$4,399	\$21,551
Interest on net OPEB obligation	386	1,831
Adjustment to annual required contribution	(357)	(1,556)
Annual OPEB cost	4,428	21,826
Contributions made	(1,435)	(8,414)
Increase in net OPEB obligation	2,993	13,412
Net OPEB obligation – beginning of year	9,646	45,766
Net OPEB obligation – end of year	\$12,639	\$59,178

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2011, 2010 and 2009 for each of the plans were as follows (Dollars in thousands):

	<u>Broward County Employees</u>			<u>Broward Sheriff Employees</u>		
Fiscal year ended	9/30/2011	9/30/2010	9/30/2009	9/30/2011	9/30/2010	9/30/2009
Annual OPEB cost	\$4,428	\$4,208	\$5,100	\$21,826	\$21,103	\$22,949
Percentage of OPEB cost contributed	32.4%	29.0%	32.1%	38.6%	36.4%	26.4%
Net OPEB obligation	\$12,639	\$9,646	\$6,657	\$59,178	\$45,766	\$33,670

Fund Status and Funding Progress

The funded status of the plans as of October 1, 2009, the date of the latest actuarial valuation, was as follows (Dollars in thousands):

	Broward County <u>Employees</u>	Broward Sheriff <u>Employees</u>
Actuarial accrued liability	\$43,582	\$251,707
Actuarial value of plan assets	-	-
Unfunded actuarial accrued liability	\$43,582	\$251,707
Funded Ratio	0.00%	0.00%
Covered payroll	\$270,612	\$306,099
Unfunded actuarial accrued liability as a percentage of covered payroll	16.10%	82.23%

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 of the employer 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 is designed to provide multi-year trend information to show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the County has not contributed assets to the plans at this time.

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 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. Significant methods and assumptions were as follows.

	Broward County <u>Employees</u>	Broward Sheriff <u>Employees</u>
Actuarial valuation date	10/1/2009	10/1/2009
Actuarial cost method	Entry age	Entry age
Amortization method	Level percent, closed	Level percent, open
Remaining amortization period	27 years	30 years
Asset valuation method	Unfunded	Unfunded
Actuarial assumptions:		
Investment rate of return*	4.0%	4.0%
Projected salary increases*	4.5%-9.5%	4.50-9.50%
Healthcare inflation rate	9.0% initial; 4.5% ultimate	9.0% initial; 4.5% ultimate
Healthcare cost trend rate	9%	9%
*Includes 3% general inflation rate		

NOTE 12 -COMMITMENTS AND CONTINGENT LIABILITIES

The County is currently actively engaged in various lawsuits including cases where the redress sought is for other than monetary damages, i.e., mandamus, injunction, declaratory relief and cases for which the County has insurance or is named as a nominal defendant. The County Attorney is of the opinion that the possible exposure resulting from any ultimate resolution of litigation in which the County is a defendant would not have a material effect upon the financial statements of the County.

Federal and State of Florida grants are subject to audit by the granting agencies to determine if activities comply with conditions of the grant. Management believes that no material liability will arise from any grants audits.

The County leases office facilities and equipment under various leases, most of which have been executed on a year-to-year basis. Rental expenses for equipment leases and office facilities for the year ended September 30, 2011 amounted to \$6,645,000. Future commitments under operating leases at September 30, 2011 are not material.

The County and twenty-six municipalities have entered into agreements requiring, among other things, the delivery of a minimum number of tons of processable waste to the two recovery plants. To the extent that the minimum annual tonnage is not delivered, the County and the contract municipalities are required to make payments sufficient to compensate the operators of the plants for the undelivered tonnage at the current tipping fees less a credit for non-Broward tonnages delivered to the plant. In addition, the agreement with the operators of the plants provides for an annual adjustment to the base tipping fee. With expiration of the Wheelabrator South Broward's service agreement on August 4, 2011, the County negotiated a new contract for solid waste disposal charges. The new service agreement does not include any minimum annual tonnage requirements.

During fiscal year 2011, the County was obligated to deliver 998,255 tons of processable waste to the plants. Actual obligated deliveries were 850,674 tons. As a result, the County did not meet the minimum tonnage commitment and was below by 14.8%. The County also delivered an additional 76,553 tons under the newly negotiated Wheelabrator South Broward contract.

The County's encumbrance policy is for fiscal year end individual encumbrances exceeding \$500,000 to be considered significant encumbrances. All encumbrances are classified as Restricted, Committed or Assigned Fund Balance in the governmental fund balance sheet.

Significant encumbrances as of September 30, 2011 were (in thousands):

	<i>General Fund</i>	<i>Transportation Capital Projects</i>	<i>Capital Outlay Reserve</i>	<i>Other Funds</i>	<i>Total</i>
Buildings and Improvements					
General Governments	\$ 12,314				\$ 12,314
Main Court House				\$ 12,328	12,328
Libraries	6,782			10,515	17,297
Parks			\$ 641	7,559	8,200
Animal Care Facility			1,130		1,130
Young At Art Children's Museum and Reading Center			3,667		3,667
Integrated Water Resource Program			636		636
Engineering Road Projects					
Road Improvements		\$ 11,024			11,024
Traffic Signals		6,688			6,688
Green ways		1,885			1,885
Roadway Stormwater Management		515			515
Neighborhood Improvements Projects					
Central County				855	855
North County				12,654	12,654
North Central County				2,116	2,116
Broadview Estates				2,939	2,939
Beach Renourishment Projects				4,831	4,831
Mass Transit Projects					
Buses				18,560	18,560
Neighborhood Transit Center				669	669
Transit Facilities				5,588	5,588
Total	\$ 19,096	\$ 20,112	\$ 6,074	\$ 78,614	\$ 123,896

NOTE 13 – SUBSEQUENT EVENTS

In November 2011, the County issued Port Facilities Refunding Revenue Bonds, Series 2011A, Series 2011B, and Series 2011C (Series 2011 Bonds), in the amount of \$12,370,000, \$100,695,000, and \$54,195,000 respectively. The proceeds of the Series 2011 Bonds were used to (i) refund and defease all or a portion of the Series 1998B, Series 1998C, and Series 1989A Bonds, (ii) fund the cost of a municipal bond debt service reserve insurance policy, and (iii) pay certain costs of issuance and expenses relating to the Series 2011 Bonds, including the premium for a municipal bond insurance policy. The bonds were issued as fixed rate bonds, with an average life of 8.19 years and a true interest rate of 4.10%. The bonds are secured by a pledge of certain net revenues of the Port.

On February 28, 2012 The Broward County Board of County Commissioners approved the issuance of General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012 in an amount not to exceed \$140,000,000, for the purpose of refunding all or a portion of its outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2004 and Series 2005; pledging revenues from an ad valorem tax levied on all taxable property in the County for the payment of the Bonds

On February 28, 2012 The Broward County Board of County Commissioners approved the issuance of Water and Sewer Utility Revenue Refunding Bonds Series A, B, and C in amounts not to exceed \$180,000,000, \$175,000,000, and \$50,000,000 respectively. Bond proceeds will be used for the purpose of refunding a portion of the County's Water and Sewer Utility bonds, paying the cost of improvements and prior improvements to the county's Water and Sewer Utility, providing for the payment of the costs of any credit facilities. The Bonds are payable from and secured by various liens on and a pledge of certain investment income and revenues derived from the operation of the Water and Wastewater Utility of the County.

Required Supplementary Information

Spotlight on: Customer Service

Stevenson Monfiston
Transit Senior Operations Agent
Broward County Transit Division

Broward County Transit's Customer Call Center receives over one million calls per year, many of them from individuals around the world who are interested in visiting Broward County. Whether a call is from Montreal, Canada or Bogota, Colombia, if the caller has a question posed in their native language, it will likely be answered by Stevenson Monfiston, the multi-lingual Transit agent. Stevenson's ability to respond in a familiar language projects a positive view of our County that says "welcome." Stevenson often helps "seal the deal" to visit Greater Fort Lauderdale with his pleasant and helpful attitude. He lets visitors know "we speak your language," by routinely answering questions on the County's transit system in Creole, French and Spanish.



Stevenson's outstanding customer service efforts were recognized with a 2011 SUNsational® Service Award.



GENERAL FUND AND MAJOR SPECIAL REVENUE FUND

GENERAL FUND

To account for all financial resources except those required to be accounted for in other funds.

SPECIAL REVENUE FUND

Sheriff Contractual Services Fund - To account for all financial resources of contractual services provided by the Sheriff's Office.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information

State Statutes require that all county governments establish budgetary systems and approve balanced annual budgets for such funds as may be required by law or by sound financial practices and accounting principles generally accepted in the United States. The BOCC, after review of the tentative budgets, holds public hearings and then adopts the annual budget for the General, certain Special Revenue and Debt Service Funds. The Constitutional Officers, except for the Clerk of the Courts, prepare annual operating budgets for their general funds which are reflected in the General Fund. No annual budgets are established for the Sheriff's Special Revenue Fund and the Capital Projects Funds. The Sheriff's Special Revenue Fund has no budget since all costs incurred are budgeted in the Sheriff's General Fund and are reimbursed by the Sheriff's Special Revenue Fund. The Capital Projects Funds are budgeted on a multi-year basis. All governmental fund appropriations lapse at year end except capital outlay items.

The appropriated budget is prepared by fund, department and division on the same basis of accounting as required for governmental fund types and conforms with GAAP. By local budget policy, transfers of appropriations between departments and overexpenditure of appropriations at the department level require the approval of the Board. The County legal level of budgetary control, which is the level at which expenditures may not legally exceed appropriations, is at the department level.

GENERAL FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:				
Taxes (Net of Discounts)	\$ 661,658	\$ 661,658	\$ 627,517	\$(34,141)
Special Assessment/Impact Fees			1	1
Licenses and Permits	17,609	17,609	16,067	(1,542)
Federal Grants	60,652	60,693	61,667	974
State Revenues:				
Revenue Sharing	33,289	33,975	35,503	1,528
Grants	24,806	24,757	27,602	2,845
Tourist Tax	34,700	34,700	40,630	5,930
One-Half Cent Sales Tax	46,651	46,651	48,474	1,823
Other	2,000	2,000	2,000	
Charges for Services	125,979	119,688	104,496	(15,192)
Fines and Forfeitures	4,645	15,203	14,143	(1,060)
Interest Income	8,154	8,173	8,159	(14)
Miscellaneous	20,951	22,536	20,858	(1,678)
Subtotal	1,041,094	1,047,643	1,007,117	(40,526)
Less 5% of Anticipated Revenue	(46,614)	(46,707)		46,707
Total Revenues	994,480	1,000,936	1,007,117	6,181
Expenditures:				
Current:				
General Government				
County Commission	12,134	12,215	11,606	609
Property Appraiser	14,261	19,549	17,503	2,046
Supervisor of Elections	11,744	11,922	11,319	603
Sheriff - Communications	5,973	11,133	5,614	5,519
County Administrator	4,445	10,535	10,016	519
Office of Management and Budget	43,398	45,462	38,219	7,243
Governmental Relations	3,760	3,863	3,757	106
Finance and Administrative Services	59,735	64,333	40,911	23,422
Boards and Other Agencies	2,734	3,121	2,939	182
Judicial	8,126	9,693	7,423	2,270
Environmental Protection and Growth Management	14,656	14,669	13,932	737
Public Works - Administration	39,272	46,489	29,670	16,819
Total General Government	220,238	252,984	192,909	60,075
Public Safety				
Sheriff	399,386	442,263	398,691	43,572
County Administration - Emergency Management Operations		105	164	(59)
Boards and Other Agencies - Medical Examiner and Trauma Services	5,857	5,860	5,663	197
Human Services - Mental Health	305	305	863	(558)
Human Services - Medical Examiner and Trauma Services		1,310	1,720	(410)
Environmental Protection and Growth Management - Emergency Management	6,479	6,398	7,004	(606)
Public Works - Detention and Correction Facilities	136	142	115	27
Public Works - Facilities Improvements	316	291	4,015	(3,724)
Public Works - School Guard	17	17	12	5
Total Public Safety	412,496	456,691	418,247	38,444
Transportation				
Public Works - Road and Street Facilities	161	161	1,276	(1,115)
Aviation			369	(369)
Transit	117,729	120,543	117,544	2,999
Total Transportation	\$ 117,890	\$ 120,704	\$ 119,189	\$ 1,515

(continued)

GENERAL FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual, Continued
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Human Services				
Human Services - Children, Homeless and Health Care Services, Elderly and Veteran Services, Family Success	134,592	135,844	127,627	8,217
Community Services - Animal Care and Regulation	3	3	25	(22)
Environmental Protection and Growth Management - Animal Care	4,338	4,945	4,474	471
Judicial - Legal Aid	915	915	915	
Public Works - Mosquito Control	1,222	1,278	1,278	
Total Human Services	141,070	142,985	134,319	8,666
Culture and Recreation				
Libraries, Parks, and Cultural	99,828	102,325	99,597	2,728
Greater Fort Lauderdale Convention and Visitors	24,821	25,621	23,252	2,369
Boards and Other Agencies - Historical Commission		198	177	21
Public Works - Libraries, Parks and Recreation	388	391	391	
Total Culture and Recreation	125,037	128,535	123,417	5,118
Physical Environment				
Environmental Protection and Growth Management	15,073	17,198	13,091	4,107
Libraries, Parks and Recreation, Cultural	199	199	14	185
Public Works - Facilities Maintenance	301	301		301
Public Works - Waste and Recycling Services			63	(63)
Total Physical Environment	15,573	17,698	13,168	4,530
Economic Environment				
Environmental Protection and Growth Management - Housing Finance and Community Development	17,603	17,603	15,626	1,977
Office of Economic Development	2,392	3,828	2,218	1,610
Office of Equal Opportunity	2,144	2,298	2,164	134
Human Services - Community Development	1,072	1,072	919	153
Human Services - Veteran's Services	535	504	500	4
Total Economic Environment	23,746	25,305	21,427	3,878
Debt Service				
Interest and Fiscal Charges		2	2	
Total Debt Service		2	2	
Total Expenditures	1,056,050	1,144,904	1,022,678	122,226
Excess of Revenues Over (Under) Expenditures	(61,570)	(143,968)	(15,561)	128,407
Other Financing Sources (Uses):				
Transfers In:				
From Debt Service Funds	980	980	980	
From Other Funds	64,535	71,851	73,355	1,504
Total Transfers In	65,515	72,831	74,335	1,504
Transfers Out:				
To Debt Service Funds	(18,345)	(18,345)	(21,544)	(3,199)
To Other Funds	(7,399)	(10,123)	(5,382)	4,741
Total Transfers Out	(25,744)	(28,468)	(26,926)	1,542
Total Other Financing Sources (Uses)	39,771	44,363	47,409	3,046
Net Change in Fund Balance	(21,799)	(99,605)	31,848	131,453
Fund Balance, October 1, as Restated	166,716	285,032	325,289	40,257
Changes in Fund Balance for Inventory and Prepaids			(392)	(392)
Fund Balance, September 30	\$ 144,917	\$ 185,427	\$ 356,745	\$171,318

SHERIFF CONTRACTUAL SERVICES FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Budget and Actual
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Original Budgeted Amounts</i>	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:				
Taxes (Net of Discounts)	\$ 2,110	\$ 2,110	\$ 2,017	\$ (93)
Special Assessment/Impact Fees	1,151	1,151	1,090	(61)
One-Half Cent Sales Tax	467	467	484	17
Charges for Services	252,806	254,332	242,759	(11,573)
Interest Income	12	12		(12)
Miscellaneous	1,802	1,802	2,109	307
Subtotal	258,348	259,874	248,459	(11,415)
Less 5% of Anticipated Revenue	(234)	(234)		234
Total Revenues	258,114	259,640	248,459	(11,181)
Expenditures:				
Current:				
Public Safety				
Sheriff	247,005	248,642	242,597	6,045
Capital Outlay	2,973	3,368	2,850	518
Total Expenditures	249,978	252,010	245,447	6,563
Excess of Revenues Over (Under) Expenditures	8,136	7,630	3,012	(4,618)
Other Financing Sources (Uses):				
Transfers In	2,827	3,026	3,026	
Transfers Out	(8,640)	(10,077)	(10,077)	
Total Other Financing Sources (Uses)	(5,813)	(7,051)	(7,051)	
Net Change in Fund Balance	2,323	579	(4,039)	(4,618)
Fund Balance, October 1, as Restated	294	1,105	1,105	
Fund Balance (Deficit), September 30	\$ 2,617	\$ 1,684	\$(2,934)	\$(4,618)

OTHER POSTEMPLOYMENT BENEFITS

Schedule of Funding Progress

(In Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
County Employees Plan	10/1/2007	\$0	\$48,755	\$48,755	0.00%	\$272,383	17.90%
	10/1/2009	\$0	\$43,582	\$43,582	0.00%	\$270,612	16.10%
Broward Sheriff's Office Plan	10/1/2007	\$0	\$256,540	\$256,540	0.00%	\$295,950	86.68%
	10/1/2009	\$0	\$251,707	\$251,707	0.00%	\$306,099	82.23%

The above amounts reflect data based on the latest actuarial valuation. GASB 45 was implemented in Fiscal 2008.

Supplemental Combining and Individual Fund Financial Statements and Schedules

Spotlight on: Energy Conservation

Energy and Building Automation Section Facilities Maintenance Division



***Barry Allen,
Chief Energy
and Building
Automation***

The Energy and Building Automation Section (EBAS) of Facilities Maintenance Division, has been quietly implementing energy efficiency projects resulting in over half a million dollars in utility cost savings. Two notable projects are resulting in savings of more than \$400,000 annually.

In the first project, a Facilities team reviewed more than 1,600 electric bills to evaluate how various agencies use energy.

The goal was to reduce utility costs by taking advantage of a Florida Power and Light (FPL) rate option called “time-of-use,” where utility accounts are billed based on time of day usage. As a result, 25 percent of Broward’s accounts with FPL are time-of-use accounts, up from five



***David Cabrera,
Energy Engineer II***

percent in 2008. There were 189 accounts converted in 2010 alone, for an annual savings of \$286,000.



***Jim Murcliffe,
Engineering Tech II***

The second project was a collaborative effort between EBAS and the Parks and Recreation Division to improve utility cost savings at four County aquatic facilities. The team determined that by installing Variable Frequency Drives (VFDs),

pump motors could operate at a precise speed required for water flow rather than inefficient full motor speed. The VFDs not only pay for themselves within one year, but provide an annual savings of \$180,000. As an added bonus, the pumps will experience less stress and, hence, have a longer lifespan.



***Albert Peterson,
Engineer III***



NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Local Housing Assistance Trust Fund - To account for funds received for the State Housing Initiatives Partnership Program.

Water Control Districts Fund - To account for funds received for the maintenance of water resource and drainage programs in special districts of the County.

Other Special Revenue Fund - To account for other special revenue activities.

Sheriff Special Revenue Fund - To account for funds received from the County Law Enforcement Trust Fund and grants for public safety and capital expenditures.

NONMAJOR DEBT SERVICE FUNDS

2001A/2007A General Obligation Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the 2001A/2007A General Obligation Bonds.

2004/2005/2007B General Obligation Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the 2004/2005/2007B General Obligation Bonds.

General Obligation Refunding Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the General Obligation Refunding Bonds.

Tourist Tax Revenue Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Tourist Development Tax Revenue Bonds.

2006 Professional Sports Facilities and Civic Arena Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Professional Sports Facilities and Civic Arena Bonds.

Half-Cent Sales Tax Revenue Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Half-Cent Sales Tax Revenue Bonds.

1998 Gas Tax Revenue Refunding Bonds Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Gas Tax Revenue Refunding Bonds.

Florida Financing Loan Pool Debt Service Fund - To account for the payment of the current year's principal and interest requirements on the Florida Financing Loan Pool debt.

Certificates of Participation Fund - to account for the payment of the current year's principal and interest requirements on the Certificates of Participation.

NONMAJOR CAPITAL PROJECTS FUNDS

2010 Main Courthouse Revenue Bonds Fund - To account for the construction and replacement of the Main Courthouse.

Convention Center Capital Projects Fund - To account for the improvements to the Convention Center.

Beach Renourishment Fund - To account for the restoration of eroded beaches.

Unincorporated Area Capital Projects Fund - To account for the capital improvements program in the County unincorporated areas.

2001 General Obligation Bonds Fund - To account for the construction, expansion, and renovation of the County libraries.

2004/2005 General Obligation Bonds Fund - To account for the acquisition and preservation of land and the renovation and expansion of parks.

Transit Capital Grants Fund - To account for transit capital outlay and transit capital grants.

COMBINING BALANCE SHEET

Nonmajor Governmental Funds

September 30, 2011

(In Thousands)

	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
ASSETS				
Cash and Cash Equivalents	\$ 26,392	\$ 35,309		\$307,946
Investments	11,804		133,583	145,387
Receivables (Net):				
Other	505		6,500	7,005
Delinquent Taxes Receivable (Net)	7	361		368
Due from Other County Funds		730		730
Due from Other Governments (Net)	1,665		16,121	17,786
Other Assets	12			12
Total Assets	\$ 40,385	\$ 36,400	\$ 402,449	\$ 479,234
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 115		\$ 3,477	\$ 3,592
Accrued Liabilities	470		3,589	4,059
Due to Other County Funds	3,211	\$ 20	9,847	13,078
Due to Other Governments	297			297
Escrow Deposits	12			12
Deferred Revenue	9,397	361	6,696	16,454
Total Liabilities	13,502	381	23,609	37,492
Fund Balances:				
Nonspendable	12			12
Restricted	7,559	26,127	335,224	368,910
Committed	19,312		43,616	62,928
Assigned		9,912		9,912
Unassigned		(20)		(20)
Total Fund Balances	26,883	36,019	378,840	441,742
Total Liabilities and Fund Balances	\$ 40,385	\$ 36,400	\$ 402,449	\$ 479,234

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Nonmajor Governmental Funds
For the fiscal year ended September 30, 2011
(In Thousands)

	<i>Special Revenue</i>	<i>Debt Service</i>	<i>Capital Projects</i>	<i>Total Nonmajor Governmental Funds</i>
Revenues:				
Taxes (Net of Discounts)	\$ 1,217	\$ 55,767		\$ 56,984
Licenses and Permits	825			825
Federal Grants	22,514	2,910	\$ 33,642	59,066
State Revenues:				
Grants	161		3,543	3,704
Other	4,508			4,508
Charges for Services	1,928			1,928
Fines and Forfeitures	9,686			9,686
Interest Income	626	265	1,708	2,599
Miscellaneous	6,100	2,164	658	8,922
Total Revenues	47,565	61,106	39,551	148,222
Expenditures:				
Current:				
Public Safety	40,242			40,242
Physical Environment	3,023			3,023
Economic Environment	4,024			4,024
Capital Outlay	1,437		90,872	92,309
Debt Service:				
Principal Retirement		54,770		54,770
Interest and Fiscal Charges		37,473		37,473
Bond and Loan Issuance Costs			2	2
Total Expenditures	48,726	92,243	90,874	231,843
Excess of Revenues Over (Under) Expenditures	(1,161)	(31,137)	(51,323)	(83,621)
Other Financing Sources (Uses):				
Transfers In		31,039	12,131	43,170
Transfers Out		(13,842)	(12,686)	(26,528)
Total Other Financing Sources		17,197	(555)	16,642
Net Change in Fund Balances	(1,161)	(13,940)	(51,878)	(66,979)
Fund Balances, October 1, as Restated	28,044	49,959	430,718	508,721
Fund Balances, September 30	\$ 26,883	\$ 36,019	\$ 378,840	\$ 441,742

NONMAJOR SPECIAL REVENUE FUNDS

Combining Balance Sheet

September 30, 2011

(In Thousands)

	<i>Local Housing Assistance Trust</i>	<i>Water Control Districts</i>	<i>Other Special Revenue</i>	<i>Sheriff Special Revenue</i>	<i>Total</i>
ASSETS					
Cash and Cash Equivalents	\$5,287	\$3,379	\$1,560	\$16,166	\$26,392
Investments				11,804	11,804
Receivables (Net):					
Other	505				505
Delinquent Taxes Receivable (Net)		7			7
Due from Other Governments (Net)			85	1,580	1,665
Other Assets				12	12
Total Assets	\$5,792	\$3,386	\$1,645	\$29,562	\$40,385
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 20	\$ 23	\$ 8	\$ 64	\$ 115
Accrued Liabilities	6		45	419	470
Due to Other County Funds				3,211	3,211
Due to Other Governments				297	297
Escrow Deposits	6	6			12
Deferred Revenue	5,760	7		3,630	9,397
Total Liabilities	5,792	36	53	7,621	13,502
Fund Balances:					
Nonspendable				12	12
Restricted				7,559	7,559
Committed		3,350	1,592	14,370	19,312
Total Fund Balances		3,350	1,592	21,941	26,883
Total Liabilities and Fund Balances	\$5,792	\$3,386	\$1,645	\$29,562	\$40,385

NONMAJOR SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Local Housing Assistance Trust</i>	<i>Water Control Districts</i>	<i>Other Special Revenue</i>	<i>Sheriff Special Revenue</i>	<i>Total</i>
Revenues:					
Taxes (Net of Discounts)		\$1,217			\$ 1,217
Licenses and Permits			\$ 825		825
Federal Grants				\$22,514	22,514
State Revenues:					
Grants				161	161
Other	\$3,324		1,184		4,508
Charges for Services	416			1,512	1,928
Fines and Forfeitures				9,686	9,686
Interest Income	284	66	24	252	626
Miscellaneous		7		6,093	6,100
Total Revenues	4,024	1,290	2,033	40,218	47,565
Expenditures:					
Current:					
Public Safety				40,242	40,242
Physical Environment		1,091	1,932		3,023
Economic Environment	4,024				4,024
Capital Outlay		16	69	1,352	1,437
Total Expenditures	4,024	1,107	2,001	41,594	48,726
Excess of Revenues Over (Under) Expenditures		183	32	(1,376)	(1,161)
Fund Balances, October 1, as Restated		3,167	1,560	23,317	28,044
Fund Balances, September 30	\$ -	\$3,350	\$1,592	\$21,941	\$26,883

LOCAL HOUSING ASSISTANCE TRUST FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
State Revenues:			
Other	\$5,848	\$3,324	\$(2,524)
Charges for Services	1,209	416	(793)
Interest Income	1,977	284	(1,693)
Total Revenues	9,034	4,024	(5,010)
Expenditures:			
Current:			
Economic Environment			
Environmental Protection and Growth Management -			
Housing Finance and Community Development	9,034	4,024	5,010
Total Expenditures	9,034	4,024	5,010
Excess of Revenues Over (Under) Expenditures			
Fund Balance, October 1			
Fund Balance, September 30	\$ -	\$ -	\$ -

WATER CONTROL DISTRICTS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual

for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$1,313	\$1,217	\$(96)
Interest Income	80	66	(14)
Miscellaneous		7	7
Subtotal	1,393	1,290	(103)
Less 5% of Anticipated Revenue	(70)		70
Total Revenues	1,323	1,290	(33)
Expenditures:			
Current:			
Physical Environment			
Public Works	1,739	1,091	648
Capital Outlay	120	16	104
Total Expenditures	1,859	1,107	752
Excess of Revenues Over (Under) Expenditures	(536)	183	719
Fund Balance, October 1	3,167	3,167	
Fund Balance, September 30	\$2,631	\$3,350	\$ 719

OTHER SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Licenses and Permits	\$ 780	\$ 825	\$ 45
State Revenues:			
Other	1,079	1,184	105
Interest Income	10	24	14
Subtotal	1,869	2,033	164
Less 5% of Anticipated Revenue	(93)		93
Total Revenues	1,776	2,033	257
Expenditures:			
Current:			
Physical Environment			
Environmental Protection and Growth Management	1,402	1,325	77
Parks and Recreation	975	607	368
Capital Outlay	135	69	66
Total Expenditures	2,512	2,001	511
Excess of Revenues Over (Under) Expenditures	(736)	32	768
Fund Balance, October 1	1,560	1,560	
Fund Balance, September 30	\$ 824	\$1,592	\$768

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NONMAJOR DEBT SERVICE FUNDS

Combining Balance Sheet

September 30, 2011
(In Thousands)

	<i>2001A / 2007 A General Obligation Bonds</i>	<i>2004 / 2005 / 2007B General Obligation Bonds</i>	<i>General Obligation Refunding Bonds</i>	<i>Tourist Tax Revenue Bonds</i>	<i>2006 Professional Sports Facilities & Civic Arena Bonds</i>
ASSETS					
Cash and Cash Equivalents	\$ 62	\$258		\$2,651	\$3,446
Delinquent Taxes Receivable (Net)	75	158	\$128		
Due from Other County Funds					730
Total Assets	\$137	\$416	\$128	\$2,651	\$4,176
LIABILITIES AND FUND BALANCES					
Liabilities:					
Due to Other County Funds			\$ 20		
Deferred Revenue	\$ 75	\$158	128		
Total Liabilities	75	158	148		
Fund Balances:					
Restricted	62	258		\$2,463	\$4,176
Assigned				188	
Unassigned			(20)		
Total Fund Balances	62	258	(20)	2,651	4,176
Total Liabilities and Fund Balances	\$137	\$416	\$128	\$2,651	\$4,176

<i>Half-Cent Sales Tax Revenue Bonds</i>	<i>1998 Gas Tax Revenue Refunding Bonds</i>	<i>Florida Financing Loan Pool</i>	<i>Certificates of Participation</i>	<i>Total</i>
\$13,378		\$6,812	\$8,702	\$35,309 361 730
\$13,378	\$ -	\$6,812	\$8,702	\$36,400
				\$ 20 361 381
\$12,712 666		\$2,628 4,184	\$3,828 4,874	26,127 9,912 (20)
13,378		6,812	8,702	36,019
\$13,378	\$ -	\$6,812	\$8,702	\$36,400

NONMAJOR DEBT SERVICE FUNDS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>2001A / 2007 A General Obligation Bonds</i>	<i>2004 / 2005 / 2007B General Obligation Bonds</i>	<i>General Obligation Refunding Bonds</i>	<i>Tourist Tax Revenue Bonds</i>	<i>2006 Professional Sports Facilities & Civic Arena Bonds</i>
Revenues:					
Taxes (Net of Discounts)	\$11,921	\$24,880	\$18,966		
Federal Grants					
Interest Income	18	112	44	\$ 39	\$ 9
Miscellaneous					1,423
Total Revenues	11,939	24,992	19,010	39	1,432
Expenditures:					
Debt Service:					
Principal Retirement	7,235	11,985	18,230	2,200	5,900
Interest and Fiscal Charges	4,730	12,937	836	276	8,101
Total Expenditures	11,965	24,922	19,066	2,476	14,001
Excess of Revenues Over (Under) Expenditures	(26)	70	(56)	(2,437)	(12,569)
Other Financing Sources (Uses):					
Transfers In				8,911	20,749
Transfers Out			(79)	(6,405)	(6,409)
Total Other Financing Sources (Uses)			(79)	2,506	14,340
Net Change in Fund Balances	(26)	70	(135)	69	1,771
Fund Balances, October 1	88	188	115	2,582	2,405
Fund Balances (Deficit), September 30	\$ 62	\$ 258	\$ (20)	\$ 2,651	\$ 4,176

<i>Half-Cent Sales Tax Revenue Bonds</i>	<i>1998 Gas Tax Revenue Refunding Bond</i>	<i>Florida Financing Loan Pool</i>	<i>Certificates of Participation</i>	<i>Total</i>
				\$ 55,767
\$ 2,910				2,910
	\$ 9	\$ 34		265
		741		2,164
2,910	9	775		61,106
		3,050	\$ 6,170	54,770
8,945		1,074	574	37,473
8,945		4,124	6,744	92,243
(6,035)	9	(3,349)	(6,744)	(31,137)
486		893		31,039
	(760)	(189)		(13,842)
486	(760)	704		17,197
(5,549)	(751)	(2,645)	(6,744)	(13,940)
18,927	751	9,457	15,446	49,959
\$13,378	\$ -	\$ 6,812	\$ 8,702	\$ 36,019

2001A / 2007 A GENERAL OBLIGATION BONDS DEBT SERVICE FUND**Schedule of Revenues, Expenditures and Changes in Fund Balance****Budget and Actual**

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$12,536	\$11,921	\$(615)
Interest Income	35	18	(17)
Subtotal	12,571	11,939	(632)
Less 5% of Anticipated Revenue	(629)		629
Total Revenues	11,942	11,939	(3)
Expenditures:			
Debt Service:			
Principal Retirement	7,235	7,235	
Interest and Fiscal Charges	4,730	4,730	
Total Expenditures	11,965	11,965	
Excess of Revenues Over (Under) Expenditures	(23)	(26)	(3)
Fund Balance, October 1	88	88	
Fund Balance, September 30	\$ 65	\$ 62	\$ (3)

2004 / 2005 / 2007B GENERAL OBLIGATION BONDS DEBT SERVICE FUND**Schedule of Revenues, Expenditures and Changes in Fund Balance****Budget and Actual**

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$26,028	\$24,880	\$(1,148)
Interest Income	116	112	(4)
Subtotal	26,144	24,992	(1,152)
Less 5% of Anticipated Revenue	(1,307)		1,307
Total Revenues	24,837	24,992	155
Expenditures:			
Debt Service:			
Principal Retirement	11,985	11,985	
Interest and Fiscal Charges	12,937	12,937	
Total Expenditures	24,922	24,922	
Excess of Revenues Over (Under) Expenditures	(85)	70	155
Fund Balance, October 1	188	188	
Fund Balance, September 30	\$ 103	\$ 258	\$ 155

GENERAL OBLIGATION REFUNDING BONDS DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)

Budget and Actual

for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Taxes (Net of Discounts)	\$20,033	\$18,966	\$(1,067)
Interest Income	39	44	5
Subtotal	20,072	19,010	(1,062)
Less 5% of Anticipated Revenue	(1,004)		1,004
Total Revenues	19,068	19,010	(58)
Expenditures:			
Debt Service:			
Principal Retirement	18,230	18,230	
Interest and Fiscal Charges	837	836	1
Total Expenditures	19,067	19,066	1
Excess of Revenues Over (Under) Expenditures	1	(56)	(57)
Other Financing Sources (Uses):			
Transfers Out	(79)	(79)	
Total Other Financing Sources (Uses)	(79)	(79)	
Net Change in Fund Balance	(78)	(135)	(57)
Fund Balance, October 1	115	115	
Fund Balance (Deficit), September 30	\$ 37	\$ (20)	\$ (57)

TOURIST TAX REVENUE BONDS DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Interest Income	\$ 32	\$ 39	\$ 7
Total Revenues	32	39	7
Expenditures:			
Debt Service:			
Principal Retirement	2,200	2,200	
Interest and Fiscal Charges	360	276	84
Total Expenditures	2,560	2,476	84
Excess of Revenues Over (Under) Expenditures	(2,528)	(2,437)	91
Other Financing Sources (Uses):			
Transfers In	9,787	8,911	(876)
Transfers Out	(7,333)	(6,405)	928
Total Other Financing Sources (Uses)	2,454	2,506	52
Net Change in Fund Balance	(74)	69	143
Fund Balance, October 1	2,582	2,582	
Fund Balance, September 30	\$ 2,508	\$ 2,651	\$ 143

**2006 PROFESSIONAL SPORTS FACILITIES AND
CIVIC ARENA BONDS DEBT SERVICE FUND**
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Interest Income		\$ 9	\$ 9
Miscellaneous	\$ 1,402	1,423	21
Subtotal	1,402	1,432	30
Less 5% of Anticipated Revenue	(70)		70
Total Revenues	1,332	1,432	100
Expenditures:			
Debt Service:			
Principal Retirement	5,900	5,900	
Interest and Fiscal Charges	8,102	8,101	1
Total Expenditures	14,002	14,001	1
Excess of Revenues Over (Under) Expenditures	(12,670)	(12,569)	101
Other Financing Sources (Uses):			
Transfers In	17,551	20,749	3,198
Transfers Out	(7,286)	(6,409)	877
Total Other Financing Sources (Uses)	10,265	14,340	4,075
Net Change in Fund Balance	(2,405)	1,771	4,176
Fund Balance, October 1	2,405	2,405	
Fund Balance, September 30	\$ -	\$ 4,176	\$4,176

HALF-CENT SALES TAX REVENUE BONDS DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Federal Grants	\$ 2,910	\$ 2,910	
Total Revenues	2,910	2,910	
Expenditures:			
Debt Service:			
Interest and Fiscal Charges	8,903	8,945	\$ (42)
Total Expenditures	8,903	8,945	(42)
Excess of Revenues Over (Under) Expenditures	(5,993)	(6,035)	(42)
Other Financing Sources (Uses):			
Transfers In	2,080	486	(1,594)
Total Other Financing Sources (Uses)	2,080	486	(1,594)
Net Change in Fund Balance	(3,913)	(5,549)	(1,636)
Fund Balance, October 1	18,685	18,927	242
Fund Balance, September 30	\$14,772	\$13,378	\$(1,394)

1998 GAS TAX REVENUE REFUNDING BONDS DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Interest Income	\$ 15	\$ 9	\$(6)
Subtotal	15	9	(6)
Total Revenues	15	9	(6)
Expenditures:			
Debt Service:			
Interest and Fiscal Charges	2		2
Total Expenditures	2		2
Excess of Revenues Over (Under) Expenditures	13	9	4
Other Financing Sources (Uses):			
Transfers Out	(764)	(760)	4
Total Other Financing Sources (Uses)	(764)	(760)	4
Net Change in Fund Balance	(751)	(751)	
Fund Balance, October 1	751	751	
Fund Balance, September 30	\$ -	\$ -	\$ -

FLORIDA FINANCING LOAN POOL DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Interest Income	\$ 293	\$ 34	\$(259)
Miscellaneous	748	741	(7)
Subtotal	1,041	775	(266)
Less 5% of Anticipated Revenue	(14)		14
Total Revenues	1,027	775	(252)
Expenditures:			
Debt Service:			
Principal Retirement	3,050	3,050	
Interest and Fiscal Charges	1,080	1,074	6
Total Expenditures	4,130	4,124	6
Excess of Revenues Over (Under) Expenditures	(3,103)	(3,349)	(246)
Other Financing Sources (Uses):			
Transfers In	893	893	
Transfers Out	(191)	(189)	2
Total Other Financing Sources (Uses)	702	704	2
Net Change in Fund Balance	(2,401)	(2,645)	(244)
Fund Balance, October 1	9,315	9,457	142
Fund Balance, September 30	\$ 6,914	\$ 6,812	\$(102)

CERTIFICATES OF PARTICIPATION DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

for the fiscal year ended September 30, 2011

(In Thousands)

	<i>Final Budgeted Amounts</i>	<i>Actual Amounts</i>	<i>Variance with Final Budget Positive (Negative)</i>
Revenues:			
Interest Income	\$ 420		\$(420)
Less 5% of Anticipated Revenue	(2)		2
Total Revenues	418		(418)
Expenditures:			
Debt Service:			
Principal Retirement	6,170	\$ 6,170	
Interest and Fiscal Charges	560	574	(14)
Total Expenditures	6,730	6,744	(14)
Excess of Revenues Over (Under) Expenditures	(6,312)	(6,744)	(432)
Fund Balance, October 1	15,214	15,446	232
Fund Balance, September 30	\$ 8,902	\$ 8,702	\$(200)

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NONMAJOR CAPITAL PROJECTS FUNDS

Combining Balance Sheet

September 30, 2011
(In Thousands)

	<i>2010 Main Courthouse Revenue Bonds</i>	<i>Convention Center Capital Projects</i>	<i>Beach Renourishment</i>	<i>Unincorporated Area Capital Projects</i>	<i>2001 General Obligation Bonds</i>
ASSETS					
Cash and Cash Equivalents	\$202,312	\$7,244	\$ 8,695	\$13,377	\$ 3,869
Investments			15,233	61,855	15,006
Receivables (Net):					
Other			6,500		
Due from Other Governments (Net)			604		
Total Assets	\$202,312	\$7,244	\$31,032	\$75,232	\$18,875
LIABILITIES AND FUND BALANCES (DEFICIT)					
Liabilities:					
Accounts Payable	\$ 89		\$ 569	\$ 1,459	\$ 41
Accrued Liabilities	590	\$ 15	248	1,479	150
Due to Other County Funds					
Deferred Revenue			6,696		
Total Liabilities	679	15	7,513	2,938	191
Fund Balances:					
Restricted	201,633		23,519	35,907	18,684
Committed		7,229		36,387	
Total Fund Balances	201,633	7,229	23,519	72,294	18,684
Total Liabilities and Fund Balances	\$202,312	\$7,244	\$31,032	\$75,232	\$18,875

<i>2004 / 2005 General Obligation Bonds</i>	<i>Transit Capital Grants</i>	<i>Total</i>
\$10,748		\$246,245
41,489		133,583
		6,500
	\$15,517	16,121
\$52,237	\$15,517	\$402,449
\$ 506	\$ 813	\$ 3,477
754	353	3,589
	9,847	9,847
		6,696
1,260	11,013	23,609
50,977	4,504	335,224
		43,616
50,977	4,504	378,840
\$52,237	\$15,517	\$402,449

NONMAJOR CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>2010 Main Courthouse Revenue Bonds</i>	<i>Convention Center Capital Projects</i>	<i>Beach Renourishment</i>	<i>Unincorporated Area Capital Projects</i>	<i>2001 General Obligation Bonds</i>
Revenues:					
Federal Grants			\$ 236	\$ 2,015	
State Grants			475		\$ 300
Interest Income	\$ 344	\$ 112	191	733	133
Miscellaneous				484	
Total Revenues	344	112	902	3,232	433
Expenditures:					
Capital Outlay:					
Parks				50	
Beach Renourishment			2,786		
Libraries					1,335
Stormwater Drainage				22,305	
Transportation					
Convention Center		551			
Courthouse	10,028				
Other Projects				625	
Debt Service:					
Bond and Loan Issuance Costs	2				
Total Expenditures	10,030	551	2,786	22,980	1,335
Excess of Revenues Over (Under) Expenditures	(9,686)	(439)	(1,884)	(19,748)	(902)
Other Financing Sources (Uses):					
Transfers In	564	1,000	5,425		
Transfers Out	(486)		(2,600)	(9,600)	
Total Other Financing Sources (Uses)	78	1,000	2,825	(9,600)	
Net Change in Fund Balances	(9,608)	561	941	(29,348)	(902)
Fund Balances October 1	211,241	6,668	22,578	101,642	19,586
Fund Balances, September 30	\$201,633	\$7,229	\$23,519	\$ 72,294	\$18,684

<i>2004 / 2005 General Obligation Bonds</i>	<i>Transit Capital Grants</i>	<i>Total</i>
	\$ 31,391	\$ 33,642
	2,768	3,543
\$ 195		1,708
	174	658
195	34,333	39,551
<hr/>		
8,123		8,173
		2,786
		1,335
		22,305
	45,069	45,069
		551
		10,028
		625
		2
8,123	45,069	90,874
(7,928)	(10,736)	(51,323)
<hr/>		
	5,142	12,131
		(12,686)
	5,142	(555)
(7,928)	(5,594)	(51,878)
58,905	10,098	430,718
\$50,977	\$ 4,504	\$378,840

PROPRIETARY FUNDS

NONMAJOR ENTERPRISE FUNDS

Solid Waste Fund -To account for the closure of the County landfill, County recycling programs and other solid waste activities.

Unincorporated Area Waste Collection Fund - To account for solid waste services provided to the unincorporated areas of the County.

Water Management Fund - To account for water management services provided to the residents of the County in order to meet the County's needs for flood protection and an ample urban water supply.

INTERNAL SERVICE FUNDS

Self-Insurance Fund - To provide coverage against workers' compensation claims, public liability, medical malpractice and accidents involving County-owned motor vehicles.

Fleet Services Fund - To account for and consolidate vehicle management services to Governmental Fund Types and all Enterprise Funds.

Print Shop Fund - To account for printing services provided to other County offices.

NONMAJOR ENTERPRISE FUNDS

Combining Statement of Net Assets

September 30, 2011

(In Thousands)

	<i>Solid Waste</i>	<i>Unincorporated Area Waste Collection</i>	<i>Water Management</i>	<i>Total</i>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$5,756	\$4,917	\$731	\$11,404
Investments	41	44		85
Receivables (Net):				
Accounts	2	17		19
Due from Other County Funds		275		275
Due from Other Governments (Net)			15	15
Inventory			128	128
Total Current Assets	5,799	5,253	874	11,926
Noncurrent Assets:				
Restricted Assets:				
Investments	1,182			1,182
Capital Assets:				
Land	1,620			1,620
Buildings (Net)	16			16
Improvements (Net)	286			286
Equipment (Net)	41	6	43	90
Total Noncurrent Assets	3,145	6	43	3,194
Total Assets	8,944	5,259	917	15,120
LIABILITIES				
Current Liabilities:				
Accounts Payable	166	8	3	177
Accrued Liabilities	41	26	62	129
Due to Other Governments	31			31
Total Current Liabilities	238	34	65	337
Noncurrent Liabilities:				
Liabilities Payable from Restricted Assets	295			295
Other Long-Term Liabilities	899	12	88	999
Total Noncurrent Liabilities	1,194	12	88	1,294
Total Liabilities	1,432	46	153	1,631
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	1,963	6	43	2,012
Restricted:				
Landfill Closure	1,182			1,182
Unrestricted	4,367	5,207	721	10,295
Total Net Assets	\$7,512	\$5,213	\$764	\$13,489

NONMAJOR ENTERPRISE FUNDS
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Solid Waste</i>	<i>Unincorporated Area Waste Collection</i>	<i>Water Management</i>	<i>Total</i>
Operating Revenues:				
Recycling	\$ 152	\$ 20		\$ 172
Assessments		1,207		1,207
Miscellaneous	563	274	\$ 495	1,332
Total Operating Revenues	715	1,501	495	2,711
Operating Expenses:				
Personal Services	515	315	1,373	2,203
General Operating	553	1,699	116	2,368
Depreciation	69	6	10	85
Total Operating Expenses	1,137	2,020	1,499	4,656
Operating Loss	(422)	(519)	(1,004)	(1,945)
Non-Operating Revenues (Expenses):				
Interest Income	49	56	5	110
Other	199			199
Total Non-Operating Revenues (Expenses)	248	56	5	309
Loss Before Transfers	(174)	(463)	(999)	(1,636)
Transfers In	363	275	1,215	1,853
Transfers Out	(287)			(287)
Change in Net Assets	(98)	(188)	216	(70)
Total Net Assets, October 1	7,610	5,401	548	13,559
Total Net Assets, September 30	\$7,512	\$5,213	\$ 764	\$13,489

NONMAJOR ENTERPRISE FUNDS

Combining Statement of Cash Flows

for the fiscal year ended September 30, 2011

(In Thousands)

	Solid Waste	Unincorporated Area Waste Collection	Water Management	Total
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 722	\$ 1,505	\$ 495	2,722
Cash Payments to Suppliers for Goods and Services	(1,240)	(1,991)	(140)	(3,371)
Cash Payments to Employees for Services	(555)	(320)	(1,223)	(2,098)
Other Cash Received	199			199
Net Cash Used for Operating Activities	(874)	(806)	(868)	(2,548)
Cash Flows from Noncapital Financing Activities:				
Transfers In	363	275	1,215	1,853
Transfers Out	(287)			(287)
Net Cash Provided by Noncapital Financing Activities	76	275	1,215	1,566
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(2)		(5)	(7)
Net Cash Used for Capital and Related Financing Activities	(2)		(5)	(7)
Cash Flows from Investing Activities:				
Purchase of Investment Securities	(245)	37		(208)
Proceeds from Sales and Maturities of Investment Securities	396			396
Interest and Dividends on Investments	49	56	5	110
Net Cash Provided by Investing Activities	200	93	5	298
Net (Increase) Decrease in Cash and Cash Equivalents	(600)	(438)	347	(691)
Cash and Cash Equivalents, October 1	6,356	5,355	384	12,095
Cash and Cash Equivalents, September 30	\$ 5,756	\$ 4,917	\$ 731	\$ 11,404
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:				
Operating Loss	(422)	(519)	(1,004)	(1,945)
Adjustments to Reconcile Operating Loss to Net Cash Used for Operating Activities:				
Depreciation Expense	69	6	10	85
Miscellaneous Non-Operating Revenue	199			199
Decrease (Increase) in Assets:				
Accounts Receivable (Net)	7	4		11
Due from Other County Funds		(275)		(275)
Inventory			(27)	(27)
Increase (Decrease) in Liabilities:				
Accounts Payable	(258)	(17)	3	(272)
Accrued Liabilities	(56)	(3)	62	3
Due to Other Government	31			31
Noncurrent liabilities	(444)	(2)	88	(358)
Total Adjustments	(452)	(287)	136	(603)
Net Cash Used For Operating Activities	\$ (874)	\$ (806)	\$ (868)	\$ (2,548)
Noncash Investing, Capital and Financing Activities:				
Change in Fair Value of Investments	\$ 46	\$ 44	\$	90

INTERNAL SERVICE FUNDS

Combining Statement of Net Assets

September 30, 2011

(In Thousands)

	<i>Self- Insurance</i>	<i>Fleet Services</i>	<i>Print Shop</i>	<i>Total</i>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 18,458	\$1,051	\$1,170	\$ 20,679
Investments	90,259			90,259
Receivables (Net):				
Accounts	56			56
Due from Other County Funds	21,355		2	21,357
Due from Other Governments (Net)		50	18	68
Inventories		927	26	953
Other Current Assets	67			67
Total Current Assets	130,195	2,028	1,216	133,439
Noncurrent Assets:				
Capital Assets:				
Equipment (Net)	46	700	330	1,076
Total Noncurrent Assets	46	700	330	1,076
Total Assets	130,241	2,728	1,546	134,515
LIABILITIES				
Current Liabilities:				
Accounts Payable	952	59	6	1,017
Accrued Liabilities	7,007	290	27	7,324
Unearned Revenue	8,219			8,219
Other Current Liabilities	27,360			27,360
Total Current Liabilities	43,538	349	33	43,920
Noncurrent Liabilities:				
Other Long-Term Liabilities	71,366	413	29	71,808
Total Noncurrent Liabilities	71,366	413	29	71,808
Total Liabilities	114,904	762	62	115,728
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	46	700	330	1,076
Unrestricted	15,291	1,266	1,154	17,711
Total Net Assets	\$ 15,337	\$1,966	\$1,484	\$ 18,787

INTERNAL SERVICE FUNDS
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Self- Insurance</i>	<i>Fleet Services</i>	<i>Print Shop</i>	<i>Total</i>
Operating Revenues:				
Charges for Services	\$106,395	\$9,094	\$ 632	\$116,121
Operating Expenses:				
Personal Services	3,847	2,844	351	7,042
General Operating	102,620	5,896	247	108,763
Depreciation	19	553	80	652
Total Operating Expenses	106,486	9,293	678	116,457
Operating Loss	(91)	(199)	(46)	(336)
Non-Operating Revenues (Expenses):				
Interest Income	1,204	7	19	1,230
Gain (Loss) on Sale of Assets		45		45
Other	1,092	31		1,123
Total Non-Operating Revenues (Expenses)	2,296	83	19	2,398
Change in Net Assets	2,205	(116)	(27)	2,062
Total Net Assets, October 1	13,132	2,082	1,511	16,725
Total Net Assets, September 30	\$ 15,337	\$1,966	\$1,484	\$ 18,787

INTERNAL SERVICE FUNDS

Combining Statement of Cash Flows
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Self-Insurance</i>	<i>Fleet Services</i>	<i>Print Shop</i>	<i>Total</i>
Cash Flows From Operating Activities:				
Cash Received from Customers		\$9,109	\$625	\$9,734
Cash Received for Premiums	\$94,558			94,558
Cash Payments to Suppliers for Goods and Services	(72,425)	(6,144)	(270)	(78,839)
Cash Payments to Employees for Services	(3,876)	(2,878)	(351)	(7,105)
Cash Payments for Claims	(24,930)			(24,930)
Other Cash Received	1,092	31		1,123
Net Cash Provided by (Used for) Operating Activities	(5,581)	118	4	(5,459)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(6)	(132)		(138)
Proceeds from Sale of Capital Assets		45		45
Net Cash Used for Capital and Related Financing Activities	(6)	(87)		(93)
Cash Flows from Investing Activities:				
Purchase of Investment Securities	(96,251)			(96,251)
Proceeds from Sale and Maturities of Investment Securities	105,037			105,037
Interest and Dividends on Investments	1,203	7	20	1,230
Net Cash Provided by Investing Activities	9,989	7	20	10,016
Net Increase in Cash and Cash Equivalents	4,402	38	24	4,464
Cash and Cash Equivalents, October 1	14,056	1,013	1,146	16,215
Cash and Cash Equivalents, September 30	\$18,458	\$1,051	\$1,170	\$20,679
Reconciliation of Operating Loss to Net Cash Provided by (Used for) Operating Activities:				
Operating Loss	\$(91)	\$(199)	\$(46)	\$(336)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used for) Operating Activities:				
Depreciation Expense	19	553	80	652
Miscellaneous Non-Operating Revenue	1,092	31		1,123
Decrease (Increase) in Assets:				
Accounts Receivable (Net)	68			68
Due from Other County Funds	(21,355)	10	(2)	(21,347)
Due from Other Governments (Net)		5	(5)	
Inventories		(168)	(3)	(171)
Increase (Decrease) in Liabilities:				
Accounts Payable	(100)	(80)	(20)	(200)
Accrued Liabilities	9,494	(43)	2	9,453
Other Current Liabilities	1,096			1,096
Noncurrent Liabilities	4,196	9	(2)	4,203
Total Adjustments	(5,490)	317	50	(5,123)
Net Cash Provided by (Used for) Operating Activities	\$(5,581)	\$118	\$4	\$(5,459)
Noncash Investing, Capital, and Financing Activities:				
Change in Fair Value of Investments	\$788			\$788

FIDUCIARY FUNDS

Agency Funds

Revenue Collection Fund - To account for the collection and distribution of taxes and licenses for the County and other taxing bodies.

Other Agency Fund - To account for funds received and disbursed by Court Trustees, Hunting and Fishing Licenses, School Impact, Recording, Tax Certificates, Tags and Other Licenses and Building Permit Surcharges.

Sheriff Agency Fund - To account for funds received and disbursed by the Sheriff's Office in a fiduciary capacity.

FIDUCIARY FUNDS
Combining Statement of Fiduciary Assets and Liabilities - Agency Funds
September 30, 2011
(In Thousands)

	<i>Revenue Collection</i>	<i>Other Agency</i>	<i>Sheriff Agency</i>	<i>Total</i>
ASSETS				
Cash and Cash Equivalents		\$ 5,567	\$6,650	\$ 12,217
Investments	\$ 23,199	11,448		34,647
Accounts Receivable (Net)	180	328	753	1,261
Delinquent Taxes Receivable (Net)	116,995			116,995
Due from Other Governments (Net)		40	278	318
Total Assets	\$140,374	\$17,383	\$7,681	\$165,438
LIABILITIES				
Accounts Payable	\$ 8	\$ 75	\$ 263	\$ 346
Due to Other Governments	3,971	6,973	922	11,866
Due to Individuals			4,885	4,885
Escrow Deposits	136,395	10,335	197	146,927
Evidence Seizures			1,414	1,414
Total Liabilities	\$140,374	\$17,383	\$7,681	\$165,438

FIDUCIARY FUNDS

Combining Statement of Changes in Assets and Liabilities - Agency Funds

for the fiscal year ended September 30, 2011

(In Thousands)

	Balance October 1, 2010		Additions		Deductions		Balance September 30, 2011	
<u>REVENUE COLLECTION</u>								
ASSETS								
Cash and Cash Equivalents	\$	-	\$	5,847,911	\$	5,847,911	\$	-
Investments		25,128		570,699		572,628		23,199
Accounts Receivable (Net)		223		50,637		50,680		180
Delinquent Taxes Receivable (Net)		110,975		6,020				116,995
Total Assets	\$	136,326	\$	6,475,267	\$	6,471,219	\$	140,374
LIABILITIES								
Accounts Payable	\$	7	\$	947	\$	946	\$	8
Due to Other Governments		9,296		2,299,332		2,304,657		3,971
Escrow Deposits		127,023		4,286,626		4,277,254		136,395
Total Liabilities	\$	136,326	\$	6,586,905	\$	6,582,857	\$	140,374
<u>OTHER AGENCY</u>								
ASSETS								
Cash and Cash Equivalents	\$	7,168	\$	600,720	\$	602,321	\$	5,567
Investments				11,448				11,448
Accounts Receivable (Net)				1,501		1,173		328
Due from Other Governments (Net)		36		100		96		40
Total Assets	\$	7,204	\$	613,769	\$	603,590	\$	17,383
LIABILITIES								
Accounts Payable	\$	8	\$	1,289	\$	1,222	\$	75
Due to Other Governments		3,093		181,823		177,943		6,973
Escrow Deposits		4,103		199,356		193,124		10,335
Total Liabilities	\$	7,204	\$	382,468	\$	372,289	\$	17,383
<u>SHERIFF AGENCY</u>								
ASSETS								
Cash and Cash Equivalents	\$	1,146	\$	295,036	\$	289,532	\$	6,650
Accounts Receivable (Net)		1,044		13,255		13,546		753
Due from Other Governments (Net)		7,692		278,338		285,752		278
Total Assets	\$	9,882	\$	586,629	\$	588,830	\$	7,681
LIABILITIES								
Accounts Payable	\$	893	\$	8	\$	638	\$	263
Due to Other Governments		1,645		33,127		33,850		922
Due to Individuals		5,200		1,167		1,482		4,885
Escrow Deposits		139		71		13		197
Evidence Seizures		2,005		2,122		2,713		1,414
Total Liabilities	\$	9,882	\$	36,495	\$	38,696	\$	7,681

continued

FIDUCIARY FUNDS

Combining Statement of Changes in Assets and Liabilities - Agency Funds, continued for the fiscal year ended September 30, 2011 (In Thousands)

	<i>Balance October 1, 2010</i>		<i>Additions</i>		<i>Deductions</i>		<i>Balance September 30, 2011</i>
<u>TOTAL - ALL AGENCY FUNDS</u>							
ASSETS							
Cash and Cash Equivalents	\$ 8,314	\$	6,743,667	\$	6,739,764	\$	12,217
Investments	25,128		582,147		572,628		34,647
Accounts Receivable (Net)	1,267		65,393		65,399		1,261
Delinquent Taxes Receivable (Net)	110,975		6,020				116,995
Due from Other Governments (Net)	7,728		278,438		285,848		318
Total Assets	\$ 153,412	\$	7,675,665	\$	7,663,639	\$	165,438
LIABILITIES							
Accounts Payable	\$ 908	\$	2,244	\$	2,806	\$	346
Due to Other Governments	14,034		2,514,282		2,516,450		11,866
Due to Individuals	5,200		1,167		1,482		4,885
Escrow Deposits	131,265		4,486,053		4,470,391		146,927
Evidence Seizures	2,005		2,122		2,713		1,414
Total Liabilities	\$ 153,412	\$	7,005,868	\$	6,993,842	\$	165,438

SUPPLEMENTAL FINANCIAL SCHEDULES

WATER AND WASTEWATER

Schedule of Net Revenue and Debt Coverage Calculation

AVIATION

Schedule of Deposits to and Withdrawals from Special Funds and Accounts Created by Bond Resolutions

Schedule of Bonds Issued, Paid, Purchased, Redeemed, Cancelled and Defeased

Schedule of Revenues and Current Expenses and Calculation of Debt Coverage in Accordance with Bond Resolution Section 704 (a)

Schedule of Lien Bond Sufficiency Test

PORT EVERGLADES

Schedule of Revenues, Expenses and Debt Service Coverage

Professional Sports Facilities Bonds and First Florida Loan Agreements

Annual Disclosure Information and Debt Service Capacity Calculation

WATER AND WASTEWATER FUND
Schedule of Net Revenue and Debt Coverage Calculation
for the fiscal year ended September 30, 2011
(Dollars In Thousands)

	<i>Net Revenue Calculation</i>
Revenue:	
Water	\$ 45,114
Wastewater	64,843
Other (1)	4,946
Interest Income	1,570
Total Revenue	\$ 116,473
Current Expenses:	
Water Transmission and Distribution	\$ 8,770
Water Source of Supply, Treatment and Pumping	9,231
Wastewater Collection and Transmission	9,866
Wastewater Treatment	14,729
Customer Service	5,400
Administrative and General	15,947
Total Current Expenses (2)	\$63,943

		<i>Actual Coverage</i>	<i>Coverage Required</i>
Net Revenue Available for Principal and Interest Requirements	\$ 52,530		
Principal and Interest Requirements on Series 2003 A Bonds	\$ 5,868		
Principal and Interest Requirements on Series 2003 B Bonds	\$ 9,970		
Principal and Interest Requirements on Series 2005 Bonds	\$ 3,837		
Principal and Interest Requirements on Series 2009A Bonds	\$ 10,324		
Coverage of Debt Service by Net Revenue	\$ 29,999	1.75	1.20
Balance Available for Renewal, Replacement and Capital Expenditures	\$ 22,531		

- (1) Includes gross amounts of non-operating revenues allowable
(2) Expenses which can be charged directly as part of the cost of the product or service

AVIATION FUND
Schedule of Deposits to and Withdrawals from
Special Funds and Accounts Created by Bond Resolutions
for the fiscal year ended September 30, 2011
(in Thousands)

	<i>Balances</i> <i>October 1,</i> <i>2010</i>	<i>Deposits</i>	<i>Withdrawals</i>	<i>Balances</i> <i>September 30,</i> <i>2011</i>
Revenue-Operating	\$ 75,267	\$ 5,551	\$ 28,353	\$52,465
Renewal and Replacement	27,688	12,322	11,634	28,376
Improvements	1,362	137	295	1,204
Facilities Improvements	18,092	2,960	14,417	6,635
Discretionary	2,651	45		2,696
Airline Fees and Charges	9,643	7,551		17,194
Restricted Sub-Account	1,347	335	366	1,316
Passenger Facilities Charges	111,000	16,572	27,159	100,413
Bond Reserves	47,759		289	47,470
Series E Principal and Interest	19,358	19,822	19,358	19,822
Series G & H Principal and Interest	12,202	12,427	12,202	12,427
Series I & J Principal and Interest	18,420	18,728	18,420	18,728
Series L Principal and Interest	7,641	7,730	7,641	7,730
Series O Principal and Interest	4,361	4,778	4,361	4,778
Construction Funds	122,600	27,937	41,639	108,898

Note: All ending balances include accrued interest.

AVIATION FUND
Schedule of Bonds Issued, Paid, Purchased,
Redeemed, Cancelled and Defeased
for the fiscal year ended September 30, 2011
(In Thousands)

	<i>Total</i>
Balance Outstanding at September 30, 2010	\$ 724,680
Bonds Issued	-
Bond Defeased	-
Bonds Paid	42,480
Balance Outstanding at September 30, 2011	\$ 682,200

AVIATION FUND
Schedule of Revenues and Current Expenses and Calculation of Debt Coverage
in Accordance with Bond Resolution Section 704 (a)
for the fiscal year ended September 30, 2011
(Dollars in Thousands)

Revenues	\$179,358
Current Expenses	115,341
Net Revenues	64,017
Carryover Amount Available from Airline Fees and Charges Sub-Account	24,751
Amount Available for Debt Services	\$ 88,768
Debt Service:	
Deposit to Principal Account	\$ 38,850
Deposit to Interest Account	30,901
Transfer from Passenger Facility Charge Capital Improvement Fund	(13,826)
Total Debt Service	\$ 55,925
Debt Service Coverage by Account Available for Debt Service	159%
Required Debt Service Coverage	125%

AVIATION FUND
Schedule of Lien Bond Sufficiency Test
for the fiscal year ended September 30, 2011
(Dollars in Thousands)

Existing Passenger Facility Charge Authority	\$1,876,458
Amount Spent on Pay-As-You-Go Projects	34,949
Series 1998H Convertible Lien Bond Debt Service	9,124
Series 2001I Convertible Lien Bond Debt Service	2,971
Series 2004L Airport System Revenue Bonds	10,528
Series 2009O Airport System Revenue Bonds	3,298
Total for the Current Year	60,870
Total for Previous Years	370,059
Total Spent and Committed to Date	430,929
Total Available	\$ 1,445,529
Projected Aggregate Principal and Interest Requirement	\$ 166,271
Sufficiency Test	869%
Sufficiency Covenant Requirement	105%

PORT EVERGLADES FUND
Schedule of Revenues, Expenses and Debt Service Coverage
for the fiscal year ended September 30, 2011
(Dollars In Thousands)

Operating Revenues:	
Petroleum	\$ 25,772
Container	31,669
Cruise	56,754
Bulk	1,379
Breakbulk/Neobulk	1,283
Real Estate	10,409
Other	11,911
Subtotal	139,177
Non-Operating-Investment	1,009
Total Revenues	\$ 140,186
Operating Expenses	\$ 74,182
Non-Operating Expenses	(909)
Total Expenses	\$ 73,273
Net Income Available for Debt Service- Senior Lien Bonds and Subordinate Bonds	\$ 66,913

		<i>Actual Coverage</i>	<i>Required Coverage</i>
Debt Service Requirements - Senior Lien Bonds	\$ 28,757	2.33	1.25
Debt Service Requirements - Senior Lien Bonds	\$ 28,757		
Principal and interest on Subordinate Bonds	3,286		
Debt Service Requirements - Senior Lien Bonds	\$ 32,043	2.09	1.10

PROFESSIONAL SPORTS FACILITIES BONDS AND FIRST FLORIDA LOAN AGREEMENTS

**Annual Disclosure Information and Debt Service Capacity Calculation for Covenant to Budget
and Appropriate Debt Associated with the Broward County Professional Sports Facilities Tax
and Revenue Bonds, Series 2006 A& B Loan and Agreements between the County and the First
Florida Governmental Financing Commission**
for the fiscal year ended September 30, 2011
(Dollars In Thousands)

Revenues Pledged for Repayment of the 2006 Professional Sports Facilities Bonds:

Professional Sports Franchise Facilities Tax Revenue	\$ 16,278
Professional Sports Franchise State Sales Tax Rebate Receipts	2,000
County Preferred Revenue Allocation Receipts	3,997
Total of Pledged Revenues	\$ 22,275
Fiscal Year 2011 Debt Service	13,997
Debt Service Coverage	1.59

Net Available Non-Ad Valorem Revenues for the Fiscal Year Ending September 30, 2011:

License and Permit Fees	\$ 16,067
State Revenue Sharing	35,503
Local Government Half Cent Sales Tax	48,958
Tourist Tax	40,630
Utility Services Taxes and Fire Rescue Tax	4,948
Fine and Forfeitures	14,143
Interest Earnings	8,159
Charges for Services	347,255
Miscellaneous Revenue	22,967
Other State Revenues	2,000
Non-Revenue Sources/Fund Balance	276,827
Federal/State Grants	89,269
Special Assessments	1,091
Total Gross Non-Ad Valorem Revenues	907,817
Less: Operations Costs to the extent not paid by Ad Valorem Taxes	(643,539)
Total Net Available Non-Ad Valorem Revenues	\$ 264,278

Total Outstanding Debt Secured by and Payable from Non-Ad Valorem Revenues for the Fiscal Year Ending September 30, 2011:

*2006 Professional Sports Facilities Bonds	\$ 153,270
2007 First Florida	4,625
2006 First Florida	4,480
2005 First Florida	6,825
2002 First Florida	4,070
Total Non-Ad Valorem General Revenue Debt Outstanding	\$ 173,270

(continued)

PROFESSIONAL SPORTS FACILITIES BONDS AND FIRST FLORIDA LOAN AGREEMENTS, *Continued*

<i>Debt Service Capacity:</i>	<i>Maximum Annual Debt Service</i>	<i>Coverage Ratio</i>	<i>Coverage Required</i>
2007 First Florida	\$ 934	2	\$ 1,868
2006 First Florida	413	2	826
2005 First Florida	624	2	1,248
2002 First Florida	2,151	2	4,302
Total Debt Service Capacity			\$ 8,244

Total Net Available Non-Ad Valorem Revenues	\$ 264,278
Less Current Coverage Requirements	(8,244)
Subtotal	256,034
Less Coverage Factor (2 x Debt Service)	128,017
Total Remaining Debt Service Capacity	\$ 128,017

* The 2006 Professional Sports Facilities Bonds are primarily secured by the three revenue sources listed at the beginning of this schedule. Because non-ad valorem revenues represent a secondary source of repayment for the 2006 Professional Sports Facilities Bonds, debt service for these bonds is not included in the debt service capacity calculations. Non-ad valorem revenues were not used as a source of repayment for those bonds in fiscal year 2011 and are not anticipated to be used as a source of repayment in fiscal year 2012.

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APPENDIX C

FORM OF THE RESOLUTION

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Resolution 2012-116

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION REFUNDING BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2012 IN AN AMOUNT NOT TO EXCEED \$140,000,000, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF ITS OUTSTANDING GENERAL OBLIGATION BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2004 AND ALL OR A PORTION OF ITS OUTSTANDING GENERAL OBLIGATION BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2005; PLEDGING REVENUES FROM AN AD VALOREM TAX LEVIED ON ALL TAXABLE PROPERTY IN THE COUNTY FOR THE PAYMENT OF THE BONDS; AUTHORIZING ONE OR MORE SERIES OF BONDS AS ITS GENERAL OBLIGATION REFUNDING BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2012; PROVIDING FOR REGISTRATION THROUGH A BOOK-ENTRY SYSTEM; APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; ESTABLISHING CRITERIA FOR DETERMINING THE DATE, INTEREST RATES, PROVISIONS FOR REDEMPTION AND MATURITY SCHEDULE OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR TO AWARD THE SALE OF THE BONDS TO ONE OR MORE OF THE ORIGINAL PURCHASERS DESCRIBED HEREIN ON A NEGOTIATED BASIS UPON ONE OR MORE SALE DATES; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE AND AN ESCROW DEPOSIT AGREEMENT; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND THE CONDITIONS AND CRITERIA OF SUCH SALE OR SALES; DELEGATING THE APPOINTMENT OF CERTAIN PROVIDERS; AUTHORIZING ALL PROPER OFFICIALS TO DO ALL THINGS NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

PMB 432332.8

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated as of its date of execution between the County and the Original Purchaser, in substantially the form attached hereto as Exhibit D.

"Bond Registrar" shall mean initially U.S. Bank National Association, or such other bank or trust company that shall hereafter be appointed by the County, to maintain the registration books of the County and be responsible for the transfer and exchange of the Bonds, and which also may be the Paying Agent for the Bonds and interest thereon.

"Bonds" shall mean collectively the not to exceed \$140,000,000 aggregate principal amount of Broward County, Florida General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012.

"Capital Appreciation Bonds" shall mean the aggregate principal amount of the Bonds that bear interest payable solely at maturity or upon redemption prior to maturity in the amounts determined by reference to the Accreted Values, as shall be determined by subsequent resolution of the County.

"Continuing Disclosure Certificate" shall mean that certain Continuing Disclosure Certificate related to the Bonds to be executed by the County prior to the time the County delivers the Bonds to the Original Purchaser, as amended from time to time in accordance with the terms thereof, whereby the County undertakes to assist the Original Purchaser in complying with the continuing disclosure requirements of SEC Rule 15c2-12(b)(5), in substantially the form attached hereto as Exhibit A.

"County" shall mean Broward County, Florida.

PMB 432332.8

NOW, THEREFORE,

BE IT RESOLVED by the Board of County Commissioners of Broward County, Florida:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapter 125, Florida Statutes, Sections 132.33-132.47, Florida Statutes, the Charter of Broward County, Florida, a bond referendum approved on November 7, 2000 by the qualified electors of Broward County, Florida, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the terms defined in this section and utilized in this Resolution shall have the meanings specified in this section. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Accreted Value" shall mean the amounts as to which reference is made that establish the amounts payable at maturity or upon redemption prior to maturity on any Capital Appreciation Bonds. Such amounts shall be determined by subsequent resolution of the County.

"Accrued Debt Service Funds" shall mean the collections of ad valorem taxes which have been levied for debt service on each series of the Refunded Bonds and have accumulated and been deposited in the respective bond fund for each series of the Refunded Bonds.

"Amortization Installment" means, with respect to any Term Bonds, the amount of money required to be deposited into the Sinking Fund in a particular Bond year to pay the principal amount or Accreted Value of such Term Bonds to be redeemed by mandatory redemption or paid at maturity in such Bond year.

PMB 432332.8

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement by and between the County and U.S. Bank National Association, as Escrow Agent, in substantially the form attached hereto as Exhibit B.

"Federal Securities" means, collectively, (i) direct obligations of, or obligations, the principal of and interest on which are unconditionally guaranteed by, the United States of America, which are not redeemable prior to maturity at the option of the obligor; (ii) bank certificates of deposit fully secured as to principal and interest by the obligations described in (i); (iii) certificates evidencing ownership of portions of such obligations described in (i); (iv) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any state (a) which are not callable by the obligor prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in such notice, (b) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds or other obligations of the character described in clause (i) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) hereof which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this clause (iv) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of

PMB 432332.8

this clause (iv), as appropriate; and (v) interest on obligations of the Resolution Funding Corporation.

"Finance Officer" shall mean the Interim Chief Financial Officer and Director of the Finance and Administrative Services Department of the County, or her designee, who shall also act as the County's designee to either serve as or to appoint a Bond Registrar and Paying Agent for the Bonds from time to time.

"Financial Advisor" shall mean, when used in connection with the Bonds, Public Financial Management, Inc., Orlando, Florida, and Fidelity Financial Services, L.C., Fort Lauderdale, Florida, their permitted successors or assigns.

"Holder" or "Bondholder" or "Registered Owner" or any similar term shall mean any person who shall be the Registered Owner of any such Bond or Bonds, or his transferee.

"Original Purchaser" shall mean, when used in connection with the Bonds, Merrill Lynch, Pierce, Fenner & Smith Incorporated, together with certain other underwriting firms listed in the Bond Purchase Agreement.

"Paying Agent" shall mean initially U.S. Bank National Association and thereafter any authorized depository designated by the County to serve as Paying Agent or as the place of payment for the Bonds that shall have agreed to arrange for the timely payment of the principal of, interest on and redemption premium, if any, with respect to the Bonds to the owners thereof, from funds made available therefor by the County.

"Preliminary Official Statement" shall mean the preliminary official statement relating to the Bonds attached hereto as Exhibit C.

"Record Date" shall mean the 15th day of the month immediately preceding an interest payment date for the Bonds.

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improving neighborhood and regional park facilities, lands and open spaces to make parks safer and protect clean water, air and wildlife for the County.

B. Whereas, the issuance of the Bonds as general obligation bonds of the County confirms that their payment is backed by the full faith and credit and taxing power of the County. All other resolutions and proceedings required preliminary to the adoption of this Resolution have been adopted and/or followed.

C. The County has previously issued the Refunded Bonds which were previously approved by a majority of the qualified voters voting in a referendum held for that purpose; and the Bonds to be issued pursuant to this Resolution are therefore general obligation bonds of the County, the payment for which the full faith and credit and taxing power of the County will be pledged.

D. Article VII, Section 12 of the Constitution of the State of Florida provides that counties may issue bonds payable from ad valorem taxation without approval by a vote of the electors to refund outstanding bonds and interest if such refunding bonds are issued at a lower net average interest cost rate than that which is calculated respecting the refunded bonds.

E. Sections 132.33-132.47, Florida Statutes sets forth certain requirements which must be met prior to the issuance of the Bonds, including a refunding financial plan which is authorized hereunder with the following provisions: The aggregate principal amount of the Bonds shall not exceed the lesser of \$140,000,000 or an amount sufficient to pay the sum of: (a) the principal amount of the Refunded Bonds; (b) the aggregate amount of unmatured interest payable on the Refunded Bonds in accordance with the refunding financial plan; and (c) the expenses of refunding the Refunded Bonds. The Bonds allocable to each series of the Refunded Bonds shall only be issued in the event that: (a) the sum of the present value of the total

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"Refunded Bonds" shall mean, collectively, (i) all or a portion of the outstanding Broward County, Florida General Obligation Bonds (Parks and Land Preservation Project), Series 2004 (the "Series 2004 Bonds") issued on April 15, 2004, in an amount as determined pursuant to Section 5 hereof; and (ii) all or a portion of the outstanding Broward County, Florida General Obligation Bonds (Parks and Land Preservation Project), Series 2005 (the "Series 2005 Bonds") issued April 7, 2005, in an amount as determined pursuant to Section 5 hereof.

"Registered Owner" shall mean any person who shall be the owner of any outstanding Bond or Bonds as shown on the books of the County maintained by the Bond Registrar.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"Serial Bonds" shall mean Bonds of a series designated as such (other than Term Bonds) which mature in annual or semiannual installments.

"Sinking Fund Investments" shall mean any investment permitted by the County's Investment Policy, as amended.

"Term Bonds" means Bonds of a series which shall either be stated to mature on one date or which are designated as Term Bonds in the Bond Purchase Agreement; Term Bonds may be subject to retirement in part in one or more Bond years prior to their maturity date by scheduled mandatory redemption with Amortization Installments.

SECTION 3. FINDINGS. It is hereby found, ascertained and determined that:

A. Whereas, the County previously approved pursuant to Resolution No. 2003-874 as amended and supplemented (the "Refunded Bond Resolution"), the issuance of its Series 2004 Bonds, in an original aggregate principal amount of \$187,770,000, and the issuance of its Series 2005 Bonds, in an original principal amount of \$154,135,000, which bonds were issued for the purpose of financing a portion of the costs of preserving, acquiring, reclaiming, constructing and

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payments of both principal and interest to become due on the Bonds allocable to each series of the Refunded Bonds, excluding all such principal and interest payments as, in accordance with the refunding financial plan, will be made from the principal of and the interest on moneys held in escrow under the Escrow Deposit Agreement, and the present value of refunding expenses not paid from the net proceeds of the Bonds allocable to the related series of the Refunded Bonds, shall be less than the present value of the principal and interest payments to become due at their stated maturities, or earlier mandatory redemption dates, on the principal amount of the related series of the Refunded Bonds which are outstanding as of the date of issue of the Bonds; (b) the Bonds allocable to each series of the Refunded Bonds are issued at a lower net average interest cost rate than the related series of the Refunded Bonds; (c) the present value of the debt service savings resulting from the refunding of each series of the Refunded Bonds shall be at least three percent (3%) after comparing the debt service on the related series of the Refunded Bonds, as determined by the Financial Advisor in a certificate to be presented at the time of the sale, with the anticipated debt service on the Bonds allocable to the related series of the Refunded Bonds; and (d) the final maturity of the Bonds shall be no later than the final maturity of the Refunded Bonds, as herein provided. The intent of the determination and certification of the net present value savings described herein is to comply with the general guidelines contained in the County's Debt Policy, specifically the County's Administrative Code, Chapter 22, Part XVIII, Exhibit 22(D)9 regarding refunding bonds.

F. The County deems it necessary and in its best interest to provide for the refunding of the Refunded Bonds as described in the refunding financial plan. The refunding financial plan herein described will be advantageous to the County by reducing debt service payments owed by the County.

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G. From the proceeds of the Bonds and other funds available therefor, there shall be deposited pursuant to the Escrow Deposit Agreement, a sum which, together with the principal and income from Federal Securities to be purchased pursuant to such agreement, will be sufficient to make timely payments of all presently outstanding principal, redemption premium, if any, and interest in respect to the Refunded Bonds, as the same come due and/or redeemable. Such funds and principal and income from investments shall also be sufficient to pay when due all expenses described in the Escrow Deposit Agreement.

II. The costs associated with issuing the Bonds shall be deemed to include legal expenses, fiscal expenses, escrow agent fees and expenses, verification agent fees and expenses, rating agency fees, accounting expenses, costs of printing, fees of the Financial Advisor, provisions for reserves, if any, and such other expenses as may be necessary or incidental for the financing herein authorized, including underwriters' discount.

I. The issuance of the Bonds will not exceed any debt limitation prescribed by law, and the Bonds, when issued, will be within the limits of all constitutional or statutory debt limitations and will comply with the provisions set forth in Sections 132.33 - 132.47, Florida Statutes.

J. Pursuant to Section 218.385 of the Florida Statutes, as amended, the County has determined that the offering of the Bonds pursuant to a negotiated sale rather than a public sale by competitive bid is in the best interests of the County; and the County hereby further finds and determines that the following reasons necessitate the offering of the Bonds pursuant to a negotiated sale:

- (i) The offering of bonds generally involves specialized situations and transactions which need detailed analysis, structuring and explanation throughout the

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Finance Officer after consultation with the County Attorney and Co-Bond Counsel (as hereinafter defined). The Bonds are authorized to be issued in one or more series with appropriate designations for the purposes of: (i) refunding, defeasing and redeeming all or a portion of the Refunded Bonds, and (ii) paying the costs of issuance with respect to the Bonds. The portion of the Bonds allocable to the refunding of the Series 2004 Bonds shall have a final maturity not later than the final maturity of the Series 2004 Bonds. The portion of the Bonds allocable to the refunding of the Series 2005 Bonds shall have a final maturity not later than the final maturity of the Series 2005 Bonds. The Bonds shall be issued only if the present value savings threshold of three percent (3%) or more as described in Section 3.E. is satisfied. The first installment of principal of the Bonds shall mature, or be subject to mandatory sinking fund redemption, not later than the date of the first stated maturity, or mandatory sinking fund redemption, of the Refunded Bonds next following the date of issue of the Bonds. Notice of redemption of the Refunded Bonds to be redeemed shall be given as provided in the Escrow Deposit Agreement and in accordance with the Refunded Bond Resolution.

The County hereby authorizes and approves the Escrow Deposit Agreement in substantially the form of Exhibit B attached hereto. The Mayor and the County Administrator are hereby authorized to execute and deliver the Escrow Deposit Agreement, substantially in the form of Exhibit B hereto with such changes, omissions, additions and filling in of the blanks as may be approved by the County Administrator, with the advice of the County Attorney, Edwards Wildman Palmer LLP and the Law Offices of Carol D. Ellis, P.A. ("Co-Bond Counsel") and the Financial Advisor. The Bonds shall be dated as of their date of delivery, or such other date as may be designated by the Finance Officer.

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course of the offering by sophisticated financial advisors, underwriters, investment bankers and similar parties experienced in the structuring of offerings of bonds such as the Bonds, much of which would not generally be available on a timely basis from the ultimate underwriter of the Bonds if they were offered pursuant to a public competitive sale; and

- (ii) For the foregoing and related reasons, most offerings of bonds such as the Bonds heretofore offered throughout the United States have involved participation throughout the structuring and offering process of underwriters who have purchased or who have arranged for the purchase of the bonds through a negotiated sale rather than through a public sale by competitive bid.

SECTION 4. THIS RESOLUTION TO CONSTITUTE A CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the County and the Registered Owners of the Bonds. The covenants and agreements herein set forth to be performed by the County shall be for the equal benefit, protection and security of the owners of any and all of the Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

SECTION 5. AUTHORIZATION OF BONDS AND REFUNDING. Subject and pursuant to the provisions hereof, the Bonds are authorized to be issued in the aggregate principal amount of not exceeding \$140,000,000, and shall be designated "Broward County, Florida, General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012," or such other appropriate designation or designations as shall be determined by the

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SECTION 6. AUTHORIZATION OF BOND PURCHASE AGREEMENT. Provided that the conditions for refunding all or a portion of each series of the Refunded Bonds set forth in Section 5 of this Resolution are met, the County Administrator is hereby authorized to award the sale of the Bonds provided the true interest cost rate on the Bonds does not exceed a maximum rate of 5.50%. The Bonds shall be subject to optional redemption prior to maturity and such optional redemption provisions shall begin no later than January 1, 2024 and no call premium may exceed 1.0% of the principal amount of the Bonds subject to redemption, all as shall be determined by the County Administrator with the advice of the Finance Officer and the Financial Advisor.

Any Bonds issued as Term Bonds shall have such Amortization Installments and shall be subject to mandatory redemption at par prior to maturity from such Amortization Installments, all as shall be determined by the County Administrator, with the advice of the Finance Officer and the Financial Advisor.

Execution and delivery by the Mayor and the County Administrator of the Bond Purchase Agreement shall be conclusive evidence of the approval by the County of the above details of the Bonds.

The County hereby authorizes and approves the Bond Purchase Agreement in substantially the form attached as Exhibit D hereto. Upon compliance by the Original Purchaser with the requirements of Section 218.385(2) and (3), Florida Statutes, and Section 218.385(6), Florida Statutes, by filing the "truth-in-bonding statement" and the "disclosure statement" required by said statutory provisions, the Mayor and the County Administrator are hereby authorized to execute and deliver the Bond Purchase Agreement, substantially in the form of Exhibit D hereto with such changes, omissions, additions and filling in of the blanks as may be

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approved by the County Administrator, with the advice of Co-Bond Counsel, but subject to the provisions hereof, and to award the Bonds to the Original Purchaser, provided that the Original Purchaser's discount shall not exceed 0.5% (one-half of one percent) of the principal amount of the Bonds, not inclusive of original issue discount or costs of issuance. Execution and delivery by the Mayor and the County Administrator of the Bond Purchase Agreement shall be conclusive evidence of approval by the County of such changes, omissions, additions and filling in of blanks and the award of the Bonds to the Original Purchaser.

SECTION 7. DESCRIPTION OF BONDS. The Bonds shall be issued in fully registered form; may be Capital Appreciation Bonds, Term Bonds, Serial Bonds and/or current interest bonds; shall be numbered; shall be in the denomination of \$5,000 each, or integral multiples thereof for the current interest bonds and in \$5,000 maturity amounts for any Capital Appreciation Bonds or in \$5,000 multiples thereof, or such other denominations as shall be approved by the County Administrator prior to the delivery of the Bonds; shall bear interest at such rate or rates not exceeding the maximum rate allowed by Florida law, the actual rate or rates for the Bonds to be set forth in the Bond Purchase Agreement set under the parameters herein set forth. The Bonds may have bifurcated maturities.

Each current interest bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless authenticated on an interest payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated prior to the first interest payment date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication payment of any interest which is due and payable has not been made, such current interest bond shall bear interest from the date to which interest shall have been paid.

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The Bonds are hereby authorized to be executed and sealed as set forth in this Section 8 in accordance with the terms of this Resolution.

SECTION 9. AUTHENTICATION OF BONDS. Only such of the Bonds as shall have been endorsed thereon a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Bond Registrar, as authenticating agent, shall be entitled to any benefit or security under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Bond Registrar, and such certificate of the Bond Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The Bond Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication of all of the Bonds that may be issued hereunder at any one time.

SECTION 10. EXCHANGE OF BONDS. Subject to the provisions of Section 11 hereof regarding the use of the book-entry system, any Bond, upon surrender thereof to the Bond Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of Bonds equal to the principal amount of the Bond or Bonds so surrendered. The Bond Registrar shall make provision for the exchange of Bonds at the designated corporate trust office of the Bond Registrar.

SECTION 11. DTC BOOK ENTRY; NEGOTIABILITY, REGISTRATION AND TRANSFER OF BONDS. The Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each interest rate of each of the maturities of the Bonds.

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Any Capital Appreciation Bonds shall bear interest only at maturity or upon redemption prior to maturity in the amount determined by reference to the Accreted Value.

The principal of and the interest and redemption premium, if any, on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the current interest bonds shall be payable by the Paying Agent on each interest payment date to the person appearing on the registration books of the County hereinafter provided for as the registered Holder thereof, by wire transfer or check mailed to such registered Holder at his address as it appears on such registration books. Payment of the principal of all current interest bonds and the Accreted Value with respect to any Capital Appreciation Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

SECTION 8. EXECUTION OF BONDS. The Bonds shall be executed in the name of the County by, or bear the facsimile signature of, the Mayor or Vice Mayor of the County and shall be countersigned and attested by, or bear the facsimile signature of, the County Administrator and ex officio Clerk of the Board of County Commissioners of Broward County, Florida and a facsimile of the official seal of the County shall be imprinted on the Bonds.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer has remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons who, at the actual time of the execution of such Bond, shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

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Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). As long as the Bonds shall be registered in the name of Cede & Co., all payments of principal on the Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Bonds.

With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the County, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any participant in the DTC book-entry program (a "Participant") or to any indirect participant. Without limiting the immediately preceding sentence, the County, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (B) the delivery to any Participant or any other person other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Bonds, including any notice of redemption, or (C) the payment to any Participant or any other person, other than a Bondholder, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal, interest or redemption premium, if any, of the Bonds. The County, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, interest or redemption premium, if any, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal, interest or redemption

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premium, if any, of the Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to payment of principal, interest or redemption premium, if any, of the Bonds to the extent of the sum or sums so paid. No person other than a Holder, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Bond evidencing the obligation of the County to make payments of principal or redemption premium, if any, pursuant to the provisions hereof. Upon delivery by DTC to the County of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to transfers during the fifteen (15) days next preceding a payment date or mailing of notice of redemption, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the County shall promptly deliver a copy of the same to the Bond Registrar and the Paying Agent.

Upon (A) receipt by the County of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the County that such book-entry only system is burdensome to the County, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in

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required to make any such exchange or registration of transfer of Bonds on or subsequent to the Record Date prior to the next interest payment date.

The Bonds issued hereunder shall be and shall have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Registered Owner, in accepting any of the Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

SECTION 12. OWNERSHIP OF BONDS. The County and the Bond Registrar may treat the Registered Owner of any Bond as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary. Payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bond, shall be made only to or upon the order of the Registered Owner thereto or his legal representative. Interest on the Bonds shall be paid to the Registered Owner whose name appears on the books of the Bond Registrar on the Record Date. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the premium, if any, and interest thereon to the extent of the sum or sums so paid. The person in whose name any Bond is registered may be deemed the Registered Owner thereof by the County and the Bond Registrar, and any notice to the contrary shall not be binding upon the County or the Bond Registrar.

Notwithstanding the foregoing provisions of this section, the County reserves the right, on or prior to the delivery of the Bonds, to amend or modify the foregoing provisions relating to registration of the Bonds in order to comply with all applicable laws, rules and regulations of the United States and/or the State of Florida relating thereto.

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accordance with the provisions hereof. In such event, the County shall issue and the Bond Registrar shall authenticate, transfer and exchange Bonds consistent with the terms hereof, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the blanket letter of representation executed previously by the County and the Bond Registrar and delivered to DTC in order to induce DTC to act as securities depository for the Bonds shall apply to the payment of principal, interest and redemption premium, if any, on the Bonds.

The Bond Registrar shall keep books for the registration of and for the registration of transfers of Bonds as provided in this Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Bond Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar.

Subject to the foregoing provisions regarding the book-entry system of registration, in all cases in which Bonds shall be exchanged, the County shall execute and the Bond Registrar shall authenticate and deliver, at the earliest practicable time, a new Bond or Bonds of the same type in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The County or the Bond Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of this Resolution. Neither the County nor the Bond Registrar shall be

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SECTION 13. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. Subject to the provisions regarding the book-entry system of registration, in case any Bond shall become mutilated, or be destroyed, stolen or lost, the County may in its discretion cause to be executed, and the Bond Registrar shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the County and the Bond Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the County and the Bond Registrar may prescribe and paying such expenses as the County and the Bond Registrar may incur. All Bonds so surrendered shall be canceled by the Bond Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same, upon the County and Bond Registrar being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section shall constitute original, additional contractual obligations on the part of the County whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Bonds issued hereunder.

SECTION 14. FORM OF BONDS. The text of the Bonds shall be in substantially the following forms, with such omissions, insertions and variations as may be necessary and desirable and authorized and permitted by this Resolution or by any subsequent resolution adopted prior to the issuance thereof.

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[FORM OF BOND]

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
BROWARD COUNTY
GENERAL OBLIGATION REFUNDING BONDS
(PARKS AND LAND PRESERVATION PROJECT)
SERIES 2012

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE	CUSIP
------------------	------------------	---------------------------	-------

REGISTERED OWNER: CEDE & CO.

PRINCIPAL:

Broward County, Florida (the "County"), for value received, hereby promises to pay to the Registered Owner designated above, or registered assignees, on the Maturity Date specified above, the principal sum shown above, upon the presentation and surrender hereof at the office of _____, acting as the paying agent and bond registrar (collectively, the "Bond Registrar"), and to pay interest thereon from the date of this bond or from the most recent interest payment date to which interest has been paid, whichever is applicable, until payment of such sum, at the rate per annum set forth above, payable on _____ 1, 20____, and semiannually thereafter on the first day of January and the first day of July of each year, by check or draft mailed to the Registered Owner at his address as it appears on the registration books on the 15th day of the month preceding the applicable interest payment date. Both principal of and interest on this bond are payable in lawful money of the United States of America.

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Registered Owner or his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Resolution, and upon surrender and cancellation of this bond. Upon any such transfer, there shall be executed in the name of the transferee, and the Bond Registrar shall deliver, a new fully registered bond or bonds in authorized denominations and in the same aggregate principal amount, series, maturity and interest rate as this bond.

In like manner, subject to such conditions and upon the payment of such charges, if any, the Registered Owner of this bond may surrender the same (together with a written authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or his duly authorized attorney) in exchange for an equal aggregate principal amount of fully registered bonds in authorized denominations of the same series, maturity and interest rate as this bond.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Bond Registrar.

This bond is one of an authorized issue of bonds, in the aggregate principal amount of \$ _____ issued to refund [all] or [a portion of] the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2004 and [all] or [a portion of] the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2005, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 125, Florida Statutes, Sections 132.33-132.47, Florida Statutes, the County's Charter and other applicable provisions of law, and a bond referendum approved on November 7, 2000. This bond is issued pursuant to a resolution duly adopted by the County on _____, 2012 (the "Resolution"), and is subject to all the terms and conditions of such Resolution.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist, and to be performed, precedent to and in the issuance of this bond, have happened, exist, and have been performed in due time, form and manner as required by the Constitution and laws of the State of Florida applicable thereto; that the issues of bonds which this bond is refunding have been approved at a bond election held in accordance with the Constitution and Statutes of the State of Florida; and that provision has been made for the levy and collection of a direct annual tax upon all taxable property within the County, without limitation as to rate or amount, sufficient to pay the principal of and interest on the bonds of this issue of which this bond is a part, as the same shall become due, which tax shall be levied and collected at the same time and in the same manner as other ad valorem taxes are assessed, levied and collected.

[insert redemption provisions]

This bond may be transferred only upon the books of the County kept by the Bond Registrar upon surrender hereof to the Bond Registrar with an assignment duly executed by the

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IN WITNESS WHEREOF, Broward County, Florida, has issued this bond and has caused the same to be signed by the manual or facsimile signature of the Mayor of Broward County, Florida and the corporate seal of the County, or a facsimile thereof, to be affixed or reproduced hereon, and attested and countersigned by the manual or facsimile signature of the County Administrator and ex officio Clerk of the Board of County Commissioners of Broward County, Florida, all as of the ____ day of _____, 2012.

(SEAL)

BROWARD COUNTY, FLORIDA

By: _____
Title: Mayor

ATTESTED:

By: _____
Title: County Administrator and
ex officio Clerk of the Board
of County Commissioners of
Broward County, Florida

CERTIFICATE OF AUTHENTICATION OF BOND REGISTRAR

This bond is one of the bonds of the issue described in the Resolution.

U.S. BANK NATIONAL ASSOCIATION
As Bond Registrar

By: _____
Authorized Signature

Date of Authentication

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The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIF MIN ACT - _____ (Cust.)
TEN ENT - as tenants by the entireties	Custodian for _____ (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

the within bond and does hereby irrevocably constitute and appoint _____ as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature guaranteed:

(Bank, Trust Company or Firm)

(Authorized Officer)

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

*** END OF BOND FORM ***

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SECTION 16. CONTINUING DISCLOSURE. The County hereby covenants and agrees that, in order to assist the Original Purchaser in complying with SEC Rule 15c2-12(b)(5) with respect to the Bonds, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate which is hereby authorized to be executed and delivered by the Finance Officer prior to the time the County delivers the Bonds to the Original Purchaser, as may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate substantially in the form attached hereto as Exhibit A, is hereby approved and ratified. Notwithstanding any other provision of this Resolution, failure of the County to comply with such Continuing Disclosure Certificate shall not be considered an event of default hereunder or thereunder. However, the Continuing Disclosure Certificate shall be enforceable by the Bondholders in the event that the County fails to cure a breach thereunder within a reasonable time after written notice from a Bondholder to the County that a breach exists. Any rights of the Bondholders to enforce the provisions of the Continuing Disclosure Certificate shall be on behalf of all Bondholders and shall be limited to a right to obtain specific performance of the County's obligations thereunder.

SECTION 17. PROVISIONS FOR REDEMPTION. The Bonds shall be subject to redemption prior to their maturity as shall be set forth in the Bond Purchase Agreement, with specific redemption provisions as are set pursuant to the limitations in Section 6 hereof.

Notice of such redemption shall be given by the Paying Agent, at least thirty (30) days prior to the redemption date, be filed with the Bond Registrar and mailed, first class mail, postage prepaid, to all Holders of the Bonds to be redeemed at their addresses as they appear on the registration books hereinbefore provided for, but failure to mail such notice to one or more Holders of the Bonds shall not affect the validity of the proceedings for such redemption with

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SECTION 15. OFFERING OF BONDS. The County Administrator, the Finance Officer and the Financial Advisor are hereby authorized to prepare and mail (or cause to be prepared and mailed) copies of the Preliminary Official Statement, substantially in the form attached hereto as Exhibit C. At closing, the appropriate officers of the County are authorized and directed to furnish a certificate to the effect that the Preliminary Official Statement did not as of its date and does not contain any untrue statement or omission of a material fact, except for "permitted omissions," as defined in SEC Rule 15c2-12 (the "Rule"). The Mayor and County Administrator are authorized to deem final the Preliminary Official Statement prepared pursuant to this section for purposes of the Rule. The Mayor and County Administrator are authorized to deliver a certificate to the Original Purchaser indicating compliance with the Rule. The County shall provide the Original Purchaser with a reasonable number of copies of the final Official Statement substantially in the form of the Preliminary Official Statement, with certain terms and conditions of the sale contained in the final Bond Purchase Agreement reflected in the final Official Statement. Upon sale of the Bonds, the Mayor and the County Administrator are hereby authorized to execute an Official Statement and the Original Purchaser shall be responsible for distributing the Official Statement in accordance with the law and related rules and regulations. The County Administrator, the Finance Officer and the Financial Advisor are hereby further authorized and directed to cooperate with requests for information received from the Original Purchaser. The County Administrator is hereby authorized and directed to select a financial printer having a favorable reputation in the printing of a preliminary official statement and final official statement to serve as the printer of the Preliminary Official Statement and the final Official Statement, and the payment of such printer's reasonable fees and expenses for such services is hereby authorized.

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respect to Holders of the Bonds to which notice was duly mailed hereunder. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Subject to the rules regarding the book-entry system of registration, upon surrender of any Bond for redemption in part only, the Bond Registrar shall authenticate and deliver to the Bondholder thereof, the cost of which shall be paid by the County, a new Bond of an authorized denomination equal to the unredeemed portion of the Bond surrendered.

In addition to the foregoing notice, further notice shall be given by the County as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given in the manner prescribed above.

(1) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (a) the CUSIP numbers of all Bonds being redeemed; (b) the date of issue of the Bonds as originally issued; (c) the rate of interest borne by each Bond being redeemed; (d) the maturity date of each Bond being redeemed; and (e) any other descriptive information needed to identify accurately the Bonds being redeemed.

(2) Each further notice of redemption shall be sent at least thirty-five (35) days before the redemption date by registered or certified mail or overnight delivery service to any bond insurer which shall have insured any of the Bonds being redeemed and as may be required by the Municipal Securities Rulemaking Board (MSRB) and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

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In the case of an optional redemption, the notice of redemption may state that (1) it is conditioned upon the deposit of moneys with the Paying Agent or with an escrow agent under an escrow deposit agreement, in amounts necessary to effect the redemption, no later than the redemption date or (2) the County retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this subsection. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the County delivers a written direction to the Paying Agent directing the Paying Agent to rescind the redemption notice. The Paying Agent shall give prompt notice of such rescission to the affected Bondholders. Any Bonds subject to Conditional Redemption where redemption has been rescinded, or such moneys not so deposited, shall remain Outstanding, and neither the rescission nor the failure by the County to make such moneys available shall constitute an event of default hereunder. The County shall give notice as may be required by the MSRB and to one or more national information services that disseminate notices, and to the affected Bondholders, that the redemption did not occur and that the Bonds called for redemption and not so paid remain Outstanding.

SECTION 18. PLEDGE OF TAXING POWERS; SINKING FUND; LEVY OF AD VALOREM TAX. For the prompt payment of the principal of and interest on the Bonds, the full faith, credit and taxing power of the County are irrevocably pledged. There is hereby created a Sinking Fund to be held by the depository for the County and administered by the County solely for the purpose of paying the principal of and interest on the Bonds as they become due.

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Refunded Bonds as the same shall become due or are redeemed, whichever is earlier, shall be deposited pursuant to the provisions of the Escrow Deposit Agreement.

Such funds and securities shall be kept separate and apart from all other funds and securities of the County and the moneys on deposit therein shall be withdrawn, used and applied by the County solely for the purposes set forth herein and in the Escrow Deposit Agreement. All such proceeds and securities shall be and constitute trust funds for such purposes, and there is hereby created a lien in favor of the holders of the Refunded Bonds upon such money and securities until so applied.

Simultaneously with the delivery of the Bonds to the Original Purchaser, the County shall enter into an Escrow Deposit Agreement. At the time of execution of the Escrow Deposit Agreement, the County shall furnish to the escrow holder named therein appropriate documentation to demonstrate that the sums being deposited and the investments in Federal Securities to be made will be sufficient for such purposes.

SECTION 20. DEFEASANCE. If, at any time, the County shall have paid, or shall have made provision for payment of, the principal, interest and redemption premiums, if any, with respect to the Bonds, then, and in that event, the pledge of the special ad valorem tax levied on all taxable property in the County, in favor of the holders of the Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or Federal Securities in an irrevocable trust with a banking institution or trust company, for the sole benefit of the Bondholders, to make timely payment of the principal of, interest, and redemption premiums, if any, on the outstanding Bonds, shall be considered "provision for payment."

SECTION 21. TAX COVENANT. No use will be made of the proceeds of the Bonds, which, if such use were reasonably expected on the date of issuance of the Bonds, would cause

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Pending its use, money on deposit in the Sinking Fund may be invested in Sinking Fund Investments.

In each year while any of such Bonds are outstanding, there shall be levied and collected a tax without limitation as to rate or amount on all taxable property within the County, sufficient in amount to pay the principal of and interest on such Bonds, as the same shall become due, after deducting therefrom any other funds which may be available for such principal and interest payments and which shall actually be so applied. The proceeds of such tax shall be deposited, as received, into the Sinking Fund. The Accrued Debt Service Funds shall be deposited into the Sinking Fund upon the issuance of the Bonds and shall be expended to the extent needed to refund the Refunded Bonds.

SECTION 19. APPLICATION OF PROCEEDS OF BONDS. All money received from the sale of the Bonds shall be applied by the County as follows:

A. All accrued interest, if any, and interest to accrue on the series of the Bonds for such period shall be deposited into the Sinking Fund.

B. There is hereby created a special account to be designated the "Costs of Issuance Account" from which the County shall pay all legal fees, fees of financial advisors and all other similar costs incurred in connection with the issuance of any of the Bonds. Moneys remaining on deposit in the Cost of Issuance Account six months after the delivery of any of the Bonds shall be transferred to the Sinking Fund and used as provided herein.

C. A sum specified in the Escrow Deposit Agreement which, together with other legally available funds, if any, when invested in Federal Securities, shall be sufficient to pay, as of any date of calculation, the principal of, premium, if any, and interest on each series of the

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the same to be "arbitrage bonds" within the meaning of the Internal Revenue Code of 1986, as amended. The County at all times while the Bonds and the interest thereon are outstanding will comply with the requirements of the Internal Revenue Code of 1986, as amended, and any valid and applicable rules and regulations promulgated thereunder necessary to maintain the exclusion of the interest on the Bonds from federal gross income including the creation of any rebate funds or other funds and/or accounts required in that regard.

The County shall at all times do and perform all acts and things permitted by law and this Resolution which are necessary or desirable in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and shall take no action that would result in such interest not being excluded from gross income for federal income tax purposes.

The County shall make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Code from amounts on deposit in the funds and accounts established in connection with the Bonds.

Notwithstanding any other provisions of this Resolution to the contrary, so long as necessary in order to maintain the exclusion from gross income of interest on the Bonds for federal income tax purposes, the covenants contained in this Section shall survive the payment of the Bonds and the interest thereon, including any payment or defeasance thereof.

SECTION 22. MODIFICATION OR AMENDMENT. No material adverse modification or amendment of this Resolution or of any resolution or ordinance amendatory hereof or supplemental hereto may be made without the consent in writing of the Registered Owners of 51% or more in aggregate principal amount of the Bonds then outstanding, or the Registered Owners of all the Bonds so affected; provided, however, that no modification or

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amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or in the amount of the principal obligation thereof or affecting the promise of the County to pay the principal of and interest on the Bonds as the same shall become due from the proceeds of the ad valorem tax or reduce the percentage of the Registered Owners required to consent to any material modification or amendment hereof, without the consent of the Registered Owners of all such Bonds.

SECTION 23. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions hereof or of the Bonds.

SECTION 24. FURTHER OFFICIAL ACTION. The Mayor, the County Administrator, the Finance Officer, the County Attorney and any other proper officials of the County are hereby authorized and directed to execute and deliver any and all documents, pleadings, tax returns and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution. In the event that the Mayor, the County Administrator, the Finance Officer or the County Attorney is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the County. The County Administrator or any deputy County Administrator is hereby authorized and directed to affix and attest the official seal of the County to any agreement or instrument authorized or approved herein that requires such a seal and attestation.

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SECTION 25. REPEALING CLAUSE. All resolutions or parts thereof of the County in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 26. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption this 28th day of February, 2012.

APPROVED AND ADOPTED by the Board of County Commissioners of Broward County, Florida, at its regular meeting assembled this 28th day of February, 2012.



Mayor, Broward County, Florida

County Administrator and Ex-Officio
Clerk of the Board of County
Commissioners

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APPENDIX D

CONTINUING DISCLOSURE CERTIFICATE

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Broward County, Florida (the "Issuer") in connection with the issuance of its \$101,345,000 General Obligation Refunding Bonds (Parks and Land Preservation Project), Series 2012 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. 2012-116 adopted by the County on February 28, 2012, as amended and supplemented from time to time (the "Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Obligated Person" shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the Securities and Exchange Commission may be found by visiting the Securities and Exchange Commission's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access ("EMMA") web portal at "http://emma.msrb.org."

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to, within 180 days of the end of the Issuer's fiscal year, beginning with the fiscal year ended September 30, 2012 with respect to the report for the 2012 fiscal year, provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date; provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) Not later than fifteen (15) business days prior to the date set forth in (a) above, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to any Repository an Annual Report as required in subsection (a), the Issuer shall send a notice to any Repository, in electronic format as prescribed by such Repository, in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated March 7, 2012 relating to the Bonds (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of the historical financial and operating data set forth in the Official Statement, including, the information under the tables: "Broward County Millage Rates," "Broward County Net Assessed Property Valuation," "Broward County Tax Levies and Tax Collection," "Principal Taxpayers," "Tax Certificates Held by Broward County," "Broward County Summary Schedule of Revenue, Expenditures and Changes in Fund Balances – General Fund," and "Broward County Summary Schedule of Revenue, Expenditures and Changes in Fund Balances – Other Governmental Funds." Annual information shall also include a description of the County's outstanding direct debt and debt ratios as provided in the caption "LIABILITIES OF THE COUNTY – Indebtedness of the County."

The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;

6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and
15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operating data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

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SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of April 10, 2012

BROWARD COUNTY, FLORIDA

(SEAL)

By: _____
Mayor

ATTEST

By: _____
County Administrator and Ex-Officio
Clerk of the Board of County Commissioners

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Broward County, Florida

Name of Bond Issue: General Obligation Refunding Bonds (Parks and Land Preservation Project),
Series 2012

Date of Issuance: April 10, 2012

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4(b) of the Continuing Disclosure Certificate dated as of April 10, 2012. The Issuer anticipates that the Annual Report will be filed by _____
_____.

Dated:_____

BROWARD COUNTY, FLORIDA

By:_____

Name:_____

Title:_____

APPENDIX E

FORM OF CO-BOND COUNSEL OPINION

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APPENDIX E

FORM OF CO-BOND COUNSEL OPINION

On the date of issuance of the Series 2012 Bonds in definitive form, Edwards Wildman Palmer LLP and the Law Offices of Carol D. Ellis, P.A., Co-Bond Counsel, propose to render their approving opinion in substantially the following form.

_____, 2012

Board of County Commissioners of
Broward County, Florida
Fort Lauderdale, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Board of County Commissioners of Broward County, Florida (the “County”) and other proofs submitted to us relative to the issuance and sale of the following described bonds (the “Bonds”) of the County:

\$101,345,000
BROWARD COUNTY, FLORIDA
General Obligation Refunding Bonds
(Parks and Land Preservation Project)
Series 2012

Dated: Date of Delivery

numbered from one (1) consecutively upwards with the letter “R” prefixed to the number, in registered form, in the denomination of \$5,000 each or any integral multiple thereof, maturing on January 1 of each year and bearing interest at the rates per annum, payable July 1, 2012, and semiannually thereafter on January 1, and July 1 of each year, in the years and in the principal amounts as follows:

<u>Maturity (January 1)</u>	<u>Amount</u>	<u>Interest Rate</u>
2017	\$2,000,000	3.00%
2017	11,545,000	4.00
2017	1,400,000	5.00
2018	1,750,000	2.00
2018	11,600,000	4.00
2018	2,200,000	5.00
2019	3,250,000	2.00
2019	6,065,000	4.00
2019	6,865,000	5.00
2020	5,000,000	2.50
2020	2,220,000	4.00
2020	9,625,000	5.00
2022	3,730,000	3.00
2022	5,800,000	5.00
2023	300,000	2.25
2023	9,165,000	5.00
2024	9,430,000	5.00
2025	9,400,000	5.00

Principal and interest on the Bonds is payable upon presentation and surrender, on the date fixed for maturity or redemption thereof, at the principal corporate trust office of U.S. Bank National Association, the Bond Registrar and Paying Agent.

The Bonds maturing on or prior to January 1, 2022 are not subject to redemption prior to their stated dates of maturity. The Bonds maturing on or after January 1, 2023 are subject to redemption prior to their stated dates of maturity, at the option of the County, on or after January 1, 2022 in whole or in part at any time, and if in part, in such order of maturities as shall be determined by the County, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price of par, together with accrued interest to the date fixed for redemption.

Notice of such redemption shall be given by the Paying Agent, at least thirty (30) days prior to the redemption date, be filed with the Bond Registrar and mailed, first class mail, postage prepaid, to all Holders of the Bonds to be redeemed at their addresses as they appear on the registration books as provided in the Resolution (as hereafter defined), but failure to mail such notice to one or more Holders of the Bonds shall not affect the validity of the proceedings for such redemption with respect to Holders of the Bonds to which notice was duly mailed thereunder. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of the Bonds of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

The Bonds are being issued for the purposes of: (i) refunding, defeasing and redeeming all of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2004, and all or a portion of the County's outstanding General Obligation Bonds (Parks and Land Preservation Project), Series 2005, and (ii) paying the costs of issuance with respect to the Bonds.

We have also examined Bond No. R-1 as executed.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds pursuant to the Constitution and the Statutes of the State of Florida, including Chapter 125, Florida Statutes, as amended and supplemented, Sections 132.33 – 132.47, Florida Statutes, the Charter of Broward County, Florida, and other applicable provisions of law, a bond referendum approved on November 7, 2000, and pursuant to a resolution duly adopted by the County on February 28, 2012, as amended and supplemented (the "Resolution"), entitled: "A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA PROVIDING FOR THE ISSUANCE OF ITS GENERAL OBLIGATION REFUNDING BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2012 IN AN AMOUNT NOT TO EXCEED \$140,000,000, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF ITS OUTSTANDING GENERAL OBLIGATION BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2004 AND ALL OR A PORTION OF ITS OUTSTANDING GENERAL OBLIGATION BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2005; PLEDGING REVENUES FROM AN AD VALOREM TAX LEVIED ON ALL TAXABLE PROPERTY IN THE COUNTY FOR THE PAYMENT OF THE BONDS; AUTHORIZING ONE OR MORE SERIES OF BONDS AS ITS GENERAL OBLIGATION REFUNDING BONDS (PARKS AND LAND PRESERVATION PROJECT), SERIES 2012; PROVIDING FOR REGISTRATION THROUGH A BOOK-ENTRY SYSTEM; APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; ESTABLISHING CRITERIA FOR DETERMINING THE DATE, INTEREST RATES, PROVISIONS FOR REDEMPTION AND MATURITY SCHEDULE OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR TO AWARD THE SALE OF THE BONDS TO ONE OR MORE OF THE ORIGINAL PURCHASERS DESCRIBED HEREIN ON A NEGOTIATED BASIS UPON ONE OR MORE SALE DATES; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE AND AN ESCROW DEPOSIT AGREEMENT; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT AND THE CONDITIONS AND CRITERIA OF SUCH SALE OR SALES; DELEGATING THE APPOINTMENT OF CERTAIN PROVIDERS; AUTHORIZING ALL PROPER OFFICIALS TO DO ALL THINGS NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AND PROVIDING AN EFFECTIVE DATE.," and that the Bonds are legal, valid, binding and enforceable obligations of the County to which the full faith and credit of the County has been pledged, and that the County will be obligated to levy and collect ad valorem taxes without limitation as to rate or amount on all taxable property within the County, sufficient to pay principal of, redemption premium, if any and interest on the Bonds, as the same

become due and payable. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Resolution.

Interest on the Bonds is excluded from the gross income of the owners of the Bonds for federal income tax purposes. In addition, interest on the Bonds is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes. However, such interest is included in adjusted current earnings when calculating corporate alternative minimum taxable income. In rendering the opinions set forth in this paragraph, we have assumed compliance by the County with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, and continue to be, excluded from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure by the County to comply with certain of such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding any other federal tax consequences arising with respect to the Bonds.

We are further of the opinion that, under existing law, the Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined therein.

This opinion is expressed as of the date hereof, and we neither assume nor undertake any obligation to update, revise, supplement or restate this opinion to reflect any action taken or omitted, or any facts or circumstances or changes in law or in the interpretation thereof, that may hereafter arise or occur, or for any other reason.

The opinions expressed herein regarding enforceability may be subject to bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights generally or by such principles of equity as the court having jurisdiction may impose with respect to certain remedies which require or may require enforcement by a court of equity.

Respectfully yours,

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