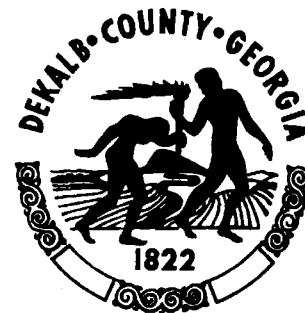


Comprehensive Annual Financial Report

DeKalb County, Georgia



Year Ended December 31, 2008

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEKALB COUNTY, GEORGIA

YEAR ENDED DECEMBER 31, 2008

Prepared by:

Department of Finance

DEKALB COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2008

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INTRODUCTORY SECTION

**LETTER OF TRANSMITTAL
CERTIFICATE OF ACHIEVEMENT
PRINCIPAL OFFICIALS
ORGANIZATIONAL CHART**



DeKalb County, Georgia
1300 Commerce Drive, Decatur, Georgia 30030
(404) 371-2741 (404) 371-2750 FAX

June 26, 2009

Chief Executive Officer and Members
DeKalb County Board of Commissioners
DeKalb County, Georgia

The Comprehensive Annual Financial Report (CAFR) of DeKalb County, Georgia, (DeKalb or the County) for the fiscal year ended December 31, 2008 is submitted herewith. This report is prepared in accordance with the requirements of the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved April 21, 1967 (Ga. Laws 1967, p. 883) as amended by an Act approved March 28, 1968 (Ga. Laws 1968, p. 464).

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

The County's financial statements have been audited by KPMG LLP, licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2008, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2008, are fairly presented in all material respects, in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with certain provisions of laws, regulations, contracts and grant agreements, with special emphasis on the administration of federal awards. These reports are available in the County’s separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

DeKalb County is an urban county providing a full range of services to 727,600 citizens. Included in these services are traditional county functions such as road maintenance and court-related activities, as well as a number of municipal services such as police, fire, solid waste collection and disposal, and water and sewer. There are ten incorporated municipalities within the County, including a portion of the City of Atlanta. Those municipalities comprise approximately 18% of the total population of the County, and provide services to their citizens in varying degrees. Selected county demographic information is provided in the statistical section of this report.

A 1981 Act of the General Assembly of Georgia provides for distinct executive and legislative branches of County government. The executive branch is headed by the elective position of Chief Executive Officer (CEO). The legislative branch is made up of the Board of Commissioners, composed of seven members, which elects from its membership a Presiding Officer and Deputy Presiding Officer. The CEO has veto power, which may be overridden by a two-thirds majority vote of the Board of Commissioners. The Board of Commissioners has the power and authority to fix and establish, by appropriate resolution or ordinance (entered on its minutes), policies, rules and regulations governing all matters reserved to its jurisdiction. The CEO has exclusive power to supervise, direct and control the administration of the County government.

The financial statements, schedules, and statistical tables included in this report pertain to all functions and funds directly under the control of the DeKalb County CEO and Board of Commissioners. Also included are trust and agency funds administered and controlled by various elected or appointed officials, which are not reported upon by any other entity. The Board of Health and the Public Library are included as component units of the County. These component units are partially funded by the County, and derive significant funding from Federal and State grants and user fees. The Board of Health provides a broad range of physical health services, and the Public Library provides a wide range of information services. Both units ended the year in good financial positions.

Certain other entities are not included within the scope of this report. These exclusions consist of the DeKalb County Board of Education, the Fulton-DeKalb Hospital Authority, the Atlanta Regional Commission, the DeKalb Board of Family and Children Services, the DeKalb Community Service Board, the DeKalb Housing Authority and the Development Authority of DeKalb County. These entities are not considered component units and have not met the established criteria for inclusion in this report. However, any amounts appropriated for disbursement to these entities as well as any amounts

for which the County has contractual liability have been included in the County's financial statements. The Fulton-DeKalb Hospital Authority and the Atlanta Regional Commission are considered joint ventures and summary financial information is provided in the notes to the financial statements.

Annual budgets are adopted by the Board of Commissioners each year for the General, Special Revenue and Debt Service Funds. The level of control (the level at which expenditures may not exceed appropriations) for each annual budget is the department level within each fund. Revenue and appropriation adjustments may be made when the Board of Commissioners approves property tax millage rates. Supplemental allocations can also be made by the Board of Commissioners from the County's General Fund contingency account to fund unforeseen expenditures within the County's Governmental Funds' departments. Individual departments are charged with operating within the scope of their allocated budget and intra-departmental transfers must be submitted for approval by the Finance Department and/or the Chief Executive Officer.

Factors Affecting Financial Condition

DeKalb County's overall financial position remains favorable despite the downturn in the economy. Property tax income remained static reflecting a modest 1.2% increase from 2007. At the end of 2008, the County's sales tax receipts decreased by 5.3% compared to 2007. The number of new construction permits decreased by 53% with over \$1,143,000,000 in construction value on building permits issued. The County's annual unemployment rate was 7.7% for 2008 compared to 4.7% in 2007. In accordance with the Homestead Option Sales Tax, the County has granted a homestead exemption on operating levies of 60.8% and 58.3% in 2007 and 2008, respectively. As a result of this exemption and other favorable conditions, the number of homestead properties in the County has increased from 125,000 in 1999 to 151,152 in 2008. Revenue from business related fees and taxes (hotel/motel, alcoholic beverage, business licenses and building permits) declined slightly by \$928,000 (2.9%) during 2008 compared to 2007.

DeKalb County is a mature County, which is mostly developed in many areas. The Atlanta metropolitan area, of which DeKalb is a part, serves as a center for banking, communications, transportation, accounting, insurance, and other services.

For 2008, there was a decrease in the tax-supported budgets of 1.0%. The General Fund Balance at year-end was a deficit (\$9,822,000), a decrease of \$31,918,000 from the previous year.

On December 1, 2008 the City of Dunwoody was created. The population of Dunwoody represents approximately 5 percent of the County, and the property tax digest in Dunwoody represents 11.8 percent of the County. Beginning in 2009, Dunwoody taxpayers will not pay for special district services such as Parks and Recreation, Police and Roads and Drainage. Intergovernmental agreements have been approved including one for Police services for a short term transition period. The County's revenue will also be impacted by the loss of business registration fees, excise taxes and fines in Dunwoody. The 2009 County Budget was adjusted accordingly.

Pursuant to State law, the County has received a Homeowners Tax Relief Grant each year based upon the number of homesteads multiplied by \$8,000 multiplied by the appropriate millage rates. The State withheld this grant in 2008 from all eligible organizations. The State has agreed to pay the 2008 grant in 2009, after which it may be discontinued. The County receives approximately \$16 million from this grant.

In past years DeKalb relied heavily on the property tax as a primary revenue source as it did not have a local option sales tax. On March 18, 1997, the voters of the County approved a permanent one-percent Homestead Option Sales Tax (HOST), to be effective July 1, 1997. In 2008, 80% of this sales

tax was used to reduce property taxes (in the form of an increased homestead exemption) collected for County operations (including General Government, Fire Protection, Hospital Services and Special District Services) from homestead properties. In 2008, \$21.5 million was dedicated to capital outlay (infrastructure) projects from HOST funds.

Cash management policies and practices

The County maintains a pooled cash and investments account for most County funds through the State pool. The County seeks to obtain market rates of return on its investments, consistent with constraints imposed by its safety objectives, cash flow considerations, and Georgia state laws. Safety of principal is the foremost objective. Competitive bids are required on all County investments, that are not allocated to the State managed pool.

Risk Management and Employee Services

DeKalb County has a Risk Management and Employee Services Division within its Finance Department. The focus of this office is to minimize loss to the County through data analysis and loss prevention programs, and to administer the County's surety, liability, and employee group insurance programs including workers' compensation. The number of workers' compensation claims decreased from 899 in 2007 to 859 in 2008, and the lost work days per 1,000 employees remains below national levels.

Pension and other post employment benefits

The County sponsors a single-employer two-tiered defined benefit pension plan for all County employees. Each year, an independent actuary engaged by the Pension Board calculates the amount of the annual contribution that the County must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As of April 1, 2008, the date of the last actuarial report, the County's pension plan had funded 82% of the actuarial accrued liability of the plan. Effective September 1, 2005, new employees are covered by pension benefits that have been scaled back. Contribution rates from the employer and employees have been increased beginning during 2004 to maintain adequate funding levels.

The County currently offers to provide post employment health and life insurance benefits for all retirees. These benefits are financed on a pay-as-you-go basis. The County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB) in fiscal year 2007. GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expense/expenditures and related liabilities (assets). GASB Statement No. 45 requires the financial reports of governments to provide a systematic, accrual-basis measurement of the annual OPEB cost. For 2008, the accrued OPEB expense was \$67,423,000 in the governmental funds, and \$21,128,000 in the business-type funds.

Awards

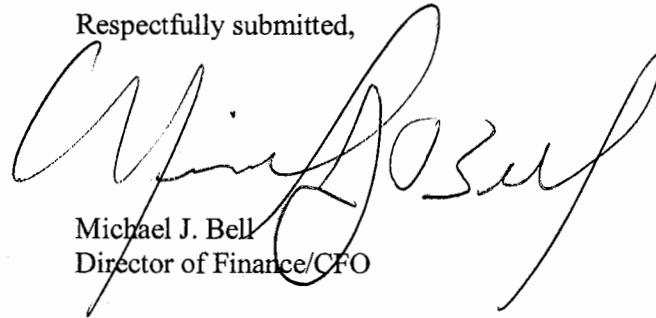
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeKalb County for its comprehensive annual financial report for the fiscal year ended December 31, 2007. This was the 33rd consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

The preparation of this report has been accomplished through the efficient and dedicated efforts of the entire staff of the Finance Department, particularly the Accounting Services Division, and through the cooperation of the various elected officials. I wish to express my sincere appreciation to everyone who contributed to the preparation of this report.

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read "Michael J. Bell".

Michael J. Bell
Director of Finance/CFO

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

DeKalb County
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

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

President

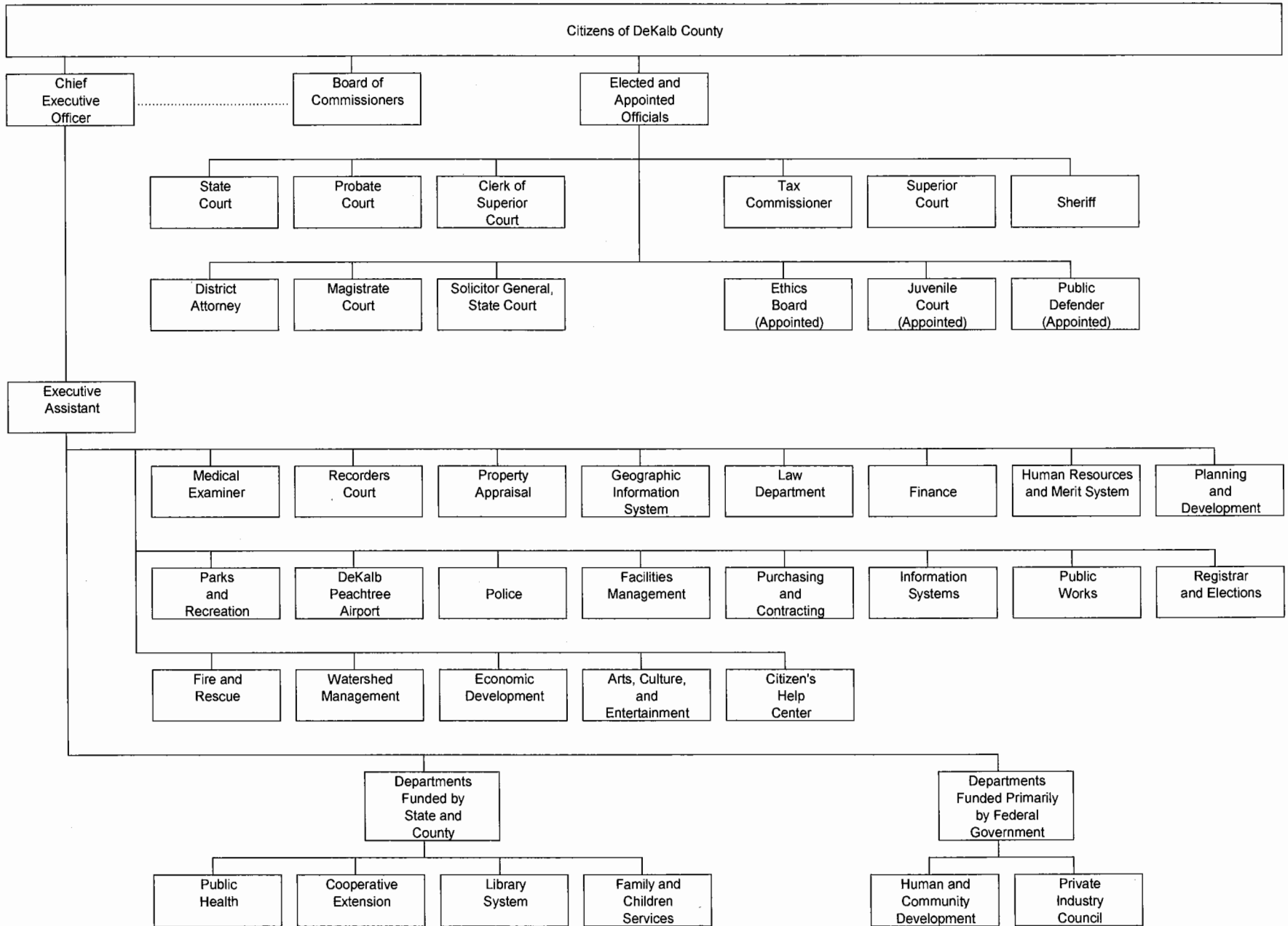
Kevin D. Post

Executive Director

Jeffrey R. Snow



DeKalb County Organization



DeKalb County, Georgia

Chief Executive Officer

Vernon Jones

Board of Commissioners

Elaine Boyer
Jeff Rader
Larry Johnson
Burrell Ellis
Lee May
Kathie Gannon, Presiding Officer
Connie Stokes

District One
District Two
District Three
District Four
District Five
District Six
District Seven

Executive Assistant to Chief Executive
Officer and the Board of Commissioners

Richard A. Stogner

Department of Finance

Director
Assistant Director
Deputy Director for:
 Treasury and Accounting Services (Acting)
 Budget and Grants
 Internal Audit and Licensing
 Risk Management and Employee Services

Michael J. Bell
Joel I. Gottlieb

Alan C. Silver
Russell W. Frankofsky
Eugene C. O'Mard
Nathan P. Fowler



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS



KPMG LLP
Suite 2000
303 Peachtree Street, NE
Atlanta, GA 30308

Independent Auditors' Report

Chief Executive Officer and Honorable Members
of the Board of Commissioners
DeKalb County, Georgia:

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 DeKalb County, Georgia (the County) as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the DeKalb County Board of Health, which represent 58.6% and 66.7%, respectively, of the assets and revenue of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the DeKalb County Board of Health, is based on the report 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Georgia as of December 31, 2008, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Special Tax District – Designated Services Fund and the Special Tax District – Unincorporated Fund for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in note 1(C), the County adopted the provisions of Governmental Accounting Standards Board Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* and Governmental Accounting Standards Board Statement No. 50, *Pension Disclosures* (an amendment of GASB Statements No. 25 and No. 27), during 2008.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2009 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the schedule of funding progress, and the schedule of employer contributions on pages F2 through F15 and pages F57 and F58, respectively, are not a required part of the basic financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

KPMG LLP

June 26, 2009

KPMG LLP, a U.S. limited liability partnership, is the U.S.
member firm of KPMG International, a Swiss cooperative.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of DeKalb County (DeKalb or the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2008.

Financial Highlights

The assets of the County exceeded its liabilities at the close of the fiscal year by \$1,939,172,000 (*net assets*). There are negative unrestricted assets of \$77,111,000 as net assets are currently restricted to debt, capital assets and capital projects.

The County's total net assets increased by \$21,697,000 during 2008. This increase is due to a decline in expenses which exceeded the decline in revenue and the growth in capital assets. Governmental activities' net assets increased \$28,345,000 during 2008. Business-type funds experienced a slight decrease in net assets of \$6,648,000.

As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$253,296,000, a decrease of \$72,231,000 over the previous year. Sixty-three percent (63%) of the decrease was due to expenditures on capital projects. An additional thirty-four (34%) was attributable to expenses in the General Fund exceeding revenue.

At the close of the fiscal year, unreserved fund balance (deficit) for the General Fund was a negative (\$15,041,000).

The County's total debt relative to governmental activities decreased by \$32,247,000 during the current fiscal year due to bond retirement. In 2008, the County issued no additional debt and did not enter into any additional capital lease agreements.

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 comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

The *statement of net assets* presents information on all of the 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 the County is improving or deteriorating.

The *statement of activities* presents information showing how the government'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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future or prior 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, civil and criminal court system, planning and development, public works, human and community development, parks and recreation, library, and health and welfare activities. The business-type activities of the County include watershed system, sanitation, DeKalb Peachtree Airport, and the stormwater utility program.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate Board of Health and the Public Library Board 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 F16-F17 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 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 balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains forty-two 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 special tax district designated services fund, the special tax district unincorporated fund, and the 2006 Transportation, Parks and Libraries Bond Fund, which are considered to be major funds. Data from the other thirty-eight funds are combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages F18-F24 of this report.

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 watershed system fund, sanitation fund, DeKalb Peachtree Airport fund, and stormwater utility fund. 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 vehicle maintenance fund, vehicle replacement fund, and risk management fund. Because the risk management fund predominantly benefits governmental activities rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Because the vehicle maintenance fund and vehicle replacement fund predominantly benefit business-type functions rather than governmental, they have been included within business-type 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 the water and sewerage system fund and the sanitation fund. The DeKalb Peachtree Airport fund and stormwater utility fund are combined into a single aggregated presentation. Conversely, all 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 is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages F25-F27 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 statements because the 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. The basic fiduciary fund financial statements can be found on pages F28-F29 of this report.

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. The notes to the financial statements can be found on pages F32-F56 of this report.

Government-wide Financial Analysis

In the government-wide financial statements, all of the activities of the County, aside from its discretely presented component units, are considered either governmental or business-type activities. 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, government-wide assets exceeded liabilities by \$1,939,172,000 at the close of the fiscal year.

The basic financial statements include a reconciliation between the fiscal year 2008 governmental funds statement of revenues, expenditures, and changes in fund balances which reports a decrease of \$72.2 million in fund balances and the \$28.3 million increase in net assets reported in the government-wide statement of activities, a difference of \$100.5 million.

Key elements of the reconciliation of these two statements are that the government-wide statement of activities report the issuance of debt as a liability, the purchases of capital assets as assets which are then charged to expense over their useful lives (depreciated) and changes in long-term liabilities as adjustments of expenses. Conversely, the governmental funds statements report the issuance of debt as an other financing source of funds, the repayment of debt as an expenditure, the purchase of capital assets as an expenditure and do not reflect changes in long-term liabilities.

Over 96% of the County's net assets reflects its investment in capital assets (e.g., land, buildings, infrastructure, equipment, etc.), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this 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 (8%) represents resources that are subject to external restrictions on how they may be used. The remaining negative balance of unrestricted net assets (\$77.1M) results since all the assets are restricted to capital or other legal restrictions. As background from 2006 to 2008, there was a decrease in the County's unrestricted net assets due to the County's implementation of GASB Statement No. 45 which required the accrual of liabilities associated with OPEB costs totaling \$88,551,000 in 2008 and \$84,211,000 in 2007.

At the end of the current fiscal year, the County is able to report positive balances in two categories of net assets, both for the government as a whole as well as for its separate governmental and business-type activities.

DeKalb County's Net Assets
December 31, 2008 and 2007
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 402,376	\$ 465,347	\$ 268,314	\$ 313,219	\$ 670,690	\$ 778,566
Capital assets	1,268,982	1,206,670	1,356,802	1,301,682	2,625,784	2,508,352
Total assets	<u>\$1,671,358</u>	<u>\$1,672,017</u>	<u>\$1,625,116</u>	<u>\$1,614,901</u>	<u>\$3,296,474</u>	<u>\$3,286,918</u>
Long-term liabilities (other than OPEB)	\$ 485,347	\$ 516,719	\$ 564,568	\$ 573,572	\$1,049,915	\$1,090,291
OPEB long-term liabilities	67,423	64,118	21,128	20,093	88,551	84,211
Other liabilities	139,030	139,967	79,806	54,974	218,836	194,941
Total liabilities	<u>\$ 691,800</u>	<u>\$ 720,804</u>	<u>\$ 665,502</u>	<u>\$ 648,639</u>	<u>\$1,357,302</u>	<u>\$1,369,443</u>
Net assets:						
Capital assets, net of related debt	\$ 969,556	\$ 920,759	\$ 897,769	\$ 849,814	\$1,867,325	\$1,770,573
Restricted	48,583	9,778	100,375	120,006	148,958	129,784
Unrestricted	(38,581)	20,676	(38,530)	(3,558)	(77,111)	17,118
Total net assets	<u>\$ 979,558</u>	<u>\$ 951,213</u>	<u>\$ 959,614</u>	<u>\$ 966,262</u>	<u>\$1,939,172</u>	<u>\$1,917,475</u>

In both the governmental and business-type activities, any increases or decreases in net assets relate to capital assets. The County continues to grow capital assets in the form of parks, libraries and transportation improvements funded by the 2006 General Obligation Bond issue. See more explanation of the capital asset activity in later sections of this analysis.

Net assets restricted for debt service in governmental funds increased by \$4,761,000 as interest payments declined from the prior year. Net assets restricted for grants in governmental funds dropped by \$1.9 million as operating grant revenue declined from 2007.

The accumulation of net assets reported on the government-wide statements of net assets is a result of several factors. The following summarizes the main components of the net assets:

Components of DeKalb County's Net Assets
December 31, 2008 and 2007
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Net Assets Invested in Capital Assets, net of related debt	\$ 969,556	\$ 920,759	\$ 897,769	\$ 849,814	\$1,867,325	\$1,770,573
Net Assets restricted for:						
Debt service	5,102	341	9,173	8,230	14,275	8,571
Grants	290	2,222	-	-	290	2,222
Capital projects	43,191	7,215	91,202	111,776	134,393	118,991
Total restricted net assets	48,583	9,778	100,375	120,006	148,958	129,784
Unrestricted Net Assets (Deficit)						
Unrestricted in governmental funds	(1,339)	63,624	-	-	(1,339)	63,624
Unrestricted in business-type funds	-	-	(14,256)	9,193	(14,256)	9,193
Unrestricted in internal service funds	10,210	2,530	32,348	35,845	42,558	38,375
Unearned revenue accruals	38,916	35,916	-	-	38,916	35,916
Certain long-term obligations that do not require current funding:						
OPEB obligation	(67,423)	(64,118)	(21,128)	(20,093)	(88,551)	(84,211)
Pension asset	22,946	23,308	-	-	22,946	23,308
Compensated absences	(35,869)	(34,104)	(6,276)	(5,878)	(42,145)	(39,982)
Deferred debt issuance costs	(5,722)	(6,180)	(4,782)	(4,788)	(10,504)	(10,968)
Claims and judgments	(300)	(300)	(4,000)	-	(4,300)	(300)
Landfill closure and postclosure cost	-	-	(19,004)	(17,837)	(19,004)	(17,837)
Pollution remediation obligation	-	-	(1,432)	-	(1,432)	-
Total unrestricted net assets (deficit)	(38,581)	20,676	(38,530)	(3,558)	(77,111)	17,118
Total Net Assets	\$ 979,558	\$ 951,213	\$ 959,614	\$ 966,262	\$1,939,172	\$1,917,475

DeKalb County's Changes in Net Assets
For the Years Ended December 31, 2008 and 2007
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	\$ 120,978	\$ 111,839	\$ 235,409	\$ 241,912	\$ 356,387	\$ 353,751
Operating grants and contributions	22,569	11,291	-	-	22,569	11,291
Capital grants and contributions	19,244	53,178	9,290	17,396	28,534	70,574
General revenues:						
Property taxes	275,427	272,850	-	-	275,427	272,850
Sales taxes	95,350	100,649	-	-	95,350	100,649
Other taxes	86,983	90,805	-	-	86,983	90,805
Grants not restricted to specific programs	16,381	15,407	-	-	16,381	15,407
Other	2,278	8,290	4,708	10,455	6,986	18,745
Total revenues	639,210	664,309	249,407	269,763	888,617	934,072
Expenses:						
General government	115,683	118,913	-	-	115,683	118,913
Public safety	192,545	224,885	-	-	192,545	224,885
Civil and criminal court system	150,360	163,121	-	-	150,360	163,121
Planning and development	2,591	2,339	-	-	2,591	2,339
Public works	49,737	63,773	-	-	49,737	63,773
Human and community development	10,544	12,685	-	-	10,544	12,685
Parks and recreation	20,286	24,819	-	-	20,286	24,819
Library	14,696	12,539	-	-	14,696	12,539
Health and welfare	36,259	45,623	-	-	36,259	45,623
Interest on long-term debt	22,610	36,625	-	-	22,610	36,625
Bond issuance expense	234	242	-	-	234	242
Water	-	-	74,348	68,881	74,348	68,881
Sewer	-	-	94,624	87,666	94,624	87,666
Stormwater utility	-	-	20,090	15,854	20,090	15,854
Sanitation	-	-	59,094	57,061	59,094	57,061
Airport	-	-	3,219	3,805	3,219	3,805
Total expenses	615,545	705,564	251,375	233,267	866,920	938,831
Change in net assets before transfers	23,665	(41,255)	(1,968)	36,496	21,697	(4,759)
Transfers	4,680	135	(4,680)	(135)	-	-
Change in net assets	28,345	(41,120)	(6,648)	36,361	21,697	(4,759)
Net assets - beginning	951,213	992,333	966,262	929,901	1,917,475	1,922,234
Net assets - ending	\$ 979,558	\$ 951,213	\$ 959,614	\$ 966,262	\$1,939,172	\$1,917,475

In 2007 the County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB)*. GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expense/expenditures and related liabilities and assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local governmental employers. Prior to GASB Statement No. 45, most OPEB plans were reported on a pay-as-you-go basis and governments' financial statements did not report the financial effects of these postemployment benefits until paid.

GASB Statement No. 45 requires the financial reports of governments to provide a systematic, accrual-basis measurement of an annual OPEB cost. The following schedule displays the effect of GASB Statement No. 45 expenses as they appear in the Statement of Activities for the fiscal years 2008 and 2007.

**Government-wide Expenses by Functions/Programs
For the Years Ended December 31, 2008 and 2007
(in thousands of dollars)**

Functions/Programs	2008			2007		
	Expenses per Statement of Activities	GASB 45 Expenses	Expenses excluding GASB 45	Expenses per Statement of Activities	GASB 45 Expenses	Expenses excluding GASB 45
Governmental:						
General government	\$ 115,683	\$ 13,247	\$ 102,436	\$ 118,913	\$ 12,537	\$ 106,376
Public safety	192,545	25,843	166,702	224,885	24,642	200,243
Civil and criminal court system	150,360	18,234	132,126	163,121	17,311	145,810
Planning and development	2,591	266	2,325	2,339	250	2,089
Public works	49,737	5,320	44,417	63,773	5,069	58,704
Human and community development	10,544	1,447	9,097	12,685	1,381	11,304
Parks and recreation	20,286	3,066	17,220	24,819	2,928	21,891
Library	14,696	-	14,696	12,539	-	12,539
Health and welfare	36,259	-	36,259	45,623	-	45,623
Interest on long-term debt	22,610	-	22,610	36,625	-	36,625
Bond issuance expense	234	-	234	242	-	242
Total governmental expenses	<u>615,545</u>	<u>67,423</u>	<u>548,122</u>	<u>705,564</u>	<u>64,118</u>	<u>641,446</u>
Business-type:						
Water	74,348	6,023	68,325	68,881	5,710	63,171
Sewer	94,624	7,666	86,958	87,666	7,267	80,399
Stormwater Utility	20,090	-	20,090	15,854	-	15,854
Sanitation	59,094	6,887	52,207	57,061	6,577	50,484
Airport	3,219	552	2,667	3,805	539	3,266
Total business-type expenses	<u>251,375</u>	<u>21,128</u>	<u>230,247</u>	<u>233,267</u>	<u>20,093</u>	<u>213,174</u>
Total expenses	<u>\$ 866,920</u>	<u>\$ 88,551</u>	<u>\$ 778,369</u>	<u>\$ 938,831</u>	<u>\$ 84,211</u>	<u>\$ 854,620</u>

Analysis of governmental activities

Net assets of the governmental activities of the County increased by \$28,345,000 in 2008. Property taxes accounted for 43% of the governmental activities revenues, sales taxes accounted for 15%, and charges for services accounted for an additional 19%. In 2008, operating grant revenue increased almost 100% or \$11.3 million due primarily to an increase in revenue applied to Human and Community Development of \$9.8 million.

Charges for services increased in areas of Civil and Criminal Court System and General Government. Collection efforts for EMS increased income by \$840,000. The County collected nearly \$5.3 million less in sales tax due to the economic slow down. Property taxes remained static reflecting a very slight gain of \$3.3 million. Fines and forfeitures increased \$4.5 million during 2008 due to intense collection efforts at the Records Court. Capital grants and contributions for Public Works decreased nearly \$33.1 million during 2008. Investment income decreased nearly \$5.8 million during 2008 because of decreasing fund balances and lower interest rates. Overall, total governmental activities revenue decreased by \$24.4 million or 3.7%.

Public safety expenses accounted for 31% of governmental activities expenses during 2008 and were used for police, fire, and rescue services. The civil and criminal court system accounted for an additional 24% of the total expenses during 2008 for governmental activities. General government expenses, which represented 19% of the total expenses for governmental activities, included the general administration of the County such as management of finances, information systems, human resources, and facilities management, as well as the executive and legislative functions of County government. Public works, which includes the management of roads and transportation networks of the County, accounted for 8% of the total expenses of the governmental activities during 2008. Interest expense decreased during 2008 due to the normal retirement of principal and no additional debt or capital lease obligations.

Salaries and employee benefits, which comprise 55% of total governmental expenses, increased 7.9% during 2008. This was due to annual merit increases ranging from 2-4%, increasing actuarially determined pension costs, and an increase of 50 uniformed positions in Public Safety, and nine (9) CAD operators in the Citizen Help Center. The largest increase was in the Police Department which added and equipped 40 uniformed police officers. In addition, the County continued to upgrade its analog radio system to digital, requiring the replacement of all handheld units. The cost to Public Safety was approximately \$1.5 million.

Voter registration expense increased \$2.7 million in the 2008 election year. The Sheriff's overtime expenses continued to increase to handle additional prisoners with the added cost of \$0.7 million.

While governmental revenues decreased slightly (3.7%), governmental expenses decreased even more; 12.5%. The result was an increase in net assets of \$27.6 million. As the previous chart demonstrates, expenses associated with the 2007 implementation of GASB Statement No. 45 caused net assets to be considerably reduced.

Analysis of business-type activities

Charges for services accounted for 94% of business-type activities revenues during 2008. Water expenses accounted for 30% of business-type activities expenses, sewer expenses accounted for 38%, sanitation services accounted for 24%, the stormwater utility program accounted for 8%, and the DeKalb Peachtree Airport accounted for 1% of expenses during 2008.

The Water and Sewer System's metered sales increased slightly in 2008 by 1%. Capital donations which comprise developer assessments, impact and tap fees, decreased \$8.3 million, or 48% due to the downturn in residential and commercial development.

The DeKalb County Board of Commissioners increased overall water and sewer rates effective 2008, to be phased in over the subsequent 3 years. For the average residential customer, the rate change reflects an overall increase of 19% effective January, 2008, 16% effective October, 2008, 15% in 2010, and 17% in 2011. Drought conditions recently experienced in the southeast United States have generally caused water and sewer utilities to call for customers to reduce usage by 10%. This decrease will result in a revenue increase less than originally anticipated.

Total Watershed operating expenses increased 8% and revenue including capital donations declined 2% from 2007 levels. Salaries and employee benefit expenses increased 3% during 2008 as a result of merit salary increases and pension contribution increases. The OPEB liability accounts for over 20% of the salaries and benefits expenses. Power costs increased 14% during 2008 due to the first full year of operation of the new water filtration plant which utilizes ozone for its primary disinfection, including Cryptosporidium and Giardia inactivation. The cost of industrial chemicals increased 6% during 2008 due to the full year of the new plant operation. The overall result was a \$17.3 million decrease in net assets during 2008.

Sanitation revenues were down almost \$7.1 million or 10% from 2007 due to a major write off of receivables deemed uncollectible. Overall, expenses increased \$2.1 million during 2008. Salaries and employee benefits increased during 2008 due to merit increases and required pension contributions. A new central transfer station opened in 2008 further increasing operating costs. In sanitation, net assets increased \$2.9 million during 2008.

Airport revenues increased by \$0.5 million over 2007 predominantly due to grant revenue from the Federal Aviation Administration and collections from rentals. Interest income declined during 2008. Expenses decreased by almost \$0.6 million largely due to an adjustment in stored supplies based on a prior year payment. This contributed to increasing change in net assets to \$5.8 million during 2008.

Stormwater utility revenue decreased almost \$5.0 million during 2008 due to a decline in expected grant revenues from other governments. Expenses increased \$4.3 million during 2008 for maintenance and repair materials and service contracts as the County expanded its stormwater maintenance efforts. These transactions contributed to only a slight growth in net assets of \$1.7 million during 2008.

Net assets for the business-type activities decreased by \$6.6 million from 2007, primarily as result of a drop in capital donations. The implementation of GASB Statement No. 45 has reduced net assets of the business-type activities by \$21.1 million in 2008.

Analysis of the County's Funds.

Governmental Funds

As noted earlier, the focus of the County's governmental fund statements is to provide information on near-term inflows, outflows, and balances of resources available to spend. In its general and special revenue funds, the County reported combined ending negative fund balance of (\$1,049,000) a decrease of \$31,437,000 from the prior year. Additionally, the governmental funds include the debt service and capital project funds with a total fund balance of \$254,345,000 which will be spent on outstanding debt and capital projects of the County. The 2006 Transportation, Parks and Libraries Bond Capital Fund represents 57% of this fund balance. In 2008 this Fund expended 27.5% of its year ending fund balance.

The general fund is the chief operating fund of the County. The unreserved, undesignated fund balance of the general fund was a negative (\$15,041,000) as of December 31, 2008. This negative position results from having all net assets currently restricted to debt, capital assets and capital projects.

The fund balance in the General Fund as of December 31, 2008 decreased \$31,918,000 from the prior year. The decrease was attributable to expenses exceeding revenues and to transfers out exceeding transfers into the fund.

The fund balances of the Special Tax District – Unincorporated Fund and the Special Tax District - Designated Services Fund at December 31, 2008 were (\$837,000) and (\$3,306,000), respectively. The County attempts to level these two funds and the General Fund, but can not be exact as the final transfer is made prior to post-closing accounting adjustments for receivables and payables.

The reduction in fund balance of the 2006 Transportation, Parks, and Libraries Bond Fund during 2008, a decrease of \$37,510,000, was directly in proportion to the amount spent on capital projects for which the fund was established, less the interest earned on funds waiting to be spent.

Proprietary Funds

The County's proprietary funds report the activities of the water and sewer, sanitation, airport, and stormwater utility services within the County and report the same level of activity, with an overall decrease in net assets of \$7,024,000 during 2008, as part of the business-type activities described earlier. The Watershed System had the only decrease in net assets during 2008, totaling \$17,353,000. As stated earlier, the System's revenues were flat due to drought conditions, and capital contributions were down due to the economy. The DeKalb County Board of Commissioners approved a staged rate increase from 2008-2011 which is intended to double revenues over that period. The increase will facilitate an expanded capital improvement program geared primarily towards sewer treatment facility improvements. The Watershed System reports negative unrestricted net assets (\$79,204,000) as its net assets are all currently restricted to debt, capital assets, and capital projects.

The Sanitation Fund's net assets increased by \$2,865,000 during 2008 as revenues exceeded expenses for the year. Operating revenues were down significantly from 2007 because of a major write off of receivables deemed uncollectible due to age. Expenditure levels increased slightly during 2008 due to the opening of a transfer station, merit increases and pension contribution requirements.

The Stormwater Utility Fund's assets increased \$1,690,000 during 2008. Revenues exceeded expenses but were down from 2007 collections due to less income earned for charges for services. The increase in assets gain of \$5.8 million by the DeKalb Peachtree Airport Fund during 2008 resulted from revenues exceeding expenses attributable to greater rental income and a one-time expense in 2007.

Each of the funds has charges for its services as the major source of revenue within the fund with the expenses being predominately for salaries, employee benefits, and operating services and charges. Additionally, the Watershed System incurs significant expenses for interest on its long-term bonds and for depreciation of the capital assets of the system.

General Fund Budgetary Highlights

Overall, General Fund revenue decreased \$14.5 million or 5.4% from 2007 levels. Sales tax income deposited in the General Fund was down almost \$22 million from 2007 collections. This resulted from the attempt to level fund balances for the Special Tax District Funds and the General Fund at year's end. County-wide sales tax collections were down about \$5.3 million or 5.3% attributable to the economic recession. Property taxes increased modestly by 1.1% or \$1.6 million in 2008 as foreclosures and the economy took their toll on growth. Intergovernmental revenue decreased nearly \$10 million during 2008 as all the Homestead Tax Relief Credit due from the State was accrued in the General Fund as property tax. Charges for services also exceeded 2007 collections due to enhanced collection efforts.

There were no significant changes between the original and final amended revenue budgets during 2008. On the appropriation side, the Information Systems budget was reduced during 2008 by transferring \$1.2 million to the CIP Fund. It was determined that certain consulting efforts were to be managed by "project".

Funds availability monitoring against the annual budget within the County's automated purchasing and financial management information system was established at the absolute level which is the department level within each fund, the legal level of budget control in the County. In order for a department to receive a purchase order for goods or services, the automated purchasing system would determine whether funds were currently available within the requesting department's budget. Additionally, potential savings from vacant position salaries were excluded from discretionary spending categories such as purchased or contracted services and supplies. This prevents departments from purchasing more goods or services with salary savings.

The Police Department incurred expenditures significantly less than budget during 2008. This was due to a large number of position vacancies and less spending for maintenance and repair services. The non-departmental expenses differed significantly from the final budget due to an unused budgetary reserve. The Law Department expended 26% less than budgeted during 2008 because of less than anticipated spending for other professional services.

Capital Assets

The County's investment in capital assets as of year-end amounts to \$2,625,784,000 (net of accumulated depreciation). The investment in capital assets includes land, land improvements, buildings, plants, infrastructure, vehicles and portable equipment, other equipment, leaseholds, and construction in progress. The County continued to purchase land in 2008 under the Greenspace Program and the 2006 General Obligation Bond program, adding \$3.8 million in land assets. Governmental infrastructure assets increased by \$5.2 million relating to roads, sidewalks, and drainage improvements funded by the same general obligation bonds. Construction in progress related to governmental activities increased \$64.5 million during 2008.

In 2007 the Water and Sewer System (the System) placed into service a new 150 million gallon a day (MGD) water filtration treatment plant at a total construction cost of \$174 million. In 2008 construction continued on the Chattahooche River Raw Water Intake Pump Station and raw water transmission line. In Sanitation the Central Transfer Station opened in 2008. Readers should refer to note 5 of the financial statements for more information on capital asset activity.

Capital asset balances at year-end are as follows:

Capital Assets
December 31, 2008 and 2007
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 231,452	\$ 227,623	\$ 42,428	\$ 42,428	\$ 273,880	\$ 270,051
Land improvements	24,680	25,401	133,838	132,840	158,518	158,241
Buildings	291,990	301,008	3,996	4,328	295,986	305,336
Plants	-	-	263,580	266,380	263,580	266,380
Infrastructure	505,642	500,420	533,557	529,181	1,039,199	1,029,601
Vehicles and portable equipment	-	-	50,047	45,893	50,047	45,893
Other equipment	21,991	23,498	40,099	43,071	62,090	66,569
Leaseholds	-	-	134,937	138,415	134,937	138,415
Construction in progress	193,227	128,720	154,320	99,146	347,547	227,866
Total	\$ 1,268,982	\$ 1,206,670	\$ 1,356,802	\$ 1,301,682	\$ 2,625,784	\$ 2,508,352

Debt Administration

DeKalb County's financial condition is demonstrated by the current ratings of its bonds as of December 31, 2008:

	Moody's Investors Service	Standard and Poor's
General obligation	Aaa	AAA
Refunded general obligation	Aaa	AAA
Water and sewerage system revenue	Aa2	AA
Refunded water and sewerage system revenue	Aaa	AAA
Certificates of participation	Aa1	AA

Since 2001, the County's general obligation debt has been rated by Moody's as Aaa. Standard and Poor's upgraded the County's General Obligation debt to AAA in 2006.

On a budget basis, \$23,835,000 of general obligation bonds were retired during the year. The County's gross principal amount, less debt retirement funds available on general obligation debt at year-end was \$372,641,000. The constitutional debt limit for general obligation bonds is 10% of the assessed value of taxable property within the County. Based on current gross assessed property values of \$27.9 billion, the County's net outstanding general obligation debt represented only 1.3% of gross assessed property values.

Outstanding Debt
December 31, 2008 and 2007
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	\$ 381,380	\$ 405,215	\$ -	\$ -	\$ 381,380	\$ 405,215
Certificates of participation	21,055	22,075	-	-	21,055	22,075
Revenue bonds	89,975	92,950	550,235	560,875	640,210	653,825
Capital leases payments	9,374	13,791	717	1,344	10,091	15,135
Total	<u>\$ 501,784</u>	<u>\$ 534,031</u>	<u>\$ 550,953</u>	<u>\$ 562,219</u>	<u>\$1,052,736</u>	<u>\$1,096,250</u>

In terms of bonded debt per capita, the net direct general obligation debt outstanding at year-end decreased as a result of debt retirement to \$523.87 per capita, compared to \$558.82 in the previous year. Total direct and overlapping debt applicable to the County at December 31, 2008 was \$440,727,000, or \$605.73 per capita. This compares to \$657.02 at December 31, 2007. Details of direct and overlapping debt and legal debt margin are contained in the Statistical Section of this report.

Readers should refer to note 6 of the financial statements for more information on long-term debt activity.

Economic Factors and Next Year's Budgets and Rates

In accordance with the Homestead Option Sales Tax legislation, the County may allocate up to 20% of the previous year's receipts to capital outlay projects. The 2009 Budget adopted by the County provided for the use of 10 percent, or \$9.5 million, for capital outlay projects. As a result of the growth in the number and value of homesteads, the Homestead Exemption in 2009 decreased to 58.3% from 60.8%.

Primarily due to historically low home mortgage interest rates, the number of homestead properties in the County has increased from 125,000 in 1999 to 151,152 in 2008, or an increase of 21%. Population has increased from 610,000 in 1999 to 727,600 in 2008. This increase has impacted the need for services, especially in the areas of public safety and the business-type activities (sanitation and water and sewer).

The City of Dunwoody was created effective December 1, 2008. The population of Dunwoody represents approximately 5 percent of the County, and the property tax digest in Dunwoody represents 11.8 percent of the County. Starting in 2009, Dunwoody property taxpayers will not pay for special district services such as Parks & Recreation, Roads & Drainage and Police protection. Intergovernmental agreements have been approved, including the provision of Police services on a short term transition period. The County's revenues will also be impacted by the loss of business registration fees, excise fees and fines.

Pursuant to State law, the County has received a Homeowners Tax Relief Grant each year based upon the number of homestead multiplied by \$8,000 by the appropriate millage rates. The state withheld this grant in 2008 from all eligible governmental organizations. The County anticipates receiving the grant in 2009 for 2008, after which it may be discontinued. The County was receiving approximately \$16.3 million.

In 2007, a homestead freeze was approved by DeKalb voters pursuant to state law. The freeze exemption will be in effect from 2007 through 2011, unless extended. This allows homestead values to be frozen during this period for current owners. The revenue lost as a result of this legislation is approximately \$4-5 million each year.

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 the Office of the Finance Director, 1300 Commerce Drive, Decatur, Georgia 30030, 404-371-2741.

DeKalb County, Georgia
Statement of Net Assets
December 31, 2008
(in thousands of dollars)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 304,333	\$ 122,679	\$ 427,012	\$ 8,215
Investments	-	-	-	779
Accounts receivable (net)	4,466	31,736	36,202	836
Taxes receivable (net)	59,536	-	59,536	-
Due from other governments	7,467	8,730	16,197	2,255
Inventories and prepaid items	1,431	4,969	6,400	39
Deferred bond issuance costs	2,197	3,965	6,162	-
Restricted assets:				
Cash and cash equivalents	-	96,235	96,235	282
Net pension assets	22,946	-	22,946	-
Capital assets not being depreciated	424,680	196,748	621,428	-
Capital assets net of accumulated depreciation	844,302	1,160,054	2,004,356	685
Total assets	<u>\$ 1,671,358</u>	<u>\$ 1,625,116</u>	<u>\$ 3,296,474</u>	<u>\$ 13,091</u>
LIABILITIES				
Accounts payable	\$ 38,907	\$ 13,840	\$ 52,747	\$ 1,099
Accrued interest payable	3,694	-	3,694	-
Other accrued liabilities	14,939	3,253	18,192	-
Advanced payments and deposits	3,919	216	4,135	-
Due to other governments	69	25,113	25,182	1,342
Due to others	1,715	-	1,715	-
Unearned revenue	1,715	609	2,324	426
Liabilities payable from restricted assets:				
Accrued interest on revenue bonds	-	6,783	6,783	-
Due to others	-	8,114	8,114	-
Noncurrent liabilities:				
Due within one year	74,072	21,878	95,950	350
Due in more than one year	552,770	585,696	1,138,466	1,341
Total liabilities	<u>\$ 691,800</u>	<u>\$ 665,502</u>	<u>\$ 1,357,302</u>	<u>\$ 4,558</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 969,556	\$ 897,769	\$ 1,867,325	\$ 604
Restricted for debt service	5,102	9,173	14,275	-
Restricted for grants	290	-	290	-
Restricted for capital projects	43,191	91,202	134,393	282
Unrestricted (deficit)	(38,581)	(38,530)	(77,111)	7,647
Total net assets	<u>\$ 979,558</u>	<u>\$ 959,614</u>	<u>\$ 1,939,172</u>	<u>\$ 8,533</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
Statement of Activities
For the Year Ended December 31, 2008
(in thousands of dollars)

Functions / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 115,683	\$ 24,672	\$ 4,648	\$ 233	\$ (86,130)	\$ -	\$ (86,130)	\$ -
Public safety	192,545	23,856	722	-	(167,967)	-	(167,967)	-
Civil and criminal court system	150,360	55,514	318	229	(94,299)	-	(94,299)	-
Planning and development	2,591	8,430	-	-	5,839	-	5,839	-
Public works	49,737	4,439	54	15,108	(30,136)	-	(30,136)	-
Human and community development	10,544	-	11,666	-	1,122	-	1,122	-
Parks and recreation	20,286	3,767	458	3,424	(12,637)	-	(12,637)	-
Library	14,696	-	-	247	(14,449)	-	(14,449)	-
Health and welfare	36,259	300	4,703	3	(31,253)	-	(31,253)	-
Bond issuance expense	234	-	-	-	(234)	-	(234)	-
Interest on long-term debt	22,610	-	-	-	(22,610)	-	(22,610)	-
Total governmental activities	<u>615,545</u>	<u>120,978</u>	<u>22,569</u>	<u>19,244</u>	<u>(452,754)</u>	<u>-</u>	<u>(452,754)</u>	<u>-</u>
Business-type activities:								
Water	74,348	62,439	-	4,088	-	(7,821)	(7,821)	-
Sewer	94,624	79,468	-	5,202	-	(9,954)	(9,954)	-
Sanitation	59,094	62,475	-	-	-	3,381	3,381	-
DeKalb Peachtree Airport	3,219	8,829	-	-	-	5,610	5,610	-
Stormwater Utility	20,090	22,198	-	-	-	2,108	2,108	-
Total business-type activities	<u>251,375</u>	<u>235,409</u>	<u>-</u>	<u>9,290</u>	<u>-</u>	<u>(6,676)</u>	<u>(6,676)</u>	<u>-</u>
Total primary government	<u>\$ 866,920</u>	<u>\$ 356,387</u>	<u>\$ 22,569</u>	<u>\$ 28,534</u>	<u>(452,754)</u>	<u>(6,676)</u>	<u>(459,430)</u>	<u>-</u>
Component units:								
Board of health	31,780	12,634	14,601	-	-	-	-	(4,545)
Public library board	15,401	705	22	-	-	-	-	(14,674)
Total component units	<u>\$ 47,181</u>	<u>\$ 13,339</u>	<u>\$ 14,623</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(19,219)</u>
General revenues:								
Sales tax					95,350	-	95,350	-
Property tax					275,427	-	275,427	-
Motor vehicle tax					23,535	-	23,535	-
Hotel / motel tax					6,944	-	6,944	-
Alcoholic beverage tax					4,104	-	4,104	-
Insurance premium tax					30,114	-	30,114	-
Business license tax					22,286	-	22,286	-
Payments from primary government					-	-	-	18,418
Unrestricted investment earnings					2,278	4,708	6,986	79
Grants and contributions not restricted to specific programs					16,381	-	16,381	1,367
Miscellaneous					-	-	-	800
Transfers					4,680	(4,680)	-	-
Total general revenues and transfers					<u>481,099</u>	<u>28</u>	<u>481,127</u>	<u>20,664</u>
Change in net assets					28,345	(6,648)	21,697	1,445
Net assets - beginning					951,213	966,262	1,917,475	7,088
Net assets - ending					<u>\$ 979,558</u>	<u>\$ 959,614</u>	<u>\$ 1,939,172</u>	<u>\$ 8,533</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
Governmental Funds
Balance Sheet
December 31, 2008
(in thousands of dollars)

	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ (3,599)	\$ 2,767	\$ -	\$ 150,878	\$ 127,177	\$ 277,223
Taxes receivable (net)	16,660	4,847	29,554	-	8,475	59,536
Accounts receivable (net)	1,133	13	-	-	3,320	4,466
Due from other governments	-	-	-	226	7,241	7,467
Due from other funds	5,979	-	-	-	-	5,979
Inventories and prepaid items	55	-	-	-	-	55
Total assets	<u>\$ 20,228</u>	<u>\$ 7,627</u>	<u>\$ 29,554</u>	<u>\$ 151,104</u>	<u>\$ 146,213</u>	<u>\$ 354,726</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts and contracts payable	\$ 16,097	\$ 2,230	\$ 703	\$ 4,842	\$ 10,306	\$ 34,178
Other accrued liabilities	7,687	4,698	250	-	2,304	14,939
Advance payments and deposits	594	-	1,872	-	1,453	3,919
Due to other governments	-	-	69	-	-	69
Due to other funds	-	-	1,180	-	4,799	5,979
Due to others	370	-	-	-	1,345	1,715
Deferred revenue	5,302	1,536	28,786	823	4,184	40,631
Total liabilities	<u>30,050</u>	<u>8,464</u>	<u>32,860</u>	<u>5,665</u>	<u>24,391</u>	<u>101,430</u>
Fund balances:						
Reserved for encumbrances	5,164	2,973	-	33,337	24,884	66,358
Reserved for inventories and prepaid items	55	-	-	-	-	55
Unreserved, reported in:						
General fund	(15,041)	-	-	-	-	(15,041)
Special revenue funds	-	(3,810)	(3,306)	-	7,553	437
Debt service funds	-	-	-	-	8,796	8,796
Capital projects funds	-	-	-	112,102	80,589	192,691
Total fund balances (deficit)	<u>(9,822)</u>	<u>(837)</u>	<u>(3,306)</u>	<u>145,439</u>	<u>121,822</u>	<u>253,296</u>
Total liabilities and fund balances	<u>\$ 20,228</u>	<u>\$ 7,627</u>	<u>\$ 29,554</u>	<u>\$ 151,104</u>	<u>\$ 146,213</u>	<u>\$ 354,726</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Assets
 (in thousands of dollars)

December 31, 2008

Total fund balances for governmental funds \$ 253,296

Total net assets reported for governmental activities in the Statement of Net Assets differs from total fund balances for governmental funds because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 1,268,982

An internal service fund is used by management to charge the costs of risk management to individual funds. The assets and liabilities of the risk management fund have been allocated to the governmental activities on the Statement of Net Assets. 10,210

Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds. 38,916

Deferred bond issuance cost is not recognized as an asset in the governmental funds. 2,197

Deferred gain on debt refunding is not recognized as an asset in the governmental funds. 2,413

Net pension assets is not recognized as an asset in the governmental funds. 22,946

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Assets.

Accrued interest on bonds	\$	(3,694)	
Contractual obligations payable		(9,374)	
Certificates of participation payable		(21,055)	
General obligation bonds payable		(381,380)	
Revenue bonds payable		(89,975)	
Unamortized premium on bonds payable		(10,332)	
Claims and judgments not accounted for in the internal service funds		(300)	
Net other postemployment benefits (OPEB)		(67,423)	
Compensated absences		(35,869)	
Total long-term liabilities		(619,402)	(619,402)

Total net assets of governmental activities \$ 979,558

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
For the Year Ended December 31, 2008
(in thousands of dollars)

REVENUES	General	Special Tax	Special Tax	2006	Other	Total
		District - Designated Services	District - Unincorporated	Transportation, Parks, and Libraries Bonds	Governmental Funds	Governmental Funds
Taxes	\$ 197,260	\$ 65,577	\$ 53,837	\$ -	\$ 132,542	\$ 449,216
Licenses and permits	164	1,126	21,548	-	8,238	31,076
Use of money and property	1,666	-	21	821	10,966	13,474
Intergovernmental	6,052	38	-	152	31,129	37,371
Fines and forfeitures	12,029	-	22,224	-	4,080	38,333
Charges for services	31,265	2,613	-	-	5,840	39,718
Miscellaneous	4,295	350	-	-	16,050	20,695
Total revenues	<u>252,731</u>	<u>69,704</u>	<u>97,630</u>	<u>973</u>	<u>208,845</u>	<u>629,883</u>
EXPENDITURES						
Current:						
General government	90,145	5,249	2,077	-	9,446	106,917
Public safety	16,511	106,634	2,028	-	66,057	191,230
Civil and criminal court system	139,878	-	3,875	-	3,198	146,951
Planning and development	1,131	-	1,431	-	-	2,562
Public works	513	26,062	-	-	13,076	39,651
Human and community development	-	-	-	-	10,518	10,518
Parks and recreation	-	19,655	-	-	2,243	21,898
Library	11,323	-	-	-	-	11,323
Health and welfare	12,347	-	-	-	23,546	35,893
Debt service:						
Principal	4,712	-	-	-	27,602	32,314
Interest	1,241	-	-	-	21,994	23,235
Capital outlay:						
General government	-	-	-	-	7,230	7,230
Public safety	-	-	-	-	5,464	5,464
Civil and criminal court system	-	-	-	-	4,858	4,858
Public works	-	-	-	14,377	25,425	39,802
Parks and recreation	-	-	-	12,847	3,067	15,914
Library	-	-	-	10,933	101	11,034
Total expenditures	<u>277,801</u>	<u>157,600</u>	<u>9,411</u>	<u>38,157</u>	<u>223,825</u>	<u>706,794</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (25,070)</u>	<u>\$ (87,896)</u>	<u>\$ 88,219</u>	<u>\$ (37,184)</u>	<u>\$ (14,980)</u>	<u>\$ (76,911)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ 18,054	\$ 87,035	\$ -	\$ -	\$ 30,662	\$ 135,751
Transfers out	(24,902)	(1,967)	(87,035)	(326)	(16,841)	(131,071)
Total other financing sources (uses)	<u>(6,848)</u>	<u>85,068</u>	<u>(87,035)</u>	<u>(326)</u>	<u>13,821</u>	<u>4,680</u>
Net change in fund balance	(31,918)	(2,828)	1,184	(37,510)	(1,159)	(72,231)
Fund balance (deficit) - beginning	22,096	1,991	(4,490)	182,949	122,981	325,527
Fund balance (deficit) - ending	<u>\$ (9,822)</u>	<u>\$ (837)</u>	<u>\$ (3,306)</u>	<u>\$ 145,439</u>	<u>\$ 121,822</u>	<u>\$ 253,296</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
 Reconciliation of the Statement of Revenues, Expenditures,
 And Changes in Fund Balances of Governmental Funds
 To the Statement of Activities
 For the Year Ended December 31, 2008
 (in thousands of dollars)

Net change in fund balance - Total Governmental Funds \$ (72,231)

The change in net assets reported for governmental activities in the Statement of Activities differs from net change in fund balance for total governmental funds because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and reported as depreciation expense over their estimated useful lives. This is the amount by which capital outlays (\$91,961, net of \$1,034 that was not capitalized due to capitalization thresholds) and donated infrastructure assets (\$6,327) exceeded depreciation (\$34,942) in the current period: 62,312

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Assets, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the related long-term liability in the Statement of Net Assets. This adjustment combines the net changes of the following:

Repayments of bonds	\$ 27,830	
Amortization of bond issuance expense	(234)	
Amortization of premium on bond sales	1,129	
Amortization of loss on bond refunding	<u>(437)</u>	28,288

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when it is due, rather than as it accrues. This adjustment combines the net changes of the following:

Net pension obligation	\$ (362)	
Net other postemployment benefits (OPEB) obligations	(3,305)	
Claims and judgments	-	
Compensated absences	(1,765)	
Capital leases	4,417	
Accrued interest on bonds	<u>311</u>	(704)

Deferred revenue in governmental funds is susceptible to full accrual on the Statement of Activities. 3,000

An internal service fund is used by management to charge the costs of risk management to individual funds. The net revenue of the risk management fund is reported within governmental activities. 7,680

Change in net assets of governmental activities \$ 28,345

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended December 31, 2008
Non-GAAP Budget Basis (in thousands of dollars)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:				
Property taxes	\$ 131,040	\$ 130,815	\$ 142,771	\$ 11,956
Sales taxes	60,727	60,727	38,258	(22,469)
Other taxes	6,100	6,100	6,395	295
Licenses and permits	180	180	164	(16)
Intergovernmental	15,374	15,374	5,473	(9,901)
Charges for services	28,245	28,245	32,086	3,841
Fines and forfeitures	16,634	16,634	12,527	(4,107)
Investment income	2,800	2,800	1,549	(1,251)
Miscellaneous	4,322	4,322	4,295	(27)
Total revenues	<u>265,422</u>	<u>265,197</u>	<u>243,518</u>	<u>(21,679)</u>
Expenditures:				
Current:				
General government:				
Chief executive officer	2,051	2,206	2,193	(13)
Board of commissioners	2,528	2,528	2,416	(112)
Law department	4,689	4,689	3,437	(1,252)
Ethics	1	1	-	(1)
Geographic information system	2,449	2,314	1,920	(394)
Facilities management	18,704	18,704	18,257	(447)
Purchasing	4,367	4,367	3,846	(521)
Human resources and merit system	4,285	4,285	3,600	(685)
Office of information systems	21,032	19,832	19,172	(660)
Finance	6,650	6,650	6,349	(301)
Property appraisal and assessments	5,091	5,091	4,500	(591)
Tax commissioner	7,200	7,200	7,111	(89)
Registrar and elections	5,372	5,372	4,939	(433)
Economic development	1,162	1,162	1,114	(48)
Cooperative extension	1,088	1,088	1,037	(51)
Citizens' help center	4,442	4,442	3,890	(552)
Non-departmental	21,975	21,817	13,654	(8,163)
Total general government	<u>113,086</u>	<u>111,748</u>	<u>97,435</u>	<u>(14,313)</u>
Public safety:				
Police	5,408	5,757	3,845	(1,912)
Fire and rescue services	16,035	16,035	15,668	(367)
Total public safety	<u>21,443</u>	<u>21,792</u>	<u>19,513</u>	<u>(2,279)</u>
Civil and criminal court system:				
Sheriff	73,221	73,158	74,179	1,021
Juvenile court	10,082	10,010	9,654	(356)
Superior court	8,947	8,947	8,854	(93)
Clerk, superior court	5,324	5,324	5,246	(78)
State court	12,460	12,440	12,007	(433)
Solicitor, state court	4,909	4,869	4,607	(262)
District attorney	11,868	11,140	11,156	16
Child advocate	1,711	1,711	1,613	(98)
Probate court	1,768	1,768	1,709	(59)
Medical examiner	2,653	2,653	2,522	(131)
Public defender	6,704	6,704	6,529	(175)
Magistrate court	2,606	2,606	2,491	(115)
Total civil and criminal court system	<u>142,253</u>	<u>141,330</u>	<u>140,567</u>	<u>(763)</u>

(continued)

DeKalb County, Georgia
 General Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2008
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Expenditures (continued):				
Current (continued):				
Planning and development	1,452	1,452	1,374	\$ (78)
Public works:				
Administration	516	516	505	(11)
Total public works	516	516	505	(11)
Library system	11,534	11,534	11,254	(280)
Health and welfare:				
Public health	5,211	5,211	5,209	(2)
Community service board	2,284	2,284	2,284	-
Human and community development	5,135	3,184	3,252	68
Family and children services	1,905	1,905	1,905	-
Total health and welfare	14,535	12,584	12,650	66
Total expenditures	304,819	300,956	283,298	(17,656)
Excess (deficiency) of revenues over expenditures	(39,397)	(35,759)	(39,780)	(4,021)
Other financing sources (uses):				
Transfers in	13,996	14,571	18,054	3,483
Transfers out	(21,632)	(25,845)	(24,902)	943
Excess (deficiency) of revenues and other sources over expenditures and other uses	(47,033)	(47,033)	(46,628)	405
Fund balance, beginning of year	47,033	47,033	47,033	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>405</u>	<u>\$ 405</u>
Explanation of differences between budget basis and GAAP:				
Deficiency of revenues and other sources over expenditures and other uses - budget basis			\$ (46,628)	
Differences - budget basis to GAAP:				
Due to revenues:				
Accrued receivables 12-31-2007			(18,573)	
Accrued receivables 12-31-2008			15,262	
Deferred revenues 12-31-2007			3,888	
Deferred revenues 12-31-2008			(5,302)	
Due to expenditures:				
Accrued payables 12-31-2007			33,063	
Accrued payables 12-31-2008			(23,344)	
Due to encumbrances 12-31-2008			9,716	
Net change in fund balance - GAAP basis			<u>\$ (31,918)</u>	

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
 Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
 For the Year Ended December 31, 2008
 Non-GAAP Budget Basis (in thousands of dollars)

	Major Special Revenue Funds Special Tax District - Designated Services				Major Special Revenue Funds Special Tax District - Unincorporated			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:								
Property taxes	\$ 62,874	\$ 63,099	\$ 44,266	\$ (18,833)	\$ 700	\$ 700	\$ 643	\$ (57)
Sales taxes	2,020	2,020	19,025	17,005	17,170	17,170	15,789	(1,381)
Other taxes	-	-	-	-	36,781	36,781	37,367	586
Licenses and permits	900	900	1,126	226	22,915	22,915	21,603	(1,312)
Intergovernmental	3,126	3,126	38	(3,088)	-	-	-	-
Charges for services	2,887	2,887	2,613	(274)	-	-	-	-
Fines and forfeitures	-	-	-	-	16,596	17,431	21,930	4,499
Investment income	150	150	-	(150)	350	350	15	(335)
Miscellaneous	227	227	345	118	-	-	-	-
Total revenues	<u>72,184</u>	<u>72,409</u>	<u>67,413</u>	<u>(4,996)</u>	<u>94,512</u>	<u>95,347</u>	<u>97,347</u>	<u>2,000</u>
Expenditures:								
Current:								
General government:								
Chief executive officer	-	-	-	-	201	201	201	-
Finance	-	-	-	-	1,601	1,601	1,605	4
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,802</u>	<u>1,802</u>	<u>1,806</u>	<u>4</u>
Public safety:								
Police	108,752	106,464	106,456	(8)	-	-	-	-
Code enforcement	-	-	-	-	1,749	1,749	1,804	55
Total public safety	<u>108,752</u>	<u>106,464</u>	<u>106,456</u>	<u>(8)</u>	<u>1,749</u>	<u>1,749</u>	<u>1,804</u>	<u>55</u>
Civil and criminal court system - recorders court	-	-	-	-	4,219	5,054	5,004	(50)
Planning and development	-	-	-	-	1,748	1,748	1,767	19
Public works:								
Transportation	4,180	4,180	4,115	(65)	-	-	-	-
Roads and drainage	24,844	25,418	23,229	(2,189)	-	-	-	-
Total public works	<u>29,024</u>	<u>29,598</u>	<u>27,344</u>	<u>(2,254)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Parks and recreation	22,536	22,536	21,240	(1,296)	-	-	-	-
Arts, culture, and entertainment	1,096	1,096	1,035	(61)	-	-	-	-
Miscellaneous:								
Non-departmental	5,172	5,172	5,166	(6)	222	222	216	(6)
Total miscellaneous	<u>5,172</u>	<u>5,172</u>	<u>5,166</u>	<u>(6)</u>	<u>222</u>	<u>222</u>	<u>216</u>	<u>(6)</u>
Total expenditures	<u>166,580</u>	<u>164,866</u>	<u>161,241</u>	<u>(3,625)</u>	<u>9,740</u>	<u>10,575</u>	<u>10,597</u>	<u>22</u>
Excess (deficiency) of revenues over expenditures	(94,396)	(92,457)	(93,828)	(1,371)	84,772	84,772	86,750	1,978
Other financing sources (uses):								
Transfers in	85,369	85,369	87,035	1,666	-	-	-	-
Transfers out	-	(1,939)	(1,968)	(29)	(84,772)	(84,772)	(87,035)	(2,263)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(9,027)	(9,027)	(8,761)	266	-	-	(285)	(285)
Fund balance, beginning of year	9,027	9,027	9,029	2	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 268</u>	<u>\$ 268</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (285)</u>	<u>\$ (285)</u>
Explanation of differences between budget basis and GAAP:								
Deficiency of revenues and other sources over expenditures and other uses - budget basis			\$ (8,761)				\$ (285)	
Differences - budget basis to GAAP:								
Due to revenues:								
Accrued receivables 12-31-2007			(9)				(28,830)	
Accrued receivables 12-31-2008			3,108				29,555	
Deferred revenues 12-31-2007			1,246				28,101	
Deferred revenues 12-31-2008			(1,536)				(28,786)	
Due to expenditures:								
Accrued payables 12-31-2007			5,633				1,275	
Accrued payables 12-31-2008			(6,386)				(655)	
Due to encumbrances 12-31-2008			3,877				809	
Net change in fund balance - GAAP basis			<u>\$ (2,828)</u>				<u>\$ 1,184</u>	

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
Proprietary Funds Statement of Net Assets
December 31, 2008
(in thousands of dollars)

	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 58,337	\$ 23,133	\$ 4,055	\$ 85,525	\$ 64,264
Restricted cash and cash equivalents	11,593	-	-	11,593	-
Accounts receivable (net)	26,180	4,266	1,290	31,736	-
Due from other funds	-	-	7,277	7,277	1,418
Due from other governments	957	-	7,773	8,730	-
Inventories and prepaid items	2,705	-	-	2,705	3,640
Total current assets	<u>99,772</u>	<u>27,399</u>	<u>20,395</u>	<u>147,566</u>	<u>69,322</u>
Noncurrent assets:					
Restricted cash and cash equivalents	84,642	-	-	84,642	-
Deferred bond issuance costs	3,965	-	-	3,965	-
Capital assets (net)	1,126,127	97,458	82,229	1,305,814	50,988
Total noncurrent assets	<u>1,214,734</u>	<u>97,458</u>	<u>82,229</u>	<u>1,394,421</u>	<u>50,988</u>
Total assets	<u>1,314,506</u>	<u>124,857</u>	<u>102,624</u>	<u>1,541,987</u>	<u>120,310</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 11,204	\$ 302	\$ 1,114	\$ 12,620	\$ 5,949
Claims and judgments payable, current portion	4,000	-	-	4,000	8,882
Obligation under capital leases, current portion	-	-	-	-	336
Compensated absences payable	3,358	2,093	103	5,554	722
Other accrued liabilities	1,713	1,120	56	2,889	364
Advance payments and deposits	207	-	9	216	-
Due to other governments	25,113	-	-	25,113	-
Due to other funds	-	-	7,277	7,277	1,418
Deferred revenue	-	-	609	609	-
Payable from restricted assets:					
Revenue bonds payable, current portion	11,245	-	-	11,245	-
Accrued interest on revenue bonds	6,783	-	-	6,783	-
Due to others	8,114	-	-	8,114	-
Total current liabilities	<u>71,737</u>	<u>3,515</u>	<u>9,168</u>	<u>84,420</u>	<u>17,671</u>
Noncurrent liabilities:					
Claims and judgments payable, long-term portion	-	-	-	-	4,665
Landfill closure and postclosure cost	-	19,004	-	19,004	-
Pollution remediation obligation	-	1,432	-	1,432	-
Obligation under capital leases, long-term portion	-	-	-	-	381
OPEB Obligation	10,732	5,853	496	17,081	4,047
Revenue bonds payable, long-term portion	538,990	-	-	538,990	-
Unamortized premium on bonds payable	27,382	-	-	27,382	-
Deferred loss on debt refunding	(22,600)	-	-	(22,600)	-
Total noncurrent liabilities	<u>554,504</u>	<u>26,289</u>	<u>496</u>	<u>581,289</u>	<u>9,093</u>
Total liabilities	<u>\$ 626,241</u>	<u>\$ 29,804</u>	<u>\$ 9,664</u>	<u>\$ 665,709</u>	<u>\$ 26,764</u>
NET ASSETS					
Invested in capital assets, net of related debt	\$ 667,094	\$ 97,458	\$ 82,229	\$ 846,781	\$ 50,988
Restricted for debt service	9,173	-	-	9,173	-
Restricted for capital projects	91,202	-	-	91,202	-
Unrestricted	(79,204)	(2,405)	10,731	(70,878)	42,558
Total net assets	<u>\$ 688,265</u>	<u>\$ 95,053</u>	<u>\$ 92,960</u>	<u>876,278</u>	<u>\$ 93,546</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				83,336	
Net assets of business-type activities				<u>\$ 959,614</u>	

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
 Proprietary Funds
 Statement of Revenues, Expenses, and Changes in Net Assets
 For the Year Ended December 31, 2008
 (in thousands of dollars)

	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:					
Metered sales	\$ 139,362	\$ -	\$ -	\$ 139,362	\$ -
Collection and disposal fees	-	62,150	-	62,150	-
Rental fees	-	-	4,724	4,724	-
Intergovernmental	-	-	18,239	18,239	168
Charges for services	-	-	8,058	8,058	145,839
Miscellaneous	2,545	325	6	2,876	3,309
Total operating revenues	<u>141,907</u>	<u>62,475</u>	<u>31,027</u>	<u>235,409</u>	<u>149,316</u>
Operating expenses:					
Salaries and employee benefits	53,314	34,391	1,806	89,511	9,478
Supplies	20,128	1,750	4,544	26,422	21,807
Operating services and charges	38,478	20,578	16,714	75,770	91,160
Leasehold operating expenses	18,016	-	-	18,016	-
Miscellaneous	2,394	1,072	-	3,466	726
Depreciation and amortization	28,691	2,138	574	31,403	16,006
Labor, overhead, and vehicle charges capitalized	(5,261)	-	-	(5,261)	-
Total operating expenses	<u>155,760</u>	<u>59,929</u>	<u>23,638</u>	<u>239,327</u>	<u>139,177</u>
Operating income	(13,853)	2,546	7,389	(3,918)	10,139
Nonoperating revenues (expenses)					
Interest income	3,852	600	256	4,708	1,133
Interest expense	(15,598)	-	-	(15,598)	(42)
Income (loss) before capital donations and transfers	(25,599)	3,146	7,645	(14,808)	11,230
Capital donations	9,290	-	-	9,290	-
Transfers in	-	-	-	-	326
Transfers out	(1,044)	(281)	(181)	(1,506)	(3,500)
Change in net assets	(17,353)	2,865	7,464	(7,024)	8,056
Net assets - beginning	705,618	92,188	85,496		85,490
Net assets - ending	<u>\$ 688,265</u>	<u>\$ 95,053</u>	<u>\$ 92,960</u>		<u>\$ 93,546</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				376	
Change in net assets of business-type activities				<u>\$ (6,648)</u>	

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2008
(in thousands of dollars)

	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	\$ 139,362	\$ 62,150	\$ 26,922	\$ 228,434	\$ 149,316
Cash payments to suppliers for goods and services	(39,362)	(17,267)	(19,347)	(75,976)	(106,186)
Cash payments to employees for services	(53,314)	(34,391)	(1,806)	(89,511)	(9,478)
Other operating revenues	2,545	325	4,105	6,975	-
Net cash provided (used) by operating activities	<u>49,231</u>	<u>10,817</u>	<u>9,875</u>	<u>69,923</u>	<u>33,652</u>
Cash flows from noncapital financing activities:					
Transfers (to) from other funds	-	(281)	(181)	(462)	1,418
Net cash provided by noncapital financing activities	<u>-</u>	<u>(281)</u>	<u>(181)</u>	<u>(462)</u>	<u>1,418</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(51,257)	(25,006)	(11,173)	(87,436)	(31,964)
Proceeds from sale of capital assets	-	-	-	-	1,371
Principal and interest paid on revenue bonds	(26,238)	-	-	(26,238)	-
Bond issuance expenses	10	-	-	10	-
Payments on leases	-	-	-	-	(668)
Decrease in escrow deposits	389	-	-	389	-
Capital donations	6,031	-	-	6,031	-
Net cash required by capital and related financing activities	<u>(71,065)</u>	<u>(25,006)</u>	<u>(11,173)</u>	<u>(107,244)</u>	<u>(31,261)</u>
Cash flows from investing activities:					
Interest on investments	3,852	600	256	4,708	1,133
Net cash provided by investing activities	<u>3,852</u>	<u>600</u>	<u>256</u>	<u>4,708</u>	<u>1,133</u>
Net increase (decrease) in cash and cash equivalents	(17,982)	(13,870)	(1,224)	(33,076)	4,942
Cash and cash equivalents at beginning of year	172,554	37,003	5,278	214,835	59,322
Cash and cash equivalents at end of year	<u>\$ 154,572</u>	<u>\$ 23,133</u>	<u>\$ 4,055</u>	<u>\$ 181,760</u>	<u>\$ 64,264</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income	\$ (13,853)	\$ 2,546	\$ 7,389	\$ (3,918)	\$ 10,139
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization	28,691	2,138	574	31,403	16,006
OPEB Obligation	10,732	5,853	496	17,081	4,047
Change in assets and liabilities:					
Increase in receivables	(3,156)	339	(2,751)	(5,568)	-
Increase in inventories	247	-	-	247	25
Increase (decrease) in payables	26,292	(263)	921	26,950	3,363
Increase in other liabilities	288	204	3,246	3,738	72
Increase in advance deposits	(10)	-	-	(10)	-
Net cash provided (used) by operating activities	<u>\$ 49,231</u>	<u>\$ 10,817</u>	<u>\$ 9,875</u>	<u>\$ 69,923</u>	<u>\$ 33,652</u>
Noncash capital donations	<u>\$ 3,255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,255</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia
 Fiduciary Funds
 Statement of Fiduciary Net Assets
 December 31, 2008
 (in thousands of dollars)

	General Employees' Pension	Agency Funds
<u>ASSETS</u>		
Cash and cash equivalents	\$ 32,517	\$ 35,926
Investments:		
US Government securities	144,009	-
Collateralized mortgage obligations	55,607	-
Corporate bonds	157,902	-
Corporate stocks	464,408	-
Accrued interest receivable	1,361	-
Taxes receivable	-	44,316
Total assets	855,804	80,242
<u>LIABILITIES</u>		
Accounts payable	980	-
Due to others	126	80,242
Total liabilities	1,106	80,242
<u>NET ASSETS</u>		
Held in trust for pension benefits and other purposes (see also Note 1A of Required Supplemental Information)	\$ 854,698	

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia

Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

For the Year Ended December 31, 2008

(in thousands of dollars)

	General Employees' Pension
Additions:	
Contributions:	
Employer	\$ 24,751
Employee	12,442
Other	137
Total contributions	<u>37,330</u>
Investment earnings:	
Dividends and interest	46,069
Net increase in fair market value of investments	<u>(382,648)</u>
Total investment earnings	<u>(336,579)</u>
Less investment expense	<u>(3,835)</u>
Net investment earnings	<u>(340,414)</u>
Total additions	<u>(303,084)</u>
Deductions:	
Benefit payments	77,003
Refunds of contributions	915
Administrative expenses	436
Total deductions	<u>78,354</u>
Change in net assets	(381,438)
Net assets, beginning of year	<u>1,236,136</u>
Net assets, end of year	<u>\$ 854,698</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia

Component Units

Statement of Net Assets

December 31, 2008

(in thousands of dollars)

<u>ASSETS</u>	Board of Health	Public Library Board	Total
Cash and cash equivalents	\$ 4,176	\$ 4,039	\$ 8,215
Cash and cash equivalents, restricted	282	-	282
Investments	-	779	779
Accounts receivable (net)	786	50	836
Due from other governments	2,255	-	2,255
Prepaid items	39	-	39
Capital assets (net)	139	546	685
Total assets	<u>7,677</u>	<u>5,414</u>	<u>13,091</u>
 <u>LIABILITIES</u>			
Accounts and contracts payable	3	1,096	1,099
Due to other governments	1,342	-	1,342
Deferred revenue	426	-	426
Noncurrent liabilities:			
Due within one year	322	28	350
Due in more than one year	1,288	53	1,341
Total liabilities	<u>3,381</u>	<u>1,177</u>	<u>4,558</u>
 <u>NET ASSETS</u>			
Invested in capital assets (net of related debt)	139	465	604
Restricted	282	-	282
Unrestricted	3,875	3,772	7,647
Total net assets	<u>\$ 4,296</u>	<u>\$ 4,237</u>	<u>\$ 8,533</u>

The notes to the financial statements are an integral part of this statement.

DeKalb County, Georgia

Component Units

Statement of Activities

Year Ended December 31, 2008

(in thousands of dollars)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of	Public	Total
					Health	Library Board	
Board of Health	\$ 31,780	\$ 12,634	\$ 14,601	\$ -	\$ (4,545)	\$ -	\$ (4,545)
Public Library Board	15,401	705	22	-	-	(14,674)	(14,674)
Total component units	<u>\$ 47,181</u>	<u>\$ 13,339</u>	<u>\$ 14,623</u>	<u>\$ -</u>	<u>(4,545)</u>	<u>(14,674)</u>	<u>(19,219)</u>
General revenues:							
Intergovernmental, not restricted for specific programs					-	1,367	1,367
Payments from DeKalb County					5,121	13,297	18,418
Capital projects					-	500	500
Unrestricted investment earnings					-	79	79
Miscellaneous					87	213	300
Total general revenues					<u>5,208</u>	<u>15,456</u>	<u>20,664</u>
Change in net assets					663	782	1,445
Net assets - beginning					3,633	3,455	7,088
Net assets - ending					<u>\$ 4,296</u>	<u>\$ 4,237</u>	<u>\$ 8,533</u>

The notes to the financial statements are an integral part of this statement.

DEKALB COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008

1. Summary of Significant Accounting Policies

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental units. The County's significant accounting policies are described below.

(A) The Financial Reporting Entity

DeKalb County, Georgia (the "County") was created by legislative act in 1822, and operates under an elected Chief Executive Officer and County Commission (seven members) form of government. As required by GAAP, the financial statements of the financial reporting entity include those of DeKalb County (the primary government) and its component units. Also, the fiduciary activities of the County's pension plan and various constitutional officers, judges, and other judicial officials are included in the fiduciary funds. These include the Tax Commissioner, Sheriff, Clerk of Superior Court, State Court, State Court Probation, Juvenile Court, Probate Court, and Magistrate Court.

The component units discussed below are included in the County's financial reporting entity because of the County's financial accountability for the entities and the significance of their operational and financial relationships with the County. In conformity with GAAP, the financial statements of the DeKalb County Board of Health and the DeKalb County Public Library Board have been included as discretely presented component units. The component units column in the financial statements includes the financial data for the County's two component units, as reflected in their most recent audited financial statements. These component units are reported in a column separate from the County's financial information to emphasize that they are legally separate from the County. The following discretely presented component units are incorporated into the County's financial report:

DeKalb County Board of Health (the "Board of Health") - The governing board of the Board of Health consists of seven members: the Chief Executive Officer of the County, the Superintendent of the DeKalb County Board of Education (both by virtue of their offices), three members appointed by the County Commission, and two members appointed by other jurisdictions. The County, by virtue of its appointments and the presence of the Chief Executive Officer on the governing board, controls a majority of the Board of Health's governing body positions. Although the County does not have the authority to approve or modify the Board of Health's operational and capital budgets, it does have the ability to control the amount of funding it provides to the Board of Health. Such funding is significant to the overall operations of the Board of Health.

DeKalb County Public Library Board (the "Public Library Board") - The governing board of the Public Library Board consists of twelve members: the Chief Executive Officer of the County, the Executive Assistant to the Chief Executive Officer (both by virtue of their offices), eight members appointed by the County Commission, and two members appointed by other jurisdictions. The County, by virtue of its appointments and the presence of the Chief Executive Officer and the Executive Assistant to the Chief Executive Officer on the governing board, controls a majority of Public Library Board governing body positions. Although the County does not have the authority to approve or modify the Public Library Board's operational and capital budgets, it does have the ability to control the amount of funding it provides to the Public Library Board. Such funding is significant to the overall operations of the Public Library Board.

Both component units have June 30 fiscal year-ends. Complete financial statements of the individual component units can be obtained directly from their administrative offices. Addresses for these administrative offices are as follows:

DeKalb County Board of Health
445 Winn Way Richardson Health Center
Decatur, GA 30030

DeKalb County Public Library Board
215 Sycamore Street
Decatur, GA 30030

In 2003, the County established the DeKalb County Building Authority (the "Building Authority") which is governed by a board comprised solely of members appointed by the Chief Executive Officer of the County and the County's Board of Commissioners. The Public Safety and Judicial Facilities Authority was also created in 2003, established to construct and equip County court-related facilities. Although both are legally separate from the County's Board of Commissioners, these authorities are reported as if they were a part of the primary government,

blended component units, because their sole purpose is to finance and construct County public buildings. The Building Authority's funds are included as non-major debt service and capital projects funds. The Public Safety and Judicial Facilities Authority's funds are included as non-major capital projects funds. No separate financial statements are available.

The County is also responsible for appointing the members of the DeKalb County Housing Authority. The County's accountability does not extend beyond making these appointments.

The Fulton-DeKalb Hospital Authority is considered a joint venture with Fulton County, Georgia. The Atlanta Regional Commission is considered a joint venture with other governments of metropolitan Atlanta.

(B) Basis of presentation

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) display information about the primary government and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Internal activities have been eliminated. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the various business-type activities of the County and for each function of the governmental activities. Direct expenses are those that are specifically associated with and clearly identifiable to a particular program or function. Administrative overhead charges are included in direct expenses for the business-type activities. Program revenues include 1) fees, fines, and charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the County's funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

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 fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, other governmental units, and/or other funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

The County reports the following major governmental funds:

The General Fund 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.

The Special Tax District Designated Services Fund accounts for operations of the County's police, roads and drainage, and recreation departments. Financing is provided by a specific annual property tax levy and transfers from the special tax district unincorporated fund. Such property taxes are used only to provide police, roads and drainage, and recreation services for all residents of the County not provided with these services by other municipalities.

The Special Tax District Unincorporated Fund accounts for operations of various County activities which collect revenues that are restricted for use in the unincorporated areas of the County.

The 2006 Transportation, Parks, and Libraries Bonds Fund accounts for the proceeds from the 2006 general obligation bond issue and the related capital expenditures.

The County reports the following major proprietary funds:

The Water and Sewerage System Fund accounts for the provision of water and sewer services to the residents of the County. All activities necessary to provide such services are accounted for in this fund.

The Sanitation Fund accounts for the provision of sanitation services to residents of the County. All activities necessary to provide such services are accounted for in this fund.

The County reports the following fiduciary funds:

The General Employees' Pension Fund accounts for accumulated resources for pension benefit payments to qualified County employees.

The Agency Funds account for the assets held by the County in a trustee capacity as an agent for individuals, governmental units, and/or other funds.

The County reports the following other fund types:

Internal service funds account for vehicle maintenance, vehicle replacement, and risk management-related activities provided to other departments of the County on a cost reimbursement basis.

(C) Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 within the available period.

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. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants which are recognized when all eligibility requirements have been met. 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 and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All governmental and business-type activities of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has elected not to follow the option allowed under GASB Statement 20 and thus does not follow any FASB Statements issued after November 30, 1989.

During fiscal year 2008, the County adopted the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. The objective of this Statement is to enhance the usefulness and comparability of pollution control obligation information by setting uniform standards requiring more timely and complete reporting of those obligations.

During fiscal year 2008, the County adopted the provisions of GASB Statement No. 50, *Pension Disclosures (an amendment of GASB Statements No. 25 and No. 27)*. This Statement amends note disclosure and required supplementary information (RSI) standards of Statements No. 25, *Financial reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 27, *Accounting for Pension by State and Local Governmental Employers*, to conform with applicable changes adopted in Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* and No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.

(D) Budgetary Data

An operating budget is legally adopted each fiscal year for all governmental funds except capital projects funds. The level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is the department level. Supplemental appropriations may be made annually at mid-year by the Board of Commissioners. Supplemental appropriations are also made out of the County's General Fund contingency account by the Board of Commissioners to fund unforeseen expenditures within the County's governmental funds at any time during the year. Presented final budgetary information reflects all supplemental appropriations as legally adopted by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations. The Board of Commissioners must approve any department-level changes to a previously adopted budget. Management may amend the budget without seeking the approval of the Board at any level below the department level.

In accordance with Georgia law, the County has project length balanced budgets for all capital projects funds.

The annual budget cycle begins in August of the preceding year, when budget workbooks are distributed to each department. The County Code requires that the Chief Executive Officer of the County submit a proposed budget to the Board of Commissioners by December 15 or January 15 following an election year. The Chief Executive Officer and Board of Commissioners advertise and conduct public hearings on the proposed budget, in adherence to local ordinance and state law, and adopt a final budget prior to March 1.

The tax millage is set and tax bills are issued around July 1. A revised budget, based on fund balance carryovers and current revenue and expenditure trends, may be adopted prior to this date. Unencumbered appropriations lapse at year-end.

(E) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the appropriation, is employed in the governmental funds.

(F) Property Taxes

Property tax billing and collection cycle dates are as follows: lien date - January 1 of each year; levy date - Fourth Tuesday in June; due dates - August 15 and November 15; and collection dates - anytime during the year.

(G) Cash, Cash Equivalents, and Investments

Cash management pools which are used essentially as demand deposit accounts and investments with maturities within 90 days of purchase are considered cash equivalents for purposes of the statement of cash flows. Investments are stated at fair value, based on quoted market prices. The Georgia Fund 1 investment pool (a local government investment pool) is not SEC-registered, but is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Therefore, fair value of the County's investment in the Georgia Fund 1 is based on the price of the County's share in the pool. The Georgia Office of Treasury and Fiscal Services is the agency with regulatory oversight for Georgia Fund 1.

(H) Inventories and Prepaid Items

Inventories are determined by actual physical count and are stated at cost (using average cost flow assumptions) for the governmental activities and at the lower of average cost or market for the business-type activities. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to suppliers reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(I) Restricted Assets

Proceeds from the sale of water and sewer revenue bonds plus interest earned on the investment of these funds are restricted to the construction of new capital facilities and other improvements to the water and sewerage system. All monies in excess of those required to maintain the working capital of the water and sewerage system's operations are transferred to a separate account and restricted to the construction of new capital facilities and other expenditures as allowed by the water and sewerage system's bond resolutions. Sinking fund monies are restricted to the payment of bond principal and interest requirements as they become due, as well as the maintenance of required reserves. Liabilities payable from these restricted assets are reported separately to indicate that the source of payment is the restricted assets.

The government-wide statement of net assets reports \$147,458,000 of restricted net assets, of which \$105,477,000 is restricted by enabling legislation.

(J) Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets consist of the road network assets that were acquired or that received substantial improvements subsequent to January 1, 1980 and are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized. The County capitalized \$3,865,254 of interest incurred in business-type activities for the year. Capital assets are depreciated using the straight-line method over the following estimated useful lives and with the following capitalization thresholds:

<u>Asset Class</u>	<u>Estimated Useful Lives (In years)</u>	<u>Capitalization Threshold</u>
Buildings	20-50	\$40,000 - 100,000
Land improvements	15-50	30,000 - 100,000
Infrastructure	10-50	20,000 - 100,000
Vehicles	1-10	All Capitalized
Equipment	5	5,000

(K) Claims, Judgments, and Compensated Absences

Liabilities for claims and judgments against the County, including estimated liabilities for claims incurred but not reported at year-end, have been accrued. Liabilities for compensated absences have been accrued in the government-wide and proprietary fund financial statements and are all considered long-term obligations of the County. A liability for these amounts is reported in the governmental funds if they have matured and are expected to be paid with expendable available resources.

Employees earn annual leave at the rate of 15 days per year for the first 5 years of employment up to a maximum of 30 days per year after 25 years of employment. There is no requirement that annual leave be taken, but the maximum permissible accumulation at year-end is 60 days. Any accumulation of annual leave greater than 60 days is converted to sick leave at year-end. At termination, employees are paid for any accumulated annual leave up to the 60 day maximum. Employees earn sick leave at the rate of 13 days per year with no limitations. At termination, accumulated sick leave is converted to annual leave at the rate of 15 days to 1 day and is subject to the 60-day limitation. A liability for these amounts is reported in governmental funds only if they have matured as a result of employee resignations and retirements.

(L) Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its Seminole Road landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense during each period based on landfill capacity used as of each financial reporting date. The \$19,004,000 reported as landfill closure and postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 42.2% of the estimated capacity of the landfill, net of related expenditures to date of \$4,766,000. The County will recognize the remaining estimated cost of closure and postclosure care of \$32,557,000 as the remaining estimated capacity is filled. These amounts are based on the estimated cost to perform all closure and postclosure in 2008. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Closure and postclosure care financial assurance requirements will be met by adjusting the sanitation rate structures in the enterprise fund as required. The County expects to close the current landfill cell in the year 2009, but has previously acquired enough additional land to meet landfill needs through 2019.

(M) Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenditures / expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include: useful lives of capital assets, allowances, pension obligations, legal liabilities, and landfill closure and postclosure cost estimations.

2. Joint Ventures

DeKalb County is party to a contract with Fulton County, Georgia and the Fulton-DeKalb Hospital Authority (the "Hospital Authority") for the operation of Grady Memorial Hospital (the "Hospital"). The Hospital provides health services to indigent citizens of both counties. Three members of the Hospital Authority's Board of Trustees are appointed by the DeKalb County Board of Commissioners with another seven members appointed by the Fulton County Board of Commissioners. The entire operations of the Hospital Authority are disclosed as a component unit in the Fulton County, Georgia Comprehensive Annual Financial Report. DeKalb County has a financial interest in the Hospital Authority because operating deficits of the Hospital, up to an annually predetermined amount relating to indigent care, must be funded by Fulton County or DeKalb County under the terms of the contract. The funding formula is based on the ratio of patient levels between the two counties. For the year 2008, DeKalb County funded \$9,340,000 of the Hospital's operating deficit. DeKalb County has limited control over the operating budget of the Hospital, but must approve any debt issuance of the Hospital Authority. The Hospital Authority's debt is secured by a pledge of the operating revenues of the Hospital. Payments to the Hospital Authority are made from the County's other governmental funds. For the year 2008, DeKalb County paid an additional \$7,120,000 towards the Hospital Authority's debt service. Separate financial statements may be obtained from: Fulton-DeKalb Hospital Authority; 80 Butler St. SE; Atlanta, Georgia 30314.

Condensed financial information for the Hospital Authority as of and for the year ended December 31, 2007 (December 31, 2008 amounts are unavailable) is as follows (in thousands of dollars):

Total Assets	\$ 454,321	Total Operating Revenues	\$ 494,792
Total Liabilities	496,489	Total Operating Expenses	652,713
Total Net Deficit	(42,168)	Non-operating Revenue (Net)	(1,528)
Current Debt	16,116	Fulton County and DeKalb County Contributions	126,140
Long-term Debt	222,671	Decrease in Net Assets	(31,618)

The Atlanta Regional Commission (ARC) is the regional planning and intergovernmental coordination agency for the 10-county metropolitan area. Under Georgia law, the County, in conjunction with other cities and counties in metropolitan Atlanta, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto. During 2008, the County paid \$700,960 in such dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any obligations of the ARC. Separate financial statements may be obtained from: Atlanta Regional Commission; 40 Courtland St NE; Atlanta, Georgia 30303.

There were no known related-party transactions involving either joint venture.

3. Budget Basis of Accounting

Due to legal requirements, revenues and appropriations for governmental funds are budgeted on a basis that is not consistent with GAAP. The actual results of operations on the budget basis for the General Fund and Major Special Revenue Funds are presented in this report.

The major differences between the budget basis and GAAP are:

- (1) Revenues (principally property taxes, accounts receivable, grants, and interest receivables) are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures (principally payroll, workers' compensation, and purchases) are recorded when paid (budget basis) as opposed to when incurred (GAAP);
- (3) Debt service requirements due January 1, 2009 are recorded as expenditures in 2008 when paid (budget basis) as opposed to 2009 when obligations are due (GAAP);

4. Cash, Cash Equivalents, and Investments

Following are the components of the County's cash and cash equivalents, and investments (including the General Employees' Pension Fund, Agency Funds, and the Component Units) at December 31, 2008 (in thousands of dollars).

	Unrestricted	Restricted	Pension Restricted	Agencies Unrestricted	Total	Component Units
Cash and Cash Equivalents	\$ 427,012	\$ 96,235	\$ 32,517	\$ 35,926	\$ 591,690	\$ 8,497
Investments	-	-	823,287	-	823,287	779
	<u>\$ 427,012</u>	<u>\$ 96,235</u>	<u>\$ 855,804</u>	<u>\$ 35,926</u>	<u>\$ 1,414,977</u>	<u>\$ 9,276</u>

Statutes authorize the County to invest in obligations of the United States Treasury or agencies, banker's acceptances, bank money market accounts, repurchase agreements, and the Georgia Fund 1 investment pool (a local government investment pool). The General Employees' Pension Fund is also authorized to invest in corporate bonds and debentures which are not in default as to principal and interest; corporate stocks, common or preferred; first loans on real estate where the loans are guaranteed by the Administrator of Veterans Affairs or by the Federal Housing Authority of the United States; certificates of deposit in national banks and state banks insured by the FDIC; and any other investments approved by the Pension Board. The Pension Trust Fund also invests in collateralized mortgage obligations (CMOs). These securities are based on cash flows from interest and principal payments on underlying mortgages. CMOs are sensitive to prepayments by mortgages, which may result from a decline in interest rates. The County invests in these securities in part to maximize yields and in part to hedge against a rise in interest rates.

Custodial Credit Risk - Deposits

To control custodial credit risk, the County's investment policy requires all securities and collateral to be held by an independent third-party custodian in the County's name. The custodian provides the County with monthly values. The County's investment in the Georgia Fund 1 investment pool is stated at fair value, which also approximates the value of the investment upon withdrawal.

Concentration of Credit Risk

The County diversifies its use of investment instruments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities. The County's primary government investment policy limits County investments to the following maximum percentages: U.S. Treasury Obligations 100%, Obligations of U.S. Government Agencies 100%, Repurchase Agreements 25%, Certificates of Deposit (Commercial Banks) 75%, Certificates of Deposit (S&L Associations) 10%, Local Government Investment Pool (State-Sponsored) 100% and Commercial Bank Money Market Accounts 25%. Maximums may be exceeded temporarily with the prior approval of the County's Finance Director. The County's investment policy also requires that maturities shall be timed such that a minimum of 80% be invested for a period of less than one year and 100% be invested for a period less than two years. The County's investment policy limits the pension investments to the following maximum percentages based on cost: Domestic securities 60%, Non-domestic securities 10%, and Fixed income investments and Cash 40%.

As of December 31, 2008, the County's reporting entity had the following investments:
(in thousands of dollars)

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Primary Government					
Georgia Fund 1	\$ 345,049	\$ 345,049	\$ -	\$ -	\$ -
Restricted Trust Accounts	133,270	133,270	-	-	-
Total Primary Government (non-fiduciary)	\$ 478,319	\$ 478,319	\$ -	\$ -	\$ -
Fiduciary Fund					
Pension Trust Fund:					
Corporate Stocks	\$ 464,408	\$ -	\$ -	\$ -	\$ -
Money Market Mutual Funds	32,517	-	-	-	-
U.S. Government Securities	144,009	4,508	25,196	20,869	93,436
CMOs	55,607	1,385	5,485	990	47,747
Corporate Bonds	157,902	5,798	69,148	21,771	61,185
Total Fiduciary Fund	\$ 854,443	\$ 11,691	\$ 99,829	\$ 43,630	\$ 202,368

Credit Risk - Investments

As a means of limiting exposure to credit risk, the risk of loss due to the failure of the security issuer or backer, the County limits investments to obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government and those deposit-type items which can be collateralized at 110% of the face value. The County's pension funds are not collateralized and are subject to credit and interest rate risk.

The County's investment policy requires that repurchase agreements be "marked to Market," i.e., the current market value of securities purchased must meet or exceed the cost of investment plus anticipated interest earnings. The County did not hold repurchase agreements in 2008.

The County's pension trust fund (the Plan) investment policy requires that the fixed income portfolio be of high quality and chosen with respect to maturity ranges, coupon levels, refunding characteristics, and marketability. Fixed income managers are engaged to reduce volatility of the Plan's assets, provide a deflation hedge, and produce a highly predictable and dependable source of income. The quality rating of the overall portfolio must be A or better at all times. As of December 31, 2008, the weighted average of the fixed income portfolio was AA- by Standard & Poor's Rating Service.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the duration method. This method is used in the management of fixed income portfolios to quantify the portfolios' sensitivity to interest rate changes. As of December 31, 2008, the weighted average of the Option Adjusted Duration of the pension fund's fixed income portfolio was 4.17 years, as compared to the benchmark LB Aggregate Bond Index duration of 4.47 years.

Georgia's State Depository Board through the Director of the Office Treasury and Fiscal Services is the oversight agency for Georgia Fund 1. The primary investment objectives of the Georgia Fund 1 investment pool are safety of capital, liquidity, yield, and diversification with primary emphasis of safety of capital and liquidity. Georgia Fund 1 is rated AAAm by Standard and Poor's and had a WAM (weighted average maturity) of 46 days as of December 31, 2008. The County's fair value in the pool is the same as the value of the pool shares.

5. Capital Assets

Changes in capital assets are as follows (in thousands of dollars):

	Balance 12/31/2007	Additions	Deletions	Balance 12/31/2008	Accumulated Depreciation and Amortization 12/31/2007	Additions	Deletions	Accumulated Depreciation and Amortization 12/31/2008	Book Value 12/31/2008
<u>Governmental activities</u>									
Not depreciated:									
Land	\$ 227,623	\$ 3,829	\$ -	\$ 231,452					\$ 231,452
Construction in progress	128,720	86,762	(22,254)	193,228					193,228
Depreciated:									
Land improvements	38,233	-	-	38,233	\$ 12,832	\$ 721	\$ -	\$ 13,553	24,680
Buildings	395,222	413	-	395,635	94,214	9,431	-	103,645	291,990
Infrastructure	660,980	21,526	-	682,506	160,560	16,304	-	176,864	505,642
Other equipment	43,027	6,978	(8,167)	41,838	19,529	8,486	(8,167)	19,848	21,990
Totals	<u>\$ 1,493,805</u>	<u>\$ 119,508</u>	<u>\$ (30,421)</u>	<u>\$ 1,582,892</u>	<u>287,135</u>	<u>34,942</u>	<u>(8,167)</u>	<u>313,910</u>	<u>\$ 1,268,982</u>
<u>Business-type activities</u>									
Not depreciated:									
Land	\$ 42,428	\$ -	\$ -	\$ 42,428					\$ 42,428
Construction in progress	99,146	78,855	(23,681)	154,320					154,320
Depreciated:									
Land improvements	153,050	3,376	-	156,426	\$ 20,210	\$ 2,378	\$ -	\$ 22,588	133,838
Buildings	11,733	-	-	11,733	7,406	331	-	7,737	3,996
Plants	334,343	326	-	334,669	67,962	3,127	-	71,089	263,580
Lines	741,899	19,392	(1,543)	759,748	212,718	15,016	(1,543)	226,191	533,557
Water meters	64,232	3,089	(1,858)	65,463	28,251	4,332	(1,858)	30,725	34,738
Vehicles and portable equipment	152,669	20,051	(14,049)	158,671	106,775	15,721	(13,872)	108,624	50,047
Other equipment	15,556	761	(4,086)	12,231	8,466	2,490	(4,086)	6,870	5,361
Leaseholds	169,411	-	-	169,411	30,997	3,477	-	34,474	134,937
Totals	<u>\$ 1,784,467</u>	<u>\$ 125,850</u>	<u>\$ (45,217)</u>	<u>\$ 1,865,100</u>	<u>\$ 482,785</u>	<u>\$ 46,872</u>	<u>\$ (21,359)</u>	<u>\$ 508,298</u>	<u>\$ 1,356,802</u>
<u>Component units</u>									
Depreciated:									
Other equipment	\$ 1,392	\$ 369	\$ (14)	\$ 1,747	\$ 866	\$ 196	\$ -	\$ 1,062	\$ 685

During fiscal year 2008, the County did not experience any capital asset impairment loss with respect to the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

Depreciation was charged to functions / programs of the primary government during 2008 as follows (in thousands of dollars):

<u>Governmental activities:</u>		<u>Business-type activities</u>	
General government	\$ 4,427	Water and sewerage system	\$ 28,155
Public safety	4,893	Sanitation	2,138
Civil and criminal court system	5,454	DeKalb Peachtree Airport	510
Planning & Development	41	Stormwater	64
Public works	16,497	Vehicle maintenance	284
Community development	161	Vehicle replacement	15,721
Library	1,273		<u>\$ 46,872</u>
Parks and recreation	1,345		
Health and welfare	851		
	<u>\$ 34,942</u>		

Construction in progress at December 31, 2008 is composed of the following (in thousands of dollars):

	<u>Project</u> <u>Authoriza-</u> <u>tion</u>	<u>Expended</u> <u>as of</u> <u>12/31/2008</u>	<u>Committed</u>
<u>Governmental activities</u>			
Parks and recreation facilities	\$ 159,162	\$ 38,138	\$ 121,024
Infrastructure	191,671	107,694	83,977
Court facilities	41,442	10,698	30,744
Public safety facilities	22,944	17,641	5,303
General government facilities	14,662	6,794	7,867
Library facilities	68,303	12,137	56,166
Health centers	96	96	-
Totals	<u>\$ 498,280</u>	<u>\$ 193,198</u>	<u>\$ 305,081</u>
<u>Business-type activities</u>			
Water and sewer facilities	\$ 126,316	\$ 55,933	\$ 70,383
Sanitation facilities	74,443	62,262	12,181
Airport facilities	24,531	16,438	8,093
Stormwater facilities	23,889	19,616	4,273
Vehicle maintenance	389	71	318
Totals	<u>\$ 249,568</u>	<u>\$ 154,320</u>	<u>\$ 95,248</u>

6. Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2008 are as follows (in thousands of dollars):

	Balance 12/31/2007	Additions	Payments/ Retirements	Balance 12/31/2008	Current Portion	Long-term Portion
<u>Governmental activities</u>						
Claims and judgments payable	\$ 13,087	\$ 77,838	\$ (77,078)	\$ 13,847	\$ 9,182	\$ 4,665
Net OPEB obligation	64,118	5,296	(1,991)	67,423	-	67,423
Compensated absences payable	34,104	32,028	(30,263)	35,869	32,028	3,841
Capital leases (equipment)	13,791	-	(4,417)	9,374	3,454	5,920
General obligation bonds payable	405,215	-	(23,835)	381,380	24,635	356,745
Revenue bonds payable	92,950	-	(2,975)	89,975	3,060	86,915
Certificates of participation payable	22,075	-	(1,020)	21,055	1,045	20,010
Unamortized premium on bonds payable	11,461	-	(1,129)	10,332	1,069	9,263
Deferred gain on bond refunding	(2,850)	-	437	(2,413)	(401)	(2,012)
Totals	<u>\$ 653,951</u>	<u>\$ 115,162</u>	<u>\$ (142,271)</u>	<u>\$ 626,842</u>	<u>\$ 74,072</u>	<u>\$ 552,770</u>
<u>Business-type activities</u>						
Claims and judgments payable	\$ -	\$ 4,000	\$ -	\$ 4,000	\$ 4,000	\$ -
Landfill closure and postclosure costs	17,837	1,167	-	19,004	-	19,004
Pollution remediation obligation	-	1,432	-	1,432	-	1,432
Net OPEB obligation	20,093	1,659	(624)	21,128	-	21,128
Compensated absences payable	5,878	6,962	(6,564)	6,276	6,276	-
Capital leases (vehicles)	1,344	-	(627)	717	336	381
Revenue bonds payable	560,875	-	(10,640)	550,235	11,245	538,990
Unamortized premium on bonds payable	29,034	-	(1,652)	27,382	1,638	25,744
Deferred gain on bond refunding	(24,246)	-	1,646	(22,600)	(1,617)	(20,983)
Totals	<u>\$ 610,815</u>	<u>\$ 15,220</u>	<u>\$ (18,461)</u>	<u>\$ 607,574</u>	<u>\$ 21,878</u>	<u>\$ 585,696</u>
<u>Component Units</u>						
Compensated absences payable	\$ 1,408	\$ 202		\$ 1,610	\$ 322	\$ 1,288
	<u>\$ 1,408</u>	<u>\$ 202</u>	<u>\$ -</u>	<u>\$ 1,610</u>	<u>\$ 322</u>	<u>\$ 1,288</u>

Governmental activities:

Claims and judgments payable typically have been liquidated in the other governmental funds and in the internal service funds. Capital leases have typically been liquidated in the General Fund, other governmental funds, and the internal service funds.

The following is a schedule of future minimum installment purchase payments on capital leases (equipment) in the governmental activities with the present value of the net minimum payments as of December 31, 2008 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 3,454	\$ 410	\$ 3,864
2010	2,740	190	2,930
2011	1,628	101	1,729
2012	1,552	32	1,584
Totals	\$ 9,374	\$ 733	\$ 10,107

For financial accounting and reporting purposes, all governmental activities bonds refunded (a total of \$98,975,000) are considered defeased and, along with the funds held in trust, are not included in the accompanying financial statements.

The following is a summary of the County's outstanding general obligation bond issues at December 31, 2008 (in thousands of dollars):

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
1992	Refunding issue	6.00	1-1 & 7-1	12/01/92	01/01/09	\$ 64,775	\$ 60,255	\$ 4,520
1998	Jail	5.00	1-1 & 7-1	08/01/98	01/01/20	2,000	-	2,000
2001	Parks	3.625-5.00	6-1 & 12-1	10/01/01	12/01/15	125,000	55,670	69,330
2003A	Refunding issue	3.00-4.00	1-1 & 7-1	07/22/03	01/01/20	53,295	24,095	29,200
2003B	Refunding issue	4.00-5.00	1-1 & 7-1	12/05/03	01/01/20	74,620	11,010	63,610
2006	Parks, Libraries, Transportation	3.30-5.00	6-1 & 12-1	02/07/06	12/01/30	230,000	17,280	212,720
	Totals					\$ 549,690	\$ 168,310	\$ 381,380

The proceeds of the General Obligation Refunding Bonds, Series 1992, were used to refund: (1) \$20,375,000 of the Series 1986 General Obligation Bonds (issued to fund library capital improvements), (2) \$28,200,000 of the Series 1987 General Obligation Bonds (issued to fund parks capital improvements), and (3) \$8,750,000 of the Series 1990 General Obligation Bonds (issued to fund jail capital improvements).

The proceeds of the General Obligation Refunding Bonds, Series 2003A, were used to refund: (1) \$28,630,000 of the Series 1992 General Obligation Refunding Bonds, and (2) \$24,170,000 of the Series 1993 General Obligation Bonds (issued to fund health care facilities capital improvements).

The proceeds of the General Obligation Refunding Bonds, Series 2003B, were used to refund \$77,410,000 of the Series 1993 General Obligation Refunding Bonds. The Series 1993 General Obligation Refunding Bonds had partially refunded the Series 1991 General Obligation Bonds (issued to fund jail capital improvements).

The following is a summary of general obligation bonds debt service requirements to maturity as of December 31, 2008 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 24,635	\$ 17,022	\$ 41,657
2010	25,440	15,922	41,362
2011	22,220	15,020	37,240
2012	23,310	14,036	37,346
2013	24,335	12,923	37,258
2014-2018	103,275	48,057	151,332
2019-2023	68,940	28,149	97,089
2024-2028	60,750	15,307	76,057
2029-2030	28,475	1,936	30,411
Totals	<u>\$ 381,380</u>	<u>\$ 168,372</u>	<u>\$ 549,752</u>

The County is subject to the laws of the State of Georgia, which limit the amount of net bonded debt (exclusive of revenue bonds) the County may have outstanding to 10% of the assessed valuation of taxable property within the County. At year-end, general obligation bonds outstanding, net of amounts available in the Debt Service Funds, totaled \$373,356,000. The statutory limit at that date was \$2,661,100,000, providing a debt margin of \$2,287,744,000.

The following is a summary of the County's outstanding Certificates of Participation at December 31, 2008 (in thousands of dollars):

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
2003	Office building and courthouse	3.125-4.75	6-1 & 12-1	10/14/03	12/01/23	\$ 25,000	\$ 3,945	\$ 21,055

The following is a summary of Certificates of Participation debt service requirements to maturity as of December 31, 2008 (in thousands of dollars):

<u>Year Payable</u>	<u>Interest Rate (%)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	3.125	\$ 1,045	\$ 907	\$ 1,952
2010	4.0	1,080	874	1,954
2011	4.0	1,120	831	1,951
2012	4.5	1,165	786	1,951
2013	4.0	1,220	734	1,954
2014-2018	4.00-4.40	6,890	2,884	9,774
2019-2023	4.50-4.75	8,535	1,234	9,769
Totals		<u>\$ 21,055</u>	<u>\$ 8,250</u>	<u>\$ 29,305</u>

The following is a summary of the County's outstanding governmental activities revenue bond issues at December 31, 2008 (in thousands of dollars):

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
2003	Juvenile Justice Center	2.0-5.0	6-1 & 12-1	07/01/03	12/01/23	\$ 15,000	\$ 3,020	\$ 11,980
2004	Public Safety and Judicial Facilities	3.0-5.0	6-1 & 12-1	12/29/04	12/01/34	50,000	3,905	46,095
2005	Juvenile Justice Center	3.0-5.0	6-1 & 12-1	07/14/05	12/01/25	35,670	3,770	31,900
						<u>\$ 100,670</u>	<u>\$ 10,695</u>	<u>\$ 89,975</u>

The following is a summary of the County's governmental activities revenue bonds debt service requirements to maturity as of December 31, 2008 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2009	2.5-3.0	\$ 3,060	\$ 3,752	\$ 6,812
2010	2.5-3.0	3,145	3,663	6,808
2011	2.63-5.0	3,235	3,574	6,809
2012	3.0-3.25	3,360	3,448	6,808
2013	3.0-5.0	3,465	3,341	6,806
2014-2018	3.0-5.0	19,470	14,576	34,046
2019-2023	3.75-5.0	23,570	10,476	34,046
2024-2028	4.125-5.0	14,965	5,778	20,743
2029-2033	5.0	12,760	2,712	15,472
2034	5.0	2,945	147	3,092
Totals		<u>\$ 89,975</u>	<u>\$ 51,467</u>	<u>\$ 141,442</u>

Business-type activities:

Pursuant to the provisions of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, the County is reporting a \$1,432,000 liability in its Sanitation Enterprise Fund for its estimated liability due to its standing as a potentially responsible party (PRP) in the Crymes Landfill site. The Crymes Landfill is a privately owned off-site landfill which the Georgia Environmental Protection Division determined required remediation in 1998 pursuant to the Georgia Hazardous Site response Act (HSRA) HIS Listed 102292. DeKalb County is one of forty-five participants in the Crymes Landfill HSRA action and is responsible for 15% of the remediation costs. For several years, the County sent household waste to the Crymes Landfill, extending the life of its own facility. The County has funded its current share based on prior engineering efforts in the Sanitation Enterprise Capital Fund. Post remediation costs are unlikely.

The following is a schedule of future minimum installment purchase payments on capital leases for vehicles in the business-type activities with the present value of the net minimum payments as of December 31, 2008 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2009	\$ 336	\$ 25	\$ 361
2010	351	10	361
2011	30	-	30
Totals	<u>\$ 717</u>	<u>\$ 35</u>	<u>\$ 752</u>

The following is a summary of the County's outstanding business-type activities revenue bond issues as of December 31, 2008 (in thousands of dollars):

Series	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Out-standing	Callable	Call Premiums
1999	4.25-4.625	4-1 10-1	05/01/99	10/01/11	\$ 96,345	\$ 92,655	\$ 3,690	\$ 2,515	0-1%
2000	4.625-5.25	4-1 10-1	11/01/00	10/01/11	214,525	204,025	10,500	3,660	1%
2003	2.5-5.0	4-1 10-1	11/18/03	10/01/35	179,865	7,310	172,555	145,875	0%
2006A	4.0-5.0	4-1 10-1	04/27/06	10/01/35	94,990	3,395	91,595	75,020	0%
2006B	4.25-5.25	4-1 10-1	04/27/06	10/01/35	271,895	-	271,895	244,190	0%
Totals					<u>\$ 857,620</u>	<u>\$ 307,385</u>	<u>\$ 550,235</u>	<u>\$ 471,260</u>	

The following is the purpose of each series of the County's outstanding business-type activities revenue bond issues as of December 31, 2008:

Series	Purpose
1999	Water reservoir expansion, City of Atlanta Phosphorous Reduction Program
2000	New filter plant, sewer plant improvements, relief sewers
2003	Refunding issue, Nancy Creek Tunnel, new Water & Sewer administration building, sewer renovation
2006A	New raw water pump station, sewer plant improvement design, lift station improvements
2006B	Refunding issue

Part of the proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 2003, was used to refund \$114,335,000 of the Series 1993 Water and Sewerage Revenue Bonds. The proceeds of the Water and Sewerage Revenue Bonds, Series 1993, were used to: (1) fund a portion of the City of Atlanta Phosphorous Reduction Program, (2) to refund \$5,195,000 in Series 1985 Water and Sewerage Refunding Revenue Bonds, and (3) to refund \$23,870,000 in Series 1990 Water and Sewerage Revenue Bonds (issued to fund filter plant expansion and relief sewer capital projects). The proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 1985, were used to refund all outstanding Water and Sewerage Revenue Bonds at that time, which was \$92,235,000 in Series 1962, Series 1963, Series 1971, Series 1973, Series 1974, and Series 1978 Water and Sewerage Revenue Bonds. The proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 2006B were used to refund \$90,440,000 of the Series 1999 Water and Sewerage Revenue Bonds, and to refund \$191,940,000 of the Series 2000 Water and Sewerage Revenue Bonds.

For financial accounting and reporting purposes, all revenue bonds defeased (\$10,640,000 in 2008) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. As of December 31, 2008, the County believes it was in compliance with all such significant limitations and restrictions.

The following is a summary of the County's outstanding business-type activities revenue bonds debt service requirements to maturity as of December 31, 2008 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2009	\$ 11,245	\$ 27,593	\$ 38,838
2010	11,705	27,133	38,838
2011	12,190	26,644	38,834
2012	12,595	26,073	38,668
2013	13,190	25,480	38,670
2014-2018	75,950	117,392	193,342
2019-2023	97,025	96,308	193,333
2024-2028	125,905	68,522	194,427
2029-2033	129,150	35,624	164,774
2034-2035	61,280	4,634	65,914
Totals	\$ 550,235	\$ 455,403	\$ 1,005,638

7. Leases

Operating Leases

The County leases building and office facilities and equipment under leases and rental agreements which are cancelable annually. In 2008, the County paid \$3,977,356 to lease office space for Tax Commissioner, Police, Registrar, Economic Development, Workforce Development, and the DeKalb Development Authority. The County leases office equipment, emergency construction, and event equipment on an as needed basis. In 2008, equipment rentals totaled \$2,870,608.

The Development Authority of DeKalb County issued the Series 2006 Revenue Bonds for the purpose of financing the costs of the acquisition, design, construction, installation and equipping of a performing arts center facility and related parking deck. The Series 2006 Bonds are secured by a pledge of the Development Authority's right, title and interest in the rents and other payments derived by the Development Authority pursuant to a lease agreement between the Development Authority and the County. Under the lease agreement, the County is obligated to make rental payments to the Development Authority in amounts sufficient to pay the principal, premium and interest on the 2006 Bonds. In 2008, that amount was \$706,225. The future minimum lease payments as of December 31, 2008 are as follows (in thousands of dollars):

Year Payable	Amount
2009	\$ 708
2010	710
2011	705
2012	709
2013	708
2014-2017	2,825
	<u>\$ 6,365</u>

Funding for the County's rental payments is provided through a 3% tax on motor vehicle rentals.

Capital Leases

The County has entered into a multi-year lease purchase arrangement pursuant to OCGA 36-60-13 for the purchase of certain vehicles, equipment and other capital outlay projects. These leases are paid over periods not to exceed five (5) years. In 2008 the County did not enter into any new leases.

The following is a schedule summarizing future lease payments by the following major asset classes as of December 31, 2008 (in thousands of dollars):

	Equipment	Vehicles	Total
Governmental activities:	\$ 9,374	\$ -	\$ 9,374
Business-type activities:	-	718	718
	<u>\$ 9,374</u>	<u>\$ 718</u>	<u>\$ 10,092</u>

8. Employee Benefits

(A) Defined Benefit Pension Plan Description

The County provides pension benefits for substantially all of its full-time and permanent part-time employees through a single employer defined benefit plan (the "Plan"). The Plan is administered by the DeKalb County Pension Board (the "Board"), composed of seven voting members (the Chief Executive Officer of DeKalb County, two members elected by County employees, two members selected by the DeKalb County Board of Commissioners, one member elected by County retirees, and one member appointed by the other voting members of the Board) and two non-voting members (the County Director of Finance and the County Merit System Director). The Plan does not issue separate financial statements. The County's payroll for employees covered by the Plan for the year was \$328,689,000, as compared to a total County payroll of \$345,092,000.

Employees participating prior to September 1, 2005: The Plan provides retirement benefits of 2.75% of average salary (based on the highest consecutive 36 months of pay over the last 10 years of employment) times years of service with a maximum retirement benefit of 82.5% of average salary. Normal retirement, with at least 10 years of service, is at age 55 or older. Early retirement (subject to reductions in benefits) is allowed at age 50 with 10 or more years of service. Employees with 30 years of service can retire at any age with no reduction in benefits. An employee can retire at age 65 with three or more years of service.

Termination benefits are as follows. Within the first three years of service, the participant's contributions will be returned without interest. After three but less than ten years of service, the participant may either withdraw contributions plus interest or leave contributions in the Plan and receive a monthly benefit to commence at age 65 equal to his accrued benefit as of the date of termination. After ten years of service, the participant may either withdraw contributions plus interest or leave contributions in the Plan and receive a monthly benefit to commence at his normal retirement date equal to his accrued benefit as of the date of termination. Such terminating employee may elect to receive reduced benefits any time after he attains 50 years of age.

Employees beginning participation on or after September 1, 2005: The Plan provides retirement benefits of 2.25% of average salary (based on the highest consecutive 36 months of pay over the last ten years of employment) times years of service with a maximum retirement benefit of 67.5% of average salary. Normal retirement, with at least 10 years of service, at age 62 or older. Early retirement (subject to reductions in benefits) is allowed at age 55 with 10 or more years of service. Employees age 55 with 25 years of service can retire with no reduction in benefits. An employee can retire at age 65 with seven or more years of service.

Termination benefits are as follows. Within the first three years of service, the participant's contributions will be returned without interest. After three but less than seven years of service, the participant's contributions plus interest shall be returned. After seven years of service, the participant may either withdraw contributions plus interest or leave contributions in the Plan and receive a monthly benefit to commence at his normal retirement date equal to his accrued benefit as of the date of termination. Such terminating employee may elect to receive benefits any time after he attains 55 years of age.

Retirement benefits are payable monthly for life (ten years guaranteed) with survivor options available subject to reduced monthly benefits. The Plan also provides disability benefits. These benefit provisions and all other requirements are established by State statute and by the DeKalb Pension Act. Any changes to the Plan benefits must be approved by the DeKalb County Board of Commissioners. Contribution levels to the Plan are determined using the actuarial basis specified by statute. Contribution levels in 2008, as approved by the DeKalb County Board of Commissioners, are employee 4.0% and County 8.0% of employee earnings. The accrual basis of accounting is used to report the activities of the Plan. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Assets are valued at fair value, based on quoted market prices, with actuarial valuations of investments adjusted to market at a 5-year smoothed rate. As of year end, no investment in any one organization represented 5% or more of plan assets. Administrative costs of the Plan are financed through investment earnings. As of year-end, Plan membership was composed of the following:

Active vested employees covered by the Plan	2,442
Active nonvested employees covered by the Plan	4,487
Retirees currently receiving normal retirement benefits	2,559
Retirees currently receiving disability benefits	118
Beneficiaries of deceased retirees currently receiving benefits	239
Terminated employees entitled to benefits, but not yet receiving them because of age	424
Total members	<u>10,269</u>

(B) Actuarial assumptions

The actuarial accrued liability was computed as part of an actuarial valuation performed as of April 1, 2008. Significant actuarial assumptions used in the valuation include: (a) rate of return on investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 3.5% to 7.8% for inflation plus 3.5% for merit / seniority based on an age-graduated scale, compounded annually, (c) no postretirement benefit increases were assumed.

(C) Actuarially Determined Pension Plan Contribution Requirements and Contributions Made

The Plan's funding policy provides for actuarially determined contributions at rates that, for individual employees, are a level percentage of payroll. The contribution rate for normal rate for normal cost was changed from the projected unit credit cost method to the entry age normal method for 2006. The recommended contribution calculated under the entry age normal

cost method is less than the contribution calculated under projected unit credit. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the actuarial accrued liability as described above. The actuaries used an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable. To develop the Annual Required Contribution, the UAL has been amortized over 10 years using level dollar amortization in years when an overfunding existed, and over 30 years as a level percentage of payroll in years of underfunding. The total contributions to the Plan for the year were made in accordance with actuarially determined requirements computed through an actuarial valuation performed April 1, 2008. The April 2008 valuation report was revised from previously issued reports pursuant to action by the County to bring the Plan into compliance with State funding requirements. Some of the historical information in this report has been revised to reflect changes made to meet such compliance standards.

The April 1, 2008 valuation is used to determine the recommended contribution for the fiscal year beginning January 1, 2010. The recommended contribution is the minimum amount required to satisfy the minimum funding standards under Georgia law by virtue of Code section 47-20-10. The minimum required contribution under Georgia law is based on the Plan's normal cost plus the sum of individual bases established for experience gains and losses, plan amendments, assumption changes and method changes. Georgia Code Section 47-20-10(b) also allows a Plan to be in compliance if the sponsor makes contributions equal to the Annual Required Contribution (ARC) under GASB.

Based on the April 1, 2008 valuation, employer contributions of \$26,296,000 represent 91% of the employer annual required contribution. The net pension obligation of \$22,946,000 was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. The amortization period for the County's actuarial accrued surplus is open.

Schedule of Funding Progress (in thousands of dollars where applicable):

	<u>Valuation Date</u> <u>April 1, 2008</u>
Actuarial value of plan assets	\$ 1,289,817
Actuarial accrued liability (AAL)	1,576,182
Assets in excess of / unfunded actuarial accrued liability (UAAL)	\$ (286,365)
Funded ratio	81.83%
Annual covered payroll	\$ 306,037
UAAL as a percentage of covered payroll (not less than zero)	93.57%

Schedule of Employer Contributions (in thousands of dollars where applicable):

	<u>Fiscal Year</u>		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
Annual required contribution (ARC)	\$ 29,038	\$ 24,482	\$ 13,091
Interest on net pension obligation	(2,010)	(2,441)	(2,591)
Annual required contribution adjustment	1,453	4,211	4,469
Annual pension cost (APC)	28,481	26,252	14,969
Annual employer contributions made	(26,296)	(20,866)	(13,101)
Change in net pension obligation	2,185	5,386	1,868
Beginning of year net pension obligation (NPO) / asset	(25,131)	(30,517)	(32,385)
End of year net pension obligation (NPO) / asset	<u>\$ (22,946)</u>	<u>\$ (25,131)</u>	<u>\$ (30,517)</u>
Amortization	17.3015	7.2469	7.2469
Percentage of annual employer contributions made to annual required contributions	-90.56%	-85.23%	100.00%
Percentage of annual employer contributions made to annual pension cost	-92.33%	-79.48%	-87.52%

The schedules of funding progress and employer contributions, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

(D) Schedule of contributions as a percentage of salary

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Employee	4.0%	3.5%	2.5%	1.5%	.5%	.5%	.5%	.5%	.5%	.5%
Employer	8.0%	6.5%	4.0%	3.0%	.5%	.5%	.5%	.5%	.5%	.5%

The Board of Commissioners has approved the following increases in the employee and employer contributions to the Pension Plan:

	2009
Employee	4.5%
Employer	9.5%

(E) Other Postretirement Benefits

Group health benefits are available to all retirees, beneficiaries of, and dependents of retirees, with the County paying up to 70% of the total cost and the retiree paying the remaining amount. Life insurance in the amount of \$5,000 is provided to all retirees without cost to the retiree. These benefits are provided by the DeKalb County Board of Commissioners each year and are not statutory, contractual, or required by other authority. The total cost of retiree health benefits (including retirees' portions), \$22,889,472 for 2008, is recognized as an expense in the Internal Service Funds as claims are incurred. The enterprise funds and major governmental funds reimburse the Internal Service Funds for their share of these expenses. Currently 4,220 retirees, beneficiaries, and dependents of retirees are receiving group health benefits under the Plan.

The DeKalb County Employee and Postretirement Medical & Life Insurance Benefits Plan, administered by the County's Board of Commissioners, is a single-employer defined healthcare plan. The plan provides medical, dental and life insurance benefits to active employees, and eligible retirees, and eligible beneficiaries and dependents of retirees. The annual contribution made is based on the projected pay-as-you-go financing requirements.

The County's annual other postemployment benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following schedule shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation.

Schedule of Funding Progress (in thousands of dollars where applicable):

	Valuation Date January 1, 2008
Actuarial accrued liability:	
Retired employees	\$ 414,901
Active employees	713,608
Unfunded actuarial accrued liability (UAAL)	<u>\$ 1,128,509</u>
Annual covered payroll	\$ 328,689
UAAL as a percentage of covered payroll (not less than zero)	343.3%

Schedule of Contributions to Other Postemployment Benefit (OPEB) (in thousands of dollars where applicable):

	2008	2007
Amortization of unfunded accrued liability (UAAL)	\$ 41,596	\$ 37,200
Normal cost at beginning of year	59,612	57,319
Annual required contribution (ARC)	<u>101,208</u>	<u>94,519</u>
Interest on annual required contribution	4,048	3,781
Annual OPEB cost	105,256	98,300
Annual employer contributions made	<u>(16,705)</u>	<u>(14,089)</u>
Net OPEB obligation - December 31	<u>\$ 88,551</u>	<u>\$ 84,211</u>
Annual increase in net OPEB obligation	\$ 4,340	\$ 84,211
Percentage of annual contributions made to annual required contributions	16.51%	14.91%
Net OPEB obligation attributable to:		
Governmental Funds	\$ 67,423	\$ 64,118
Business-type Funds	<u>21,128</u>	<u>17,081</u>
Total	<u>\$ 88,551</u>	<u>\$ 81,199</u>

The schedules of funding progress and employer contributions, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, currently presents only the first two years of transition, but will in future years present multiyear trend information about whether the actuarial value of the plan is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

For the December 31, 2008 actuarial valuation, the projected unit credit method was used. This method allocates benefits of each individual by a consistent formula to valuation years. The amortization amount of the unfunded actuarial accrued liability (UAAL) has been computed as a level percentage of payroll using a 30-year amortization period. A closed amortization period has been used which reduces the period by one year annually such that the unfunded liability becomes fully amortized 30 years from the initial valuation.

The investment return assumption (or discount rate) is to be selected as the estimated long-term investment return on the investments that are expected to be used to finance the payment of benefits. For funded plans, the considerations in selecting this rate would be similar to selecting the funding interest rate for a pension plan. However, for unfunded plans such as DeKalb County's, the discount rate should be determined with reference to the employer's general assets. In this instance, governmental unrestricted general assets are invested in very short-term fixed instruments. This asset allocation leads to a low discount rate. For the purposes of the 2008 actuarial valuation, a discount rate of 4.00% has been used.

Other actuarial assumptions include health care cost trend rates ranging from 10% in 2009 to 5% in 2014 and beyond. Employee salary increases are projected at a range from 6.50% for employees 25 years of age to 3.50% for employees 55 years and older. Retiree medical contributions are assumed to increase at the same rates as incurred claims. A constant cost sharing between employer and employee is assumed. All future retirees and 60% of the spouses of married participants are assumed to elect coverage. While not obligated to continue to provide coverage, it is assumed for the purposes of this valuation that DeKalb County will maintain a consistent level of cost sharing and benefit provisions.

(F) Deferred Compensation Plan

The County offers its employees an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the participant or other beneficiary) solely the property and rights of a Trust created by the County for the benefit of the participants and administered by third parties. The County has adopted the provisions of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, which required the removal of plan assets and liabilities from the financial statements of the County.

9. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; law enforcement liability; injuries to employees; assumed risks for employee benefits; damage to private parties; and natural disasters. By provision of the State of Georgia Constitution, the County may be immune from liability for most forms of bodily injury and property damage arising out of its operations, if such losses are not insured. It is the policy of the County to utilize immunity as a legal defense against liability claims whenever the risk of loss is not insured and immunity may be asserted.

DeKalb County has a Risk Management Fund to account for and to finance its purchase of insurance and coverage of uninsured risks of loss when immunity cannot be asserted. Under this program, the Risk Management Fund finances two reserves: workers' compensation and incurred but unpaid claims under a self-funded employee medical benefit program. The County retains the first \$500,000 of expense for each occurrence of workers' compensation injuries, and it retains the first \$200,000 of medical expense claims per year for each covered employee under the comprehensive medical insurance plan. Beyond these limits, the County purchases specific excess insurance to limit further loss. Reserves are established for the medical insurance liabilities based on actuarial projection provided by the plan administrator (Blue Cross and Blue Shield of Georgia). Reserves for workers' compensation are established as follows: (1) an estimate of future expenses for known claims and known treatment needs, and (2) a statistical projection of incurred but unreported claims, based on recent historical experience of loss development in the County's claims.

The County purchases commercial automobile liability insurance to cover its automobile, trucks, and other on-road vehicles. It also purchases liability coverage for its helicopter fleet and for airport operations. Beyond the limits of the liability policies, the County asserts immunity, and has never been required to pay a claim in excess of those policies. Consequently, no reserve is established for these risk exposures.

Buildings and contents are insured through an "all risk" property damage insurance policy, and the County retains the first \$250,000 of each loss, with an aggregate limit of \$200,000,000. This retention level is funded by an annual appropriation of \$500,000 which, historically, has been adequate to cover all claims.

The changes in the liabilities for self-insurance for the last five years are as follows (in thousands of dollars):

	2008	2007	2006	2005	2004
Workers' compensation:					
Incurred claims, net of any changes	\$ 5,593	\$ 3,987	\$ 4,292	\$ 2,952	\$ 5,380
Payments	<u>(4,262)</u>	<u>(4,097)</u>	<u>(4,456)</u>	<u>(3,244)</u>	<u>(3,026)</u>
Ending balance	<u>8,398</u>	<u>7,067</u>	<u>7,177</u>	<u>7,341</u>	<u>7,633</u>
Health and dental:					
Incurred claims, net of any changes	72,245	70,699	64,233	57,424	53,631
Payments	<u>(72,816)</u>	<u>(69,871)</u>	<u>(63,723)</u>	<u>(57,883)</u>	<u>(53,803)</u>
Ending balance	<u>5,149</u>	<u>5,720</u>	<u>4,892</u>	<u>4,382</u>	<u>4,841</u>
Total liability for self-insurance	<u>\$ 13,547</u>	<u>\$ 12,787</u>	<u>\$ 12,069</u>	<u>\$ 11,723</u>	<u>\$ 12,474</u>

10. Proprietary Funds

Contracts and agreements

The County has a shared interest in various water pollution control plants with the City of Atlanta, Gwinnett County, and Fulton County. Each of these agreements requires the County to pay a pro rata share of the plants' operating costs and additional capital improvements which may be made by the other equity interest. During 2008, the County incurred the following operating costs (no capital costs were incurred) (in thousands of dollars):

R. M. Clayton Plant - City of Atlanta	\$ 11,189
Big Creek Plant, John's Creek Plant & Marsh Creek Plant - Fulton County	775
Jackson Creek Plant - Gwinnett County	676
Total	<u>\$ 12,640</u>

The County did not pay the City of Atlanta for RM Clayton costs in 2008 due to unresolved issues relating to the invoices, but it is believed that the \$11,189,000 is a reasonable estimate of incurred costs in 2008.

11. Allowance For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2008 are as follows (in thousands of dollars):

	Gross Receivables	Uncollectible Receivables	Net Receivables
Governmental activities:			
Taxes receivable	\$ 60,978	\$ 1,442	\$ 59,536
Accounts receivable	12,943	8,477	4,466
	<u>\$ 73,921</u>	<u>\$ 9,919</u>	<u>\$ 64,002</u>
Business-type activities:			
Accounts receivable	<u>\$ 38,638</u>	<u>\$ 6,902</u>	<u>\$ 31,736</u>

12. Due From Other Governments

Amounts due from other governments at December 31, 2008 are as follows (in thousands of dollars):

Governmental activities:		Business-type activities:	
Georgia Department of Transportation	\$ 2,948	Georgia Emergency Management Agency	\$ 6,264
Georgia Emergency Management Agency	755	Federal Aviation Administration	1,222
Georgia Regional Transportation Administration	746	Georgia Department of Transportation	287
Atlanta Regional Commission	658	Other local governments	957
U. S. Department of Housing & Urban Development	577	Total	<u>\$ 8,730</u>
U. S. Department of Labor	562		
U. S. Department of Health and Human Services	504	Component units:	
Office of National Drug Control	359	Miscellaneous State Agencies	<u>\$ 2,255</u>
Criminal Justice Coordinating Council	137		
Others	221		
Total	<u>\$ 7,467</u>		

13. Interfund Balances and Activity

(A) Balances Due To / From Other Funds

Balances due to / from other funds at December 31, 2008 consist of the following (in thousands of dollars):

Due to the General Fund from other governmental funds representing short-term loans.	\$ 5,979
Due between Nonmajor Enterprise Funds, representing a short-term loan.	7,277
Due between Internal Service Funds, representing a short-term loan.	1,418
Total	<u>\$ 14,674</u>

(B) Transfers To / From Other Funds

Transfers to / from other funds for the year consist of the following:

Transfer from General Fund to other Nonmajor Governmental funds to match federal and state grants.	\$ 1,935
Transfer from General Fund to other Nonmajor Governmental funds for capital projects.	22,967
Transfer from Special Tax District Designated Services Fund to other Nonmajor Governmental funds to match federal and state grants.	1,967
Transfer from Special Tax District Unincorporated Fund to Special Tax District Designated Services Fund to fund operations.	87,035
Transfer from 2006 Transportation, Parks and Libraries Bond Fund to Internal Service Enterprise Fund for capital projects.	326
Transfer from other Nonmajor Governmental funds to General Fund to fund programs.	16,647
Transfer between other Nonmajor Governmental funds for capital projects	150
Transfer between other Nonmajor Governmental funds to match grants	44
Transfer from Water & Sewer Enterprise Fund to Nonmajor Governmental funds to match federal and state grants	99
Transfer from Water & Sewer Enterprise Fund to Nonmajor Governmental funds for capital projects	945
Transfer from Sanitation Enterprise Fund to Nonmajor Governmental funds for capital projects	281
Transfer from other Nonmajor Enterprise funds to Nonmajor Governmental funds for capital projects	181
Transfer from Internal Service Enterprise funds to Nonmajor Governmental funds for capital projects	3,500
	<u>\$ 136,077</u>

14. Commitments and Contingencies

The County is required by state law to spend 2% of the 5% hotel / motel tax collected on contracts promoting tourism. In fiscal year 2006, the County Board of Commissioners voted to appropriate this 2% portion of the hotel / motel tax collected by the County to the DeKalb Convention and Visitors Bureau ("DCVB"). During 2008, the County paid \$2,266,099 to the DCVB.

Litigation - The County is defendant in various legal actions related to claims for alleged damages to persons and property, civil rights violations, zoning matters, and other similar types of actions arising in the course of normal County operations. In the opinion of the County's management and legal counsel, there are no suits pending or unasserted claims that would have a material adverse effect on the financial condition of the County.

Grant Contingencies - The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County's management expects such amounts, if any, will not be significant.

15. Fund Deficits

The three major tax funds all completed 2008 with fund balance deficits: the General Fund (\$9,822,000); the Special Tax District-Designated Services Fund (\$837,000); the Special Tax District-Unincorporated Fund (\$3,306,000). These deficits were caused by a downturn in the economy forcing revenue to lag behind expenditures. The 2009 Budget and its proper management should eliminate these deficits. The Nonmajor Special Revenue - Development Fund ended fiscal 2008 with a fund balance deficit of (\$1,167,000). As development activity has slowed due to the slow down in the economy, the County will be required to reduce expenditures in the Development Fund. Some fees will also be increased. The Nonmajor Special Revenue Recreation Fund ended fiscal 2008 with a fund balance deficit of (\$703,000). The County will reduce expenditures to match anticipated income from charges for services at pools and parks. The Non-Major Special Revenue - Street Lights Fund ended fiscal 2008 with a fund balance deficit of (\$247,000). Expenses were slightly higher than revenues. Close monitoring is required to ensure that the fund covers cost. The Nonmajor Special Revenue - 2004 Local Law Enforcement Block Grant Fund ended fiscal 2008 with a fund balance deficit of (\$8,000). The 2001-2004 Local Law Enforcement Block Grants are essentially complete and the funds are being reconciled for closure. The Nonmajor Special Revenue-Grant-in-Aid Fund ended 2008 with a (\$154,000) deficit due to expenses incurred prior to being reimbursed.

16. Budget Information

The County exceeded the legal level of budgeted expenditures in the following departments during 2008 (in thousands of dollars):

Fund	Department	Amount
General	Sheriff	\$ 1,021
General	District Attorney	16
Nonmajor Special Revenue Grant-in-Aid	District Attorney	28
General	Human Services Development	68
Special Revenue - Special Tax District - Unincorporated	Finance	4
Special Revenue - Special Tax District - Unincorporated	Police	55
Special Revenue - Special Tax District - Unincorporated	Planning & Development	19

The overages in the General Fund were a result of the Sheriff's Department having to utilize additional overtime to compensate for staff shortages and an increase in the District Attorney's Budget was attributable to an enhanced caseload. The departmental overage in the Grant-in-Aid Fund results from having to expend on grants prior to reimbursement. The overage in the Special Tax District - Unincorporated Fund for the Finance Department was the result of higher than anticipated interfund administrative overhead expenses. The Police code enforcement activity funded in the Special Tax District Unincorporated Fund experienced higher vehicle maintenance charges than anticipated. In Planning and Development, the zoning analysis function funded in the Special Tax District Unincorporated Fund overran its personal services budget. The Department of Human Services in the General Fund ran a deficit due to overcommitting the other professional services account.

As mandated by Georgia law, the County maintains a project-length balanced budget for each capital projects fund. The following is a summary of each of these fund's project-length budgets (in thousands of dollars):

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	2006 Transportation, Parks, and Libraries Bonds	HOST Capital Projects
Project-length revenues:						
Budget	\$ 118	\$ 2,264	\$ 115	\$ 40,415	\$ 172,234	\$ 25,185
Actual	2	31	3	2,989	4,475	5,723
Project-length expenditures:						
Budget	118	2,264	115	40,415	172,234	25,185
Actual	129	1,853	-	4,006	42,547	7,799

	Capital Improvement Projects	COPS Bonds	Community Greenspace Program	Public Safety Judicial Facilities Authority	Building Authority Juvenile Court Project	Total
Project-length revenues:						
Budget	\$ 83,922	\$ 9,009	\$ 72	\$ 11,377	\$ 22,892	\$ 367,603
Actual	31,639	165	-	190	25	45,242
Project-length expenditures:						
Budget	83,922	9,009	72	11,377	22,892	367,603
Actual	29,489	3,534	-	6,603	239	96,199

17. Fund Balance Reserves

Reserved fund balances in the various funds are as follows (in thousands of dollars):

	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
Reserved for encumbrances	\$ 5,164	\$ 2,973	\$ -	\$ 33,337	\$ 24,884	\$ 66,358
Reserved for inventories	55	-	-	-	-	55
Total reserved	<u>\$ 5,219</u>	<u>\$ 2,973</u>	<u>\$ -</u>	<u>\$ 33,337</u>	<u>\$ 24,884</u>	<u>\$ 66,413</u>

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2008

(Unaudited)

1. Pension Plan

(A) Unaudited Schedule of Funding Progress (in thousands of dollars where applicable):

	Valuation Date					
	4-1-2008	4-1-2007	4-1-2006	4-1-2005	4-1-2004	4-1-2003
Actuarial value of plan assets	\$ 1,289,817	\$ 1,266,830	\$ 1,243,750	\$ 1,225,338	\$ 1,211,522	\$1,200,580
Actuarial accrued liability (AAL)	1,576,182	1,495,475	1,415,719	1,140,305	1,038,214	983,393
Assets in excess/unfunded of actuarial accrued liability (UAAL)	\$ (286,365)	\$ (228,645)	\$ (171,969)	\$ 85,033	\$ 173,308	\$ 217,187
Funded ratio	81.83%	84.71%	87.85%	107.46%	116.69%	122.09%
Annual covered payroll	\$ 306,037	\$ 292,963	\$ 284,989	\$ 266,022	\$ 261,248	\$ 254,259
UAAL as a percentage of covered payroll (not less than zero)	93.57%	78.05%	60.34%	0.00%	0.00%	0.00%

(B) Unaudited Schedule of Employer Contributions (in thousands of dollars where applicable):

	Fiscal Year					
	2008	2007	2006	2005	2004	2003
Annual required contribution (ARC)	\$ 29,038	\$ 24,482	\$ 13,091	\$ 6,253	\$ 3,254	\$ (7,005)
Interest on net pension obligation	(2,010)	(2,441)	(2,591)	(2,484)	(2,736)	(2,199)
Annual required contribution adjustment	1,453	4,211	4,469	4,285	4,719	3,793
Annual pension cost (APC)	28,481	26,252	14,969	8,054	5,237	(5,411)
Annual employer contributions made	(26,296)	(20,866)	(13,101)	(9,385)	(2,093)	(1,297)
Change in net pension obligation	2,185	5,386	1,868	(1,331)	3,144	(6,708)
Net pension obligation (NPO) / asset	\$ (22,946)	\$ (25,131)	\$ (30,517)	\$ (32,385)	\$ (31,054)	\$ (34,198)
Amortization	17.3015	7.2469	7.2469	7.2469	7.2469	7.2469
Percentage of annual employer contributions made to annual required contributions	-90.56%	-85.23%	100.00%	100.00%	-64.32%	100.00%
Percentage of annual employer contributions made to annual pension cost	-92.33%	-79.48%	-87.52%	-116.53%	-39.97%	23.97%

DEKALB COUNTY, GEORGIA
REQUIRED SUPPLEMENTAL INFORMATION

(Unaudited)

2. Other Postemployment Benefits (OPEB)

(A) Unaudited Schedule of Funding Progress (in thousands of dollars where applicable):

	Valuation Date	
	1-1-2008	1-1-2007
Actuarial accrued liability:		
Retired employees	\$ 414,901	\$ 411,698
Active employees	713,608	629,906
Unfunded of actuarial accrued liability (UAAL)	<u>\$ 1,128,509</u>	<u>\$ 1,041,604</u>
Covered Payroll	\$ 328,689	\$ 315,072
UAAL as a percentage of Covered Payroll	343.3%	330.6%

(B) Unaudited Schedule of Contributions to Other Postemployment Benefit (OPEB) (in thousands of dollars where applicable):

	2008	2007
Amortization of unfunded accrued liability (UAAL)	\$ 41,596	\$ 37,200
Normal cost at beginning of year	59,612	57,319
Annual required contribution (ARC)	101,208	94,519
Interest on annual required contribution	4,048	3,781
Annual OPEB cost	105,256	98,300
Annual employer contributions made	(16,705)	(14,089)
Net OPEB obligation - December 31	<u>\$ 88,551</u>	<u>\$ 84,211</u>
Annual increase in net OPEB obligation	\$ 4,340	\$ 84,211
Percentage of annual contributions made to annual required contributions	16.51%	14.91%

DEKALB COUNTY, GEORGIA

COMBINING STATEMENTS AND SCHEDULES

DEKALB COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

DeKalb County, Georgia
 Nonmajor Governmental Funds
 Combining Balance Sheet
 December 31, 2008
 (in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 16,612	\$ 8,369	\$ 102,196	\$ 127,177
Taxes receivable (net)	6,680	1,795	-	8,475
Accounts receivable (net)	3,320	-	-	3,320
Due from other governments	3,693	-	3,548	7,241
Total assets	<u>\$ 30,305</u>	<u>\$ 10,164</u>	<u>\$ 105,744</u>	<u>\$ 146,213</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and contracts payable	\$ 4,909	\$ 6	\$ 5,391	\$ 10,306
Other accrued liabilities	2,304	-	-	2,304
Advance payments and deposits	1,453	-	-	1,453
Due to other funds	4,799	-	-	4,799
Due to others	1,345	-	-	1,345
Deferred revenue	2,579	1,362	243	4,184
Total liabilities	<u>17,389</u>	<u>1,368</u>	<u>5,634</u>	<u>24,391</u>
Fund balances:				
Reserved	5,363	-	19,521	24,884
Unreserved	7,553	8,796	80,589	96,938
Total fund balances	<u>12,916</u>	<u>8,796</u>	<u>100,110</u>	<u>121,822</u>
Total liabilities and fund balances	<u>\$ 30,305</u>	<u>\$ 10,164</u>	<u>\$ 105,744</u>	<u>\$ 146,213</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2008
 (in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 86,357	\$ 46,185	\$ -	\$ 132,542
Licenses and permits	8,238	-	-	8,238
Use of money and property	427	7,020	3,519	10,966
Intergovernmental	22,841	-	8,288	31,129
Fines and forfeitures	4,080	-	-	4,080
Charges for services	5,840	-	-	5,840
Miscellaneous	15,913	-	137	16,050
Total revenues	<u>143,696</u>	<u>53,205</u>	<u>11,944</u>	<u>208,845</u>
EXPENDITURES				
Current:				
General government	9,434	12	-	9,446
Public safety	66,057	-	-	66,057
Civil and criminal court system	3,198	-	-	3,198
Public works	13,076	-	-	13,076
Community development	10,518	-	-	10,518
Parks and recreation	2,243	-	-	2,243
Health and welfare	23,546	-	-	23,546
Debt service:				
Principal	790	26,812	-	27,602
Interest	63	21,931	-	21,994
Capital outlay:				
General government	-	-	7,230	7,230
Public safety	-	-	5,464	5,464
Civil and criminal court system	-	-	4,858	4,858
Public works	-	-	25,425	25,425
Parks and recreation	-	-	3,067	3,067
Library	-	-	101	101
Total expenditures	<u>128,925</u>	<u>48,755</u>	<u>46,145</u>	<u>223,825</u>
Excess (deficiency) of revenues over expenditures	<u>14,771</u>	<u>4,450</u>	<u>(34,201)</u>	<u>(14,980)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,045	-	26,617	30,662
Transfers out	(16,691)	-	(150)	(16,841)
Total other financing sources (uses)	<u>(12,646)</u>	<u>-</u>	<u>26,467</u>	<u>13,821</u>
Net change in fund balance	2,125	4,450	(7,734)	(1,159)
Fund balance - beginning	10,791	4,346	107,844	122,981
Fund balance - ending	<u>\$ 12,916</u>	<u>\$ 8,796</u>	<u>\$ 100,110</u>	<u>\$ 121,822</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

The following Nonmajor Special Revenue Funds are used by the County:

Development Fund - to account for operations of the County's development department, whose financing is provided by license and permit fees.

PEG Support Fund - to account for monies collected from cable companies to provide infrastructure for government access channels.

County Jail Fund - to account for monies collected as a result of a 10% penalty on certain court cases, which are used for the construction, operation, and staffing of County detention facilities.

Victim Assistance Fund - to account for fines assessed in State and Superior Courts in DeKalb County which are used for victim assistance programs.

Recreation Fund - to account for the operations of various recreational activities provided by the County whose financing is through user fees.

Juvenile Services Fund - to account for monies collected under Georgia law for probation services to juvenile offenders which are used for providing treatment to juvenile offenders.

Drug Abuse Treatment and Education Fund - to account for monies collected under Georgia law related to additional penalties on controlled substances offenses which are used for drug abuse treatment and education programs relating to controlled substances and marijuana.

Law Enforcement Confiscated Monies Fund - to account for monies confiscated under Georgia law by DeKalb law enforcement officers related to controlled substances offenses which are used to defray the cost of complex investigations and to purchase equipment relating to said investigations.

Street Lights Fund - to account for street light assessments on County residents and businesses which are used for providing street light services for the County's citizens.

Speed Humps Fund - to account for speed hump assessments on County residents which are used for providing speed hump services for the County's citizens.

Emergency Telephone System Fund - to account for monies collected under Georgia law by the telephone company on behalf of DeKalb County which are used for providing emergency 911 services to residents of the County.

Grant-in-Aid Fund - to account for operations of various grant-in-aid programs. Financing is provided by contributions from various governmental agencies. Such contributions are used only to finance expenditures permitted by the various grant-in-aid contracts and agreements.

2001 Local Law Enforcement Block Grant Fund - to account for year 2001 local law enforcement block grant monies which are used to support law enforcement in the County.

2002 Local Law Enforcement Block Grant Fund - to account for year 2002 local law enforcement block grant monies which are used to support law enforcement in the County.

2003 Local Law Enforcement Block Grant Fund - to account for year 2003 local law enforcement block grant monies which are used to support law enforcement in the County.

2004 Local Law Enforcement Block Grant Fund - to account for year 2004 local law enforcement block grant monies which are used to support law enforcement in the County.

2005 Justice Assistance Grant Fund (formerly LLEBG) - to account for year 2005 local law enforcement block grant monies which are used to support law enforcement in the County.

Fire Fund - to account for operations of the County's fire department whose financing is provided by a specific annual property tax levy. Such property taxes are used to provide fire protection for all residents of the County not protected by municipal fire departments.

Hospital Fund - to account for contractual payments made by the County to the Fulton DeKalb Hospital Authority whose financing is provided by a specific annual property tax levy.

Hotel/Motel Tax Fund - to account for taxes collected by hotels and motels within the County which are used for the promotion of the tourism and convention trade within the County.

Rental Motor Vehicle Tax Fund - to account for taxes collected on motor vehicles rented within the County which is used to fund rental payments on the Porter Sanford III Performing Arts and Center.

Law Library - to account for fees received from State and Superior Courts and used to finance the Law Library's operation and purchase of reference materials.

Alternative Dispute Resolution - to account for fees received from State, Magistrate, Probate, and Superior Courts and used to fund dispute resolution matters.

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2008
 (in thousands of dollars)

	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law Enforcement			Emergency Telephone System	Grant-in-Aid
								Confiscated Monies	Street Lights	Speed Humps		
ASSETS												
Cash and cash equivalents	\$ -	\$ 1,593	\$ -	\$ 1,029	\$ -	\$ 234	\$ 153	\$ 6,580	\$ -	\$ 1,462	\$ 2,935	\$ 86
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable (net)	1,181	-	-	-	-	-	-	-	238	9	1,762	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	3,693
Total assets	\$ 1,181	\$ 1,593	\$ -	\$ 1,029	\$ -	\$ 234	\$ 153	\$ 6,580	\$ 238	\$ 1,471	\$ 4,697	\$ 3,779
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ 200	\$ 54	\$ -	\$ -	\$ 27	\$ -	\$ -	\$ 365	\$ 215	\$ -	\$ 221	\$ 3,423
Other accrued liabilities	299	2	-	-	40	-	-	-	4	-	-	271
Advance payments and deposits	-	-	-	-	-	-	-	1,453	-	-	-	-
Due to other funds	1,849	-	-	-	636	-	-	-	266	-	-	-
Due to others	-	-	-	-	-	-	-	1,274	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	239
Total liabilities	2,348	56	-	-	703	-	-	3,092	485	-	221	3,933
Fund balances:												
Reserved	-	42	-	-	-	-	-	126	25	3	331	4,706
Unreserved	(1,167)	1,495	-	1,029	(703)	234	153	3,362	(272)	1,468	4,145	(4,860)
Total fund balances (deficit)	(1,167)	1,537	-	1,029	(703)	234	153	3,488	(247)	1,471	4,476	(154)
Total liabilities and fund balances	\$ 1,181	\$ 1,593	\$ -	\$ 1,029	\$ -	\$ 234	\$ 153	\$ 6,580	\$ 238	\$ 1,471	\$ 4,697	\$ 3,779

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2008
 (in thousands of dollars)
 (continued)

	2001 Local Law Enforcement Block Grant	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
ASSETS												
Cash and cash equivalents	\$ 1	\$ 8	\$ 107	\$ -	\$ 665	\$ -	\$ -	\$ 251	\$ 206	\$ 338	\$ 964	\$ 16,612
Taxes receivable (net)	-	-	-	-	-	4,772	1,754	110	44	-	-	6,680
Accounts receivable (net)	-	-	-	-	-	65	-	-	-	13	52	3,320
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	3,693
Total assets	\$ 1	\$ 8	\$ 107	\$ -	\$ 665	\$ 4,837	\$ 1,754	\$ 361	\$ 250	\$ 351	\$ 1,016	\$ 30,305
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 401	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,909
Other accrued liabilities	-	-	-	-	2	1,686	-	-	-	-	-	2,304
Advance payments and deposits	-	-	-	-	-	-	-	-	-	-	-	1,453
Due to other funds	-	-	-	8	-	972	912	-	-	-	156	4,799
Due to others	-	-	-	-	-	-	-	-	-	71	-	1,345
Deferred revenue	-	-	-	-	324	1,464	552	-	-	-	-	2,579
Total liabilities	-	-	-	8	329	4,523	1,464	-	-	71	156	17,389
Fund balances:												
Reserved	-	-	-	-	130	-	-	-	-	-	-	5,363
Unreserved	1	8	107	(8)	206	314	290	361	250	280	860	7,553
Total fund balances (deficit)	1	8	107	(8)	336	314	290	361	250	280	860	12,916
Total liabilities and fund balances	\$ 1	\$ 8	\$ 107	\$ -	\$ 665	\$ 4,837	\$ 1,754	\$ 361	\$ 250	\$ 351	\$ 1,016	\$ 30,305

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2008
 (in thousands of dollars)

REVENUES	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law	Street Lights	Speed Humps	Emergency Telephone System	Grant-in-Aid
								Enforcement Confiscated Monies				
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	8,238	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	-	41	-	-	-	5	4	212	-	31	70	-
Intergovernmental	-	-	114	308	-	-	-	1,957	-	-	-	20,031
Fines and forfeitures	-	-	2,247	1,675	-	-	158	-	-	-	-	-
Charges for services	46	-	-	-	1,365	51	-	-	4,125	250	-	-
Miscellaneous	-	101	-	-	-	-	-	17	-	-	12,867	2,040
Total revenues	8,284	142	2,361	1,983	1,365	56	162	2,186	4,125	281	12,937	22,071
EXPENDITURES												
Current:												
General government	-	232	-	-	-	-	-	-	-	-	-	5,839
Public safety	-	-	-	-	-	-	-	1,265	-	-	2,223	3,872
Civil and criminal court system	-	-	-	43	-	20	41	718	-	-	-	1,558
Public works	8,628	-	-	-	-	-	-	-	4,440	8	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	10,518
Parks and recreation	-	-	-	-	1,624	-	21	-	-	-	-	598
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	5,607
Debt Service												
Principle	563	-	-	-	-	-	-	-	-	-	-	-
Interest	17	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	9,208	232	-	43	1,624	20	62	1,983	4,440	8	2,223	27,992
Excess (deficiency) of revenues over expenditures	(924)	(90)	2,361	1,940	(259)	36	100	203	(315)	273	10,714	(5,921)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	3,981
Transfers out	-	-	(2,361)	(940)	-	-	-	(44)	(225)	-	(8,121)	-
Total other financing sources (uses)	-	-	(2,361)	(940)	-	-	-	(44)	(225)	-	(8,121)	3,981
Net change in fund balance	(924)	(90)	-	1,000	(259)	36	100	159	(540)	273	2,593	(1,940)
Fund balance - beginning	(243)	1,627	-	29	(444)	198	53	3,329	293	1,198	1,883	1,786
Fund balance - ending	\$ (1,167)	\$ 1,537	\$ -	\$ 1,029	\$ (703)	\$ 234	\$ 153	\$ 3,488	\$ (247)	\$ 1,471	\$ 4,476	\$ (154)

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2008
 (in thousands of dollars)
 (continued)

	2001 Local Law Enforcement Block Grant	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,212	\$ 22,854	\$ 2,553	\$ 738	\$ -	\$ -	\$ 86,357
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	8,238
Use of money and property	-	-	-	-	17	-	-	-	8	4	35	427
Intergovernmental	-	-	-	-	431	-	-	-	-	-	-	22,841
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	4,080
Charges for services	-	-	-	-	-	3	-	-	-	-	-	5,840
Miscellaneous	-	-	-	-	-	-	-	-	-	188	700	15,913
Total revenues	-	-	-	-	448	60,215	22,854	2,553	746	192	735	143,696
EXPENDITURES												
Current:												
General government	-	-	-	-	-	-	-	2,657	706	-	-	9,434
Public safety	-	-	-	-	504	58,193	-	-	-	-	-	66,057
Civil and criminal court system	-	-	-	-	-	-	-	-	-	132	686	3,198
Public works	-	-	-	-	-	-	-	-	-	-	-	13,076
Community development	-	-	-	-	-	-	-	-	-	-	-	10,518
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	2,243
Health and welfare	-	-	-	-	-	-	17,939	-	-	-	-	23,546
Debt Services												
Principle	-	-	-	-	-	227	-	-	-	-	-	790
Interest	-	-	-	-	-	46	-	-	-	-	-	63
Total expenditures	-	-	-	-	504	58,466	17,939	2,657	706	132	686	128,925
Excess (deficiency) of revenues over expenditures	-	-	-	-	(56)	1,749	4,915	(104)	40	60	49	14,771
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	64	-	-	-	-	-	-	4,045
Transfers out	-	-	-	-	-	-	(5,000)	-	-	-	-	(16,691)
Total other financing sources (uses)	-	-	-	-	64	-	(5,000)	-	-	-	-	(12,646)
Net change in fund balance	-	-	-	-	8	1,749	(85)	(104)	40	60	49	2,125
Fund balance - beginning	1	8	107	(8)	328	(1,435)	375	465	210	220	811	10,791
Fund balance - ending	\$ 1	\$ 8	\$ 107	\$ (8)	\$ 336	\$ 314	\$ 290	\$ 361	\$ 250	\$ 280	\$ 860	\$ 12,916

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)

	Development			PEG Support		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Licenses and permits	\$ 10,222	\$ 8,241	\$ (1,981)	\$ -	\$ -	\$ -
Charges for services	160	46	(114)	-	-	-
Investment income	25	-	(25)	10	38	28
Miscellaneous	-	-	-	77	101	24
Total revenues	<u>10,407</u>	<u>8,287</u>	<u>(2,120)</u>	<u>87</u>	<u>139</u>	<u>52</u>
Expenditures:						
Current:						
General government	-	-	-	1,726	264	(1,462)
Planning & development	10,482	9,278	(1,204)	-	-	-
Total expenditures	<u>10,482</u>	<u>9,278</u>	<u>(1,204)</u>	<u>1,726</u>	<u>264</u>	<u>(1,462)</u>
Excess (deficiency) of revenues over expenditures	(75)	(991)	(916)	(1,639)	(125)	1,514
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(75)	(991)	(916)	(1,639)	(125)	1,514
Fund balance, beginning of year	75	75	-	1,639	1,639	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ (916)</u>	<u>\$ (916)</u>	<u>\$ -</u>	<u>\$ 1,514</u>	<u>\$ 1,514</u>
Explanation of differences between budget basis and GAAP:						
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (991)			\$ (125)	
Differences - budget basis to GAAP:						
Due to revenues:						
Accrued receivables 12-31-2007		-				
Accrued receivables 12-31-2008		(3)			3	
Due to expenditures:						
Accrued payables 12-31-2007		318			11	
Accrued payables 12-31-2008		(453)			(56)	
Due to encumbrances 12-31-2008		205			77	
Net change in fund balance - GAAP basis		<u>\$ (924)</u>			<u>\$ (90)</u>	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	County Jail			Victim Assistance			Recreation		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 80	\$ 114	\$ 34	\$ 150	\$ 308	\$ 158	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	2,165	1,397	(768)
Fines and forfeitures	1,595	2,247	652	800	1,675	875	-	-	-
Total revenues	<u>1,675</u>	<u>2,361</u>	<u>686</u>	<u>950</u>	<u>1,983</u>	<u>1,033</u>	<u>2,165</u>	<u>1,397</u>	<u>(768)</u>
Expenditures:									
Current:									
Civil and criminal court system - district attorney	-	-	-	62	46	(16)	-	-	-
Parks and recreation	-	-	-	-	-	-	1,803	1,738	(65)
Total expenditures	-	-	-	<u>62</u>	<u>46</u>	<u>(16)</u>	<u>1,803</u>	<u>1,738</u>	<u>(65)</u>
Excess (deficiency) of revenues over expenditures	1,675	2,361	686	888	1,937	1,049	362	(341)	(703)
Other financing sources (uses):									
Transfers out	(1,675)	(2,361)	(686)	(940)	(940)	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	(52)	997	1,049	362	(341)	(703)
Fund balance, beginning of year	-	-	-	52	52	-	(362)	(362)	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,049</u>	<u>\$ 1,049</u>	<u>\$ -</u>	<u>\$ (703)</u>	<u>\$ (703)</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ -			\$ 997			\$ (341)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007									
Accrued receivables 12-31-2008								(1)	
Due to expenditures:									
Accrued payables 12-31-2007		-			23			82	
Accrued payables 12-31-2008		-			-			(58)	
Due to encumbrances 12-31-2008		-			(20)			59	
Net change in fund balance - GAAP basis		<u>\$ -</u>			<u>\$ 1,000</u>			<u>\$ (259)</u>	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Juvenile Services			Drug Abuse Treatment & Education			Law Enforcement Confiscated Monies		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,957	\$ 1,957	\$ -
Charges for services	269	51	(218)	-	-	-	-	-	-
Fines and forfeitures	-	-	-	95	158	63	-	-	-
Investment income	-	5	5	2	4	2	-	116	116
Miscellaneous	-	-	-	-	-	-	-	18	18
Total revenues	269	56	(213)	97	162	65	1,957	2,091	134
Expenditures:									
Current:									
Public safety - police	-	-	-	-	-	-	4,301	1,569	(2,732)
Civil and criminal court system - sheriff	-	-	-	-	-	-	685	312	(373)
Civil and criminal court system - juvenile court	467	20	(447)	-	-	-	-	-	-
Civil and criminal court system - district attorney	-	-	-	-	-	-	356	324	(32)
Health and welfare	-	-	-	150	62	(88)	-	-	-
Total expenditures	467	20	(447)	150	62	(88)	5,342	2,205	(3,137)
Excess (deficiency) of revenues over expenditures	(198)	36	234	(53)	100	153	(3,385)	(114)	3,271
Other financing sources (uses):									
Transfers out	-	-	-	-	-	-	(44)	(44)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(198)	36	234	(53)	100	153	(3,429)	(158)	3,271
Fund balance, beginning of year	198	196	(2)	53	38	(15)	3,429	3,210	(219)
Fund balance, end of year	\$ -	\$ 232	\$ 232	\$ -	\$ 138	\$ 138	\$ -	\$ 3,052	\$ 3,052
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 36			\$ 100			\$ (158)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		-			-			(2)	
Accrued receivables 12-31-2008		-			-			98	
Due to expenditures:									
Accrued payables 12-31-2007		-			-			104	
Accrued payables 12-31-2008		-			-			(385)	
Due to encumbrances 12-31-2008		-			-			482	
Net change in fund balance - GAAP basis		\$ 36			\$ 100			\$ 159	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Street Lights			Speed Humps			Emergency Telephone System		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Charges for services	\$ 4,200	\$ 4,108	\$ (92)	\$ 130	\$ 250	\$ 120	\$ -	\$ -	\$ -
Investment income	60	-	(60)	40	29	(11)	200	64	(136)
Miscellaneous	-	-	-	-	-	-	13,300	12,095	(1,205)
Total revenues	<u>4,260</u>	<u>4,108</u>	<u>(152)</u>	<u>170</u>	<u>279</u>	<u>109</u>	<u>13,500</u>	<u>12,159</u>	<u>(136)</u>
Expenditures:									
Current:									
Public safety	-	-	-	-	-	-	5,799	3,356	(2,443)
Public works - transportation	4,117	4,280	163	-	-	-	-	-	-
Public works - roads and drainage	-	-	-	1,359	15	(1,344)	-	-	-
Total expenditures	<u>4,117</u>	<u>4,280</u>	<u>163</u>	<u>1,359</u>	<u>15</u>	<u>(1,344)</u>	<u>5,799</u>	<u>3,356</u>	<u>(2,443)</u>
Excess (deficiency) of revenues over expenditures	143	(172)	(315)	(1,189)	264	1,453	7,701	8,803	2,307
Other financing sources (uses):									
Transfers out	(225)	(225)	-	-	-	-	(8,967)	(8,121)	846
Excess (deficiency) of revenues and other sources over expenditures and other uses	(82)	(397)	(315)	(1,189)	264	1,453	(1,266)	682	3,153
Fund balance, beginning of year	82	82	-	1,189	1,189	-	1,266	1,266	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ (315)</u>	<u>\$ (315)</u>	<u>\$ -</u>	<u>\$ 1,453</u>	<u>\$ 1,453</u>	<u>\$ -</u>	<u>\$ 1,948</u>	<u>\$ 3,153</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (397)		\$ 264			\$ 682		
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		(221)		(9)			(990)		
Accrued receivables 12-31-2008		237		11			1,768		
Due to expenditures:									
Accrued payables 12-31-2007		10		-			373		
Accrued payables 12-31-2008		(219)		-			(162)		
Due to encumbrances 12-31-2008		50		7			922		
Net change in fund balance - GAAP basis		<u>\$ (540)</u>		<u>\$ 273</u>			<u>\$ 2,593</u>		

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2008
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Grant-in-Aid			2001 Local Law Enforcement Block Grant			2002 Local Law Enforcement Block Grant		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 43,189	\$ 24,071	\$ (19,118)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	14,990	2,041	(12,949)	-	-	-	-	-	-
Total revenues	58,179	26,112	(32,067)	-	-	-	-	-	-
Expenditures:									
Current:									
General government:									
Registrar and elections	-	-	-	-	-	-	-	-	-
Cooperative extension	171	-	(171)	-	-	-	-	-	-
Keep DeKalb beautiful	19	-	(19)	-	-	-	-	-	-
Arts, culture, and entertainment	-	-	-	-	-	-	-	-	-
Workforce development	10,670	5,322	(5,348)	-	-	-	-	-	-
Total general government	10,860	5,322	(5,538)	-	-	-	-	-	-
Public safety:									
Police	5,082	3,428	(1,654)	1	-	(1)	20	-	(20)
Fire and rescue services	2,255	2,125	(130)	-	-	-	-	-	-
Total public safety	7,337	5,553	(1,784)	1	-	(1)	20	-	(20)
Civil and criminal court system:									
Sheriff	613	186	(427)	-	-	-	-	-	-
Juvenile court	501	194	(307)	-	-	-	-	-	-
Superior court	1,191	(423)	(1,614)	-	-	-	-	-	-
State court	5	1	(4)	-	-	-	-	-	-
Solicitor	346	128	(218)	-	-	-	-	-	-
District attorney	645	673	28	-	-	-	-	-	-
Magistrate court	325	92	(233)	-	-	-	-	-	-
Total civil and criminal court system	3,626	851	(2,775)	-	-	-	-	-	-
Public works:									
Administration	31	-	(31)	-	-	-	-	-	-
Fleet maintenance	23	-	(23)	-	-	-	-	-	-
Sanitation	305	260	(45)	-	-	-	-	-	-
Total public works	359	260	(99)	-	-	-	-	-	-
Human and community development	24,631	13,882	(10,749)	-	-	-	-	-	-
Parks and recreation	1,531	665	(866)	-	-	-	-	-	-
Health and welfare:									
Public health	22	-	(22)	-	-	-	-	-	-
Senior citizens services	2,244	3,813	1,569	-	-	-	-	-	-
Human and community development	-	-	-	-	-	-	-	-	-
Family and children services	3,979	1,813	(2,066)	-	-	-	-	-	-
Total health and welfare	6,245	5,726	(519)	-	-	-	-	-	-
Non-departmental	2,320	(304)	(2,624)	-	-	-	-	-	-
Total expenditures	56,909	31,955	(24,954)	1	-	(1)	20	20	(20)
Excess (deficiency) of revenues over expenditures	1,270	(5,843)	(7,113)	(1)	-	1	(20)	(20)	-
Other financing sources (uses):									
Transfers in	3,570	3,981	411	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	4,840	(1,862)	(6,702)	(1)	-	1	(20)	(20)	-
Fund balance, beginning of year	(4,840)	(4,840)	-	1	1	-	20	20	-
Fund balance, end of year	\$ -	\$ (6,702)	\$ (6,702)	\$ -	\$ 1	\$ 1	\$ -	\$ -	\$ -
Explanation of differences between budget basis and GAAP:		(6,702)							
Deficiency of revenues and other sources over expenditures and other uses - budget basis	\$ (1,862)			\$ -			\$ (20)		
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		(8,394)							
Accrued receivables 12-31-2008		4,354							
Due to expenditures:									
Accrued payables 12-31-2007		1,768							
Accrued payables 12-31-2008		(3,076)							
Due to encumbrances 12-31-2008		5,270					20		
Net change in fund balance - GAAP basis	\$ (1,940)			\$ -			\$ -		

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	2003 Local Law Enforcement Block Grant			2004 Local Law Enforcement Block Grant			2005 Justice Assistance Grant		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 98	\$ -	\$ (98)	\$ 188	\$ -	\$ (188)	\$ 601	\$ 431	\$ (170)
Investment income	-	-	-	-	-	-	17	16	(1)
Total revenues	<u>98</u>	<u>-</u>	<u>(98)</u>	<u>188</u>	<u>-</u>	<u>(188)</u>	<u>618</u>	<u>447</u>	<u>(171)</u>
Expenditures:									
Current:									
Public safety - police	205	-	(205)	180	-	(180)	1,012	791	(221)
Total expenditures	<u>205</u>	<u>-</u>	<u>(205)</u>	<u>180</u>	<u>-</u>	<u>(180)</u>	<u>1,012</u>	<u>791</u>	<u>(221)</u>
Excess (deficiency) of revenues over expenditures	(107)	-	107	8	-	(8)	(394)	(344)	50
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	64	64	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(107)	-	107	8	-	(8)	(330)	(280)	50
Fund balance, beginning of year	107	107	-	(8)	(8)	-	330	330	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 107</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ 50</u>	<u>\$ 50</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ -			\$ -		\$ (280)		
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007									
Accrued receivables 12-31-2008								1	
Due to expenditures:									
Accrued payables 12-31-2007		-			-			2	
Accrued payables 12-31-2008		-			-			(5)	
Due to encumbrances 12-31-2008		-			-			290	
Net change in fund balance - GAAP basis		<u>\$ -</u>			<u>\$ -</u>			<u>\$ 8</u>	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Fire			Hospital			Hotel / Motel Tax		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Property taxes	\$ 40,475	\$ 41,949	\$ 1,474	\$ 14,653	\$ 15,247	\$ 594	\$ -	\$ -	\$ -
Sales taxes	15,150	15,614	464	6,060	6,592	532	-	-	-
Other taxes	-	-	-	-	-	-	2,800	2,641	(159)
Intergovernmental	2,844	-	(2,844)	1,057	-	(1,057)	-	-	-
Investment income	31	-	(31)	-	-	-	-	-	-
Miscellaneous	55	13	(42)	-	-	-	-	-	-
Total revenues	58,555	57,576	(979)	21,770	21,839	69	2,800	2,641	(159)
Expenditures:									
Current:									
General government	-	-	-	-	-	-	3,068	2,657	(411)
Health and welfare - hospital	-	-	-	17,861	17,930	69	-	-	-
Public safety - fire and rescue services	60,312	59,262	(1,050)	-	-	-	-	-	-
Total expenditures	60,312	59,262	(1,050)	17,861	17,930	69	3,068	2,657	(411)
Excess (deficiency) of revenues over expenditures	(1,757)	(1,686)	71	3,909	3,909	-	(268)	(16)	252
Other financing sources (uses):									
Transfers out	-	-	-	(5,000)	(5,000)	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,757)	(1,686)	71	(1,091)	(1,091)	-	(268)	(16)	252
Fund balance, beginning of year	1,757	1,757	-	1,091	1,091	-	268	268	-
Fund balance, end of year	\$ -	\$ 71	\$ 71	\$ -	\$ -	\$ -	\$ -	\$ 252	\$ 252
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (1,686)			\$ (1,091)			\$ (16)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		(2,732)			(668)			(198)	
Accrued receivables 12-31-2008		4,503			1,772			110	
Deferred revenues 12-31-2007		1,240			454			-	
Deferred revenues 12-31-2008		(1,464)			(552)			-	
Due to expenditures:									
Accrued payables 12-31-2007		2,994			-			-	
Accrued payables 12-31-2008		(1,919)			-			-	
Due to encumbrance accrual 12-31-08		813			-			-	
Net change in fund balance - GAAP basis		\$ 1,749			\$ (85)			\$ (104)	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Rental Motor Vehicle Tax			Law Library			Alternative Dispute Resolution		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Other taxes	\$ 579	771	192	\$ -	-	-	\$ -	-	-
Investment income	-	8	8	-	4	4	-	35	35
Miscellaneous	-	-	-	-	188	188	-	700	700
Total revenues	<u>579</u>	<u>779</u>	<u>200</u>	<u>-</u>	<u>192</u>	<u>192</u>	<u>-</u>	<u>735</u>	<u>735</u>
Expenditures:									
Current:									
Arts, culture, and entertainment	712	706	(6)	-	-	-	-	-	-
Civil and criminal court system:	-	-	-	-	132	132	-	686	686
Total expenditures	<u>712</u>	<u>706</u>	<u>(6)</u>	<u>-</u>	<u>132</u>	<u>132</u>	<u>-</u>	<u>686</u>	<u>686</u>
Excess (deficiency) of revenues over expenditures	(133)	73	206	-	60	60	-	49	49
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(133)	73	206	-	60	60	-	49	49
Fund balance, beginning of year	133	133	-	-	220	220	-	811	811
Fund balance, end of year	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>	<u>\$ -</u>	<u>\$ 280</u>	<u>\$ 280</u>	<u>\$ -</u>	<u>\$ 860</u>	<u>\$ 860</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 73			\$ 60			\$ 49	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		(77)			-			-	
Accrued receivables 12-31-2008		44			-			-	
Net change in fund balance - GAAP basis		<u>\$ 40</u>			<u>\$ 60</u>			<u>\$ 49</u>	

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

The following Nonmajor Debt Service Funds are used by the County:

General Obligation Bonds Debt Service Fund - to account for taxes levied to fund the principal and interest requirements on county-wide general obligation bond issues of the County.

Special Tax District General Obligation Bonds Debt Service Fund - to account for taxes levied to fund the principal and interest requirements on general obligation bond issues for unincorporated areas of the County.

Public Safety and Judicial Facilities Authority Revenue Bonds Debt Service Fund - to account for rental and other revenues used to fund the principal and interest requirements on revenue bonds issued by the Public Safety and Judicial Facilities Authority.

Building Authority Revenue Bonds Debt Service Fund - to account for rental and other revenues used to fund the principal and interest requirements on revenue bonds issued by the Building Authority.

DeKalb County, Georgia
 Nonmajor Debt Service Funds
 Combining Balance Sheet
 December 31, 2008
 (in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
ASSETS					
Cash and cash equivalents	\$ 5	\$ 8,307	\$ 7	\$ 50	\$ 8,369
Taxes receivable (net)	539	1,256	-	-	1,795
Total Assets	<u>\$ 544</u>	<u>\$ 9,563</u>	<u>\$ 7</u>	<u>\$ 50</u>	<u>\$ 10,164</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and contracts payable	\$ 5	\$ 1	\$ -	\$ -	\$ 6
Deferred revenue	412	950	-	-	1,362
Total Liabilities	<u>417</u>	<u>951</u>	<u>-</u>	<u>-</u>	<u>1,368</u>
Fund balance	127	8,612	7	50	8,796
Total liabilities and fund balances	<u>\$ 544</u>	<u>\$ 9,563</u>	<u>\$ 7</u>	<u>\$ 50</u>	<u>\$ 10,164</u>

DeKalb County, Georgia
 Nonmajor Debt Service Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2008
 (in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
REVENUES					
Taxes	\$ 13,433	\$ 32,752	\$ -	\$ -	\$ 46,185
Use of money and property	-	156	3,112	3,752	7,020
Total revenues	<u>13,433</u>	<u>32,908</u>	<u>3,112</u>	<u>3,752</u>	<u>53,205</u>
EXPENDITURES					
General government	8	2	1	1	12
Debt service:					
Principal	9,452	14,385	1,030	1,945	26,812
Interest	4,729	13,367	2,062	1,773	21,931
Total debt service	<u>14,181</u>	<u>27,752</u>	<u>3,092</u>	<u>3,718</u>	<u>48,743</u>
Total expenditures	<u>14,189</u>	<u>27,754</u>	<u>3,093</u>	<u>3,719</u>	<u>48,755</u>
Excess (deficiency) of revenues over expenditures	(756)	5,154	19	33	4,450
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(756)	5,154	19	33	4,450
Fund balance - beginning	883	3,458	(12)	17	4,346
Fund balance - ending	<u>\$ 127</u>	<u>\$ 8,612</u>	<u>\$ 7</u>	<u>\$ 50</u>	<u>\$ 8,796</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)

	General Obligation Bonds Debt Service			General Obligation Special Tax District Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Property taxes	\$ 13,319	\$ 13,459	\$ 140	\$ 30,732	\$ 33,003	\$ 2,271
Investment income	150	-	(150)	300	121	(179)
Total revenues	<u>13,469</u>	<u>13,459</u>	<u>(10)</u>	<u>31,032</u>	<u>33,124</u>	<u>2,092</u>
Expenditures:						
Debt service	14,207	14,187	(20)	33,933	27,753	(6,180)
Excess (deficiency) of revenues over expenditures	<u>(738)</u>	<u>(728)</u>	<u>10</u>	<u>(2,901)</u>	<u>5,371</u>	<u>8,272</u>
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(738)</u>	<u>(728)</u>	<u>10</u>	<u>(2,901)</u>	<u>5,371</u>	<u>8,272</u>
Fund balance, beginning of year	738	738	-	2,901	2,901	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 8,272</u>	<u>\$ 8,272</u>

Explanation of differences between budget basis and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	\$ (728)	\$ 5,371
Differences - budget basis to GAAP:		
Due to revenues:		
Accrued receivables 12-31-2007	(498)	(1,239)
Accrued receivables 12-31-2008	534	1,291
Deferred revenues 12-31-2007	350	682
Deferred revenues 12-31-2008	(412)	(950)
Due to expenditures:		
Accrued payables 12-31-2007	3	
Accrued payables 12-31-2008	(5)	(1)
Net change in fund balance - GAAP basis	<u>\$ (756)</u>	<u>\$ 5,154</u>

(continued)

DeKalb County, Georgia

Nonmajor Debt Service Funds

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2008

Non-GAAP Budget Basis (in thousands of dollars)

	Building Authority Revenue Bonds Debt Service			Public Safety Judicial Authority Revenue Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Investment income	\$ -	\$ 12	\$ 12	\$ -	\$ 5	\$ 5
Miscellaneous	3,739	3,739	-	3,117	3,105	(12)
Total revenues	3,739	3,751	12	3,117	3,110	(7)
Expenditures:						
Debt service	3,756	3,719	(37)	3,105	3,093	(12)
Excess (deficiency) of revenues over expenditures	(17)	32	49	12	17	5
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(17)	32	49	12	17	5
Fund balance, beginning of year	17	17	-	(12)	(12)	-
Fund balance, end of year	\$ -	\$ 49	\$ 49	\$ -	\$ 5	\$ 5

Explanation of differences between budget basis and GAAP:

Deficiency of revenues and other sources over expenditures
and other uses - budget basis

\$ 32

\$ 17

Differences - budget basis to GAAP:

Due to revenues:

Accrued receivables 12-31-2007

Accrued receivables 12-31-2008

1

2

Net change in fund balance - GAAP basis

\$ 33

\$ 19

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for the County's governmental funds.

The following Nonmajor Capital Projects Funds are used by the County:

1987 Parks Bonds Fund - to account for the proceeds of the 1987 General Obligation Bond issue and the related capital expenditures for parks.

Jail Bonds Fund - to account for the proceeds of the 1991 General Obligation Bond issue and the 1998 General Obligation Bond issue and the related capital expenditures for a new County jail.

Health Facilities Bonds Fund - to account for the proceeds of the 1993 General Obligation Bond issue and the related capital expenditures for health facilities.

2001 Parks Bonds Fund - to account for the proceeds of the 2001 General Obligation Bond issue and the related capital expenditures for parks.

HOST Capital Projects Fund - to account for the proceeds from the homestead option sales tax revenues designated for capital projects.

Capital Improvement Projects Fund - to account for all other monies related to capital expenditures of the County's governmental funds.

COPS Bond Projects Fund - to account for the proceeds of the 2003 Certificate of Participation Bond issue and the related capital expenditures.

COPS Morgue Project Fund - to account for the proceeds of the 1994 Certificate of Participation Bond issue and the related capital expenditures for the construction of a morgue / forensic science center.

Community Greenspace Program Fund - to account for monies donated for greenspace acquisitions within the County.

Public Safety and Judicial Facilities Authority Projects Fund - to account for the proceeds of the 2004 Revenue Bond issue and the related capital projects for purchase and renovation of various buildings for the Public Safety Department.

Building Authority Juvenile Court Project Fund - to account for the proceeds of the 2003 and 2005 Revenue Bonds and the related expenditures for the construction of a juvenile court facility for the County.

DeKalb County, Georgia
 Nonmajor Capital Project Funds
 Combining Balance Sheet
 December 31, 2008
 (in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	COPS Morgue Project	Community Greenspace Program	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
ASSETS												
Cash and cash equivalents	\$ 101	\$ 566	\$ 125	\$ 45,107	\$ 2,504	\$ 39,805	\$ 6,755	\$ 1	\$ 21	\$ 5,306	\$ 1,905	\$ 102,196
Due from other governments	-	-	-	-	1,113	2,435	-	-	-	-	-	3,548
Total assets	<u>\$ 101</u>	<u>\$ 566</u>	<u>\$ 125</u>	<u>\$ 45,107</u>	<u>\$ 3,617</u>	<u>\$ 42,240</u>	<u>\$ 6,755</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 5,306</u>	<u>\$ 1,905</u>	<u>\$ 105,744</u>
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ -	\$ 13	\$ -	\$ 133	\$ 2,047	\$ 1,876	\$ 693	\$ -	\$ -	\$ 618	\$ 11	\$ 5,391
Deferred revenue	-	-	-	-	-	243	-	-	-	-	-	243
Total liabilities	<u>-</u>	<u>13</u>	<u>-</u>	<u>133</u>	<u>2,047</u>	<u>2,119</u>	<u>693</u>	<u>-</u>	<u>-</u>	<u>618</u>	<u>11</u>	<u>5,634</u>
Fund balances:												
Reserved	-	218	-	2,459	777	9,620	4,374	-	-	1,988	85	19,521
Unreserved	101	335	125	42,515	793	30,501	1,688	1	21	2,700	1,809	80,589
Total fund balances	<u>101</u>	<u>553</u>	<u>125</u>	<u>44,974</u>	<u>1,570</u>	<u>40,121</u>	<u>6,062</u>	<u>1</u>	<u>21</u>	<u>4,688</u>	<u>1,894</u>	<u>100,110</u>
Total liabilities and fund balances	<u>\$ 101</u>	<u>\$ 566</u>	<u>\$ 125</u>	<u>\$ 45,107</u>	<u>\$ 3,617</u>	<u>\$ 42,240</u>	<u>\$ 6,755</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 5,306</u>	<u>\$ 1,905</u>	<u>\$ 105,744</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ended December 31, 2008

(in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	COPS Morgue Project	Community Greenspace Program	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
Revenues												
Use of money and property	\$ 2	\$ 32	\$ 3	\$ 3,035	\$ 90	\$ -	\$ 160	\$ -	\$ -	\$ 178	\$ 19	\$ 3,519
Intergovernmental	-	-	-	-	3,594	4,694	-	-	-	-	-	8,288
Miscellaneous	-	-	-	-	-	137	-	-	-	-	-	137
Total revenues	2	32	3	3,035	3,684	4,831	160	-	-	178	19	11,944
Expenditures												
Capital outlay:												
General government	-	-	-	-	-	7,230	-	-	-	-	-	7,230
Public safety	-	-	-	-	-	76	-	-	-	5,388	-	5,464
Civil and criminal court system	-	1,456	-	-	-	48	3,191	-	-	-	163	4,858
Public works	-	-	-	-	7,109	18,316	-	-	-	-	-	25,425
Parks and recreation	-	-	-	3,067	-	-	-	-	-	-	-	3,067
Library	-	-	-	-	-	101	-	-	-	-	-	101
Total expenditures	-	1,456	-	3,067	7,109	25,771	3,191	-	-	5,388	163	46,145
Excess (deficiency) of revenues over expenditures	2	(1,424)	3	(32)	(3,425)	(20,940)	(3,031)	-	-	(5,210)	(144)	(34,201)
Other Financing Sources (Uses)												
Transfers in	-	-	-	-	-	26,617	-	-	-	-	-	26,617
Transfers out	-	-	-	-	(150)	-	-	-	-	-	-	(150)
Total other financing sources (uses)	-	-	-	-	(150)	26,617	-	-	-	-	-	26,467
Net change in fund balance	2	(1,424)	3	(32)	(3,575)	5,677	(3,031)	-	-	(5,210)	(144)	(7,734)
Fund balance - beginning	99	1,977	122	45,006	5,145	34,444	9,093	1	21	9,898	2,038	107,844
Fund balance - ending	\$ 101	\$ 553	\$ 125	\$ 44,974	\$ 1,570	\$ 40,121	\$ 6,062	\$ 1	\$ 21	\$ 4,688	\$ 1,894	\$ 100,110

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Enterprise Funds

The following Nonmajor Enterprise Funds are used by the County:

DeKalb Peachtree Airport Fund - to account for the provision of airport services to the residents of the County. All activities necessary to provide such services are accounted for in this fund.

Stormwater Utility Fund - to account for the provision of a stormwater drainage system for residents of the County. All activities necessary to provide such services are accounted for in this fund.

DeKalb County, Georgia
 Nonmajor Proprietary Funds
 Combining Statement of Net Assets
 December 31, 2008
 (in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 4,055	\$ -	\$ 4,055
Accounts receivable (net)	153	1,137	1,290
Due from other funds	7,277	-	7,277
Due from other governments	1,509	6,264	7,773
Total current assets	<u>12,994</u>	<u>7,401</u>	<u>20,395</u>
Noncurrent assets:			
Capital assets (net)	<u>57,515</u>	<u>24,714</u>	<u>82,229</u>
Total assets	<u>70,509</u>	<u>32,115</u>	<u>102,624</u>
LIABILITIES			
Current liabilities:			
Accounts payable	115	999	1,114
Other accrued liabilities	56	-	56
Compensated absences payable	103	-	103
Advance payments and deposits	9	-	9
Due to other funds	-	7,277	7,277
Deferred revenue	-	609	609
Total current liabilities	<u>283</u>	<u>8,885</u>	<u>9,168</u>
Noncurrent liabilities:			
OPEB Obligation	<u>496</u>	<u>-</u>	<u>496</u>
Total liabilities	<u>779</u>	<u>8,885</u>	<u>9,664</u>
NET ASSETS			
Invested in capital assets, net of related debt	57,515	24,714	82,229
Unrestricted	<u>12,215</u>	<u>(1,484)</u>	<u>10,731</u>
Total net assets	<u>\$ 69,730</u>	<u>\$ 23,230</u>	<u>\$ 92,960</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Proprietary Funds
 Combining Statement of Revenues, Expenses, and Changes in Net Assets
 For the Year Ended December 31, 2008
 (in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Operating revenues:			
Rental fees	\$ 4,724	\$ -	\$ 4,724
Intergovernmental	4,099	14,140	18,239
Charges for services	-	8,058	8,058
Miscellaneous	6	-	6
Total operating revenues	<u>8,829</u>	<u>22,198</u>	<u>31,027</u>
Operating expenses:			
Salaries and employee benefits	1,806	-	1,806
Supplies	9	4,535	4,544
Operating services and charges	939	15,775	16,714
Depreciation and amortization	510	64	574
Total operating expenses	<u>3,264</u>	<u>20,374</u>	<u>23,638</u>
Operating income	<u>5,565</u>	<u>1,824</u>	<u>7,389</u>
Nonoperating revenues:			
Interest income	<u>256</u>	<u>-</u>	<u>256</u>
Income before transfers	5,821	1,824	7,645
Transfers out	<u>(47)</u>	<u>(134)</u>	<u>(181)</u>
Change in net assets	5,774	1,690	7,464
Net assets - beginning	<u>63,956</u>	<u>21,540</u>	<u>85,496</u>
Net assets - ending	<u>\$ 69,730</u>	<u>\$ 23,230</u>	<u>\$ 92,960</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Enterprise Funds
 Combining Statement of Cash Flows
 For the Year Ended December 31, 2008
 (in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Cash flows from operating activities:			
Cash received from customers	\$ 4,724	\$ 22,198	\$ 26,922
Cash payments to suppliers for goods and services	(3,339)	(16,008)	(19,347)
Cash payments to employees for services	(1,806)	-	(1,806)
Other operating revenues	4,105	-	4,105
Net cash provided by operating activities	<u>3,685</u>	<u>6,190</u>	<u>9,875</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	(47)	(134)	(181)
Net cash required by noncapital financing activities	<u>(47)</u>	<u>(134)</u>	<u>(181)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(5,117)	(6,056)	(11,173)
Capital donations	-	-	-
Net cash required by capital and related financing activities	<u>(5,117)</u>	<u>(6,056)</u>	<u>(11,173)</u>
Cash flows from investing activities:			
Interest on investments	256	-	256
Net cash provided by investing activities	<u>256</u>	<u>-</u>	<u>256</u>
Net increase (decrease) in cash and cash equivalents	(1,224)	-	(1,224)
Cash and cash equivalents at beginning of year	5,278	-	5,278
Cash and cash equivalents at end of year	<u>\$ 4,055</u>	<u>\$ -</u>	<u>\$ 4,055</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 5,565	\$ 1,824	\$ 7,389
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	510	64	574
OPEB obligation	496	-	496
Change in assets and liabilities:			
(Increase) decrease in receivables	(2,870)	119	(2,751)
Increase (decrease) in payables	(27)	947	921
Increase (decrease) in other liabilities	10	3,236	3,246
Net cash provided by operating activities	<u>\$ 3,685</u>	<u>\$ 6,190</u>	<u>\$ 9,875</u>
Noncash capital donations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost reimbursement basis.

The following Internal Service Funds are maintained by the County:

Vehicle Maintenance Fund - to account for operations of the County's Vehicle Maintenance Department which maintains and repairs all of the County's vehicles.

Vehicle Replacement Fund - to account for all purchases and dispositions of the County's vehicles.

Risk Management Fund - to account for all of the County's risk management-related revenues and expenditures. This includes unemployment compensation insurance, group health and life insurance, general liability insurance, and workers' compensation insurance.

DeKalb County, Georgia
Internal Service Funds
Combining Statement of Net Assets (Deficit)
December 31, 2008
(in thousands of dollars)

<u>ASSETS</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Current assets:				
Cash and cash equivalents	\$ -	\$ 37,154	\$ 27,110	\$ 64,264
Due from other funds	-	1,418	-	1,418
Inventories and prepaid items	2,264	-	1,376	3,640
Total current assets	<u>2,264</u>	<u>38,572</u>	<u>28,486</u>	<u>69,322</u>
Noncurrent assets:				
Capital assets (net)	<u>942</u>	<u>50,046</u>	<u>-</u>	<u>50,988</u>
Total assets	<u>3,206</u>	<u>88,618</u>	<u>28,486</u>	<u>120,310</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	924	296	4,729	5,949
Claims and judgments payable, current portion	-	-	8,882	8,882
Obligation under capital leases, current portion	-	336	-	336
Compensated absences payable	722	-	-	722
Other accrued liabilities	364	-	-	364
Due to other funds	1,418	-	-	1,418
Total current liabilities	<u>3,428</u>	<u>632</u>	<u>13,611</u>	<u>17,671</u>
Noncurrent liabilities:				
Claims and judgments payable, long-term portion	-	-	4,665	4,665
Obligation under capital leases, long-term portion	-	381	-	381
OPEB Obligation	4,047	-	-	4,047
Total long-term liabilities	<u>4,047</u>	<u>381</u>	<u>4,665</u>	<u>9,093</u>
Total liabilities	<u>7,475</u>	<u>1,013</u>	<u>18,276</u>	<u>26,764</u>
<u>NET ASSETS (DEFICIT)</u>				
Invested in capital assets	942	50,046	-	50,988
Unrestricted	(5,211)	37,559	10,210	42,558
Total net assets (deficit)	<u>\$ (4,269)</u>	<u>\$ 87,605</u>	<u>\$ 10,210</u>	<u>\$ 93,546</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets (Deficit)

For the Year Ended December 31, 2008
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Operating revenues:				
Charges for services	\$ 35,372	\$ 16,451	\$ 94,016	\$ 145,839
Intergovernmental	168	-	-	168
Other financing sources	-	3,070	-	3,070
Miscellaneous	122	117	-	239
Total operating revenues	<u>35,662</u>	<u>19,638</u>	<u>94,016</u>	<u>149,316</u>
Operating expenses:				
Salaries and employee benefits	9,478	-	-	9,478
Supplies	21,807	-	-	21,807
Operating services and charges	4,824	-	86,336	91,160
Miscellaneous	726	-	-	726
Depreciation	285	15,721	-	16,006
Total operating expenses	<u>37,120</u>	<u>15,721</u>	<u>86,336</u>	<u>139,177</u>
Operating income (loss)	(1,458)	3,917	7,680	10,139
Other income (expense):				
Interest income		1,133		1,133
Interest expense	-	(42)	-	(42)
Transfer in	-	326	-	326
Transfer out	-	(3,500)	-	(3,500)
Change in net assets	(1,458)	1,834	7,680	8,056
Net assets (deficit) - beginning	<u>(2,811)</u>	<u>85,771</u>	<u>2,530</u>	<u>85,490</u>
Net assets (deficit) - ending	<u>\$ (4,269)</u>	<u>\$ 87,605</u>	<u>\$ 10,210</u>	<u>\$ 93,546</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Cash Flows

Year Ended December 31, 2008
(in thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 35,662	\$ 19,638	\$ 94,016	\$ 149,316
Cash payments to suppliers for goods and services	(23,070)	1,136	(84,252)	(106,186)
Cash payments to employees for services	(9,478)	-	-	(9,478)
Net cash provided by operating activities	<u>3,114</u>	<u>20,774</u>	<u>9,764</u>	<u>33,652</u>
Cash flows from noncapital financing activities:				
Transfers from other funds	1,418	-	-	1,418
Net cash provided by noncapital financing activities	<u>1,418</u>	<u>-</u>	<u>-</u>	<u>1,418</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(4,532)	(27,432)	-	(31,964)
Proceeds from sale of capital assets	-	1,371	-	1,371
Payments on leases	-	(668)	-	(668)
Net cash required by capital and related financing activities	<u>(4,532)</u>	<u>(26,729)</u>	<u>-</u>	<u>(31,261)</u>
Cash flows from investing activities:				
Interest on investments	-	1,133	-	1,133
Net cash provided by investing activities	<u>-</u>	<u>1,133</u>	<u>-</u>	<u>1,133</u>
Net increase (decrease) in cash and cash equivalents	-	(4,822)	9,764	4,942
Cash and cash equivalents at beginning of year	-	41,976	17,346	59,322
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ 37,154</u>	<u>\$ 27,110</u>	<u>\$ 64,264</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (1,458)	\$ 3,917	\$ 7,680	\$ 10,139
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	285	15,721	-	16,006
OPEB Obligation	4,047	-	-	4,047
Change in assets and liabilities:				
(Increase) decrease in inventories and prepaid expenses	539	-	(514)	25
Increase (decrease) in payables	(371)	1,136	2,598	3,363
Increase (decrease) in other liabilities	72	-	-	72
Net cash provided by operating activities	<u>\$ 3,114</u>	<u>\$ 20,774</u>	<u>\$ 9,764</u>	<u>\$ 33,652</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Agency Funds

Tax Commissioner - to account for all real, personal, tangible, and intangible recording taxes collected and forwarded to the County and other governmental units.

Sheriff - to account for collection fees, proceeds from judicial sales, bond forfeitures, and cash bonds, which are disbursed to other elected officials and agencies, the County, and individuals. The Sheriff also collects, maintains, and disburses monies for civil suits and minors per court order.

Seized Property - to account for monies seized by Public Safety during arrests. These monies are either returned to victims, the arrested party, or forfeited to the County.

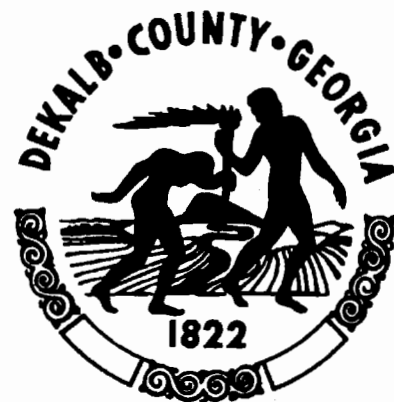
The following agency funds are used to account for fines, fees, and other monies collected by the courts and remitted to other parties in accordance with court orders and state law:

Clerk of Superior Court
State Court
Juvenile Court

Probate Court
Magistrate Court
State Court Probation

DeKalb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2008
(in thousands of dollars)

	Balance			Balance				Balance			Balance
	12/31/2007	Additions	Deductions	12/31/2008		12/31/2007	Additions	Deductions	12/31/2008		
TAX COMMISSIONER					PROBATE COURT						
ASSETS					ASSETS						
Cash and Cash Equivalents	\$ 15,630	\$ 988,428	\$ 981,642	\$ 22,416	Cash and Cash Equivalents	\$ 432	\$ 1,333	\$ 1,174	\$ 591		
Taxes Receivable	38,987	1,857,024	1,851,695	44,316	LIABILITIES						
Total Assets	<u>\$ 54,617</u>	<u>\$ 2,845,452</u>	<u>\$ 2,833,337</u>	<u>\$ 66,732</u>	Due to Others	<u>\$ 432</u>	<u>\$ 1,333</u>	<u>\$ 1,174</u>	<u>\$ 591</u>		
LIABILITIES					MAGISTRATE COURT						
Due to Others	<u>\$ 54,617</u>	<u>\$ 2,845,452</u>	<u>\$ 2,833,337</u>	<u>\$ 66,732</u>	ASSETS						
SHERIFF					ASSETS						
ASSETS					ASSETS						
Cash and Cash Equivalents	\$ 4,835	\$ 3,612	\$ 3,523	\$ 4,924	Cash and Cash Equivalents	\$ 40	\$ 1,231	\$ 1,256	\$ 14		
LIABILITIES					LIABILITIES						
Due to Others	<u>\$ 4,835</u>	<u>\$ 3,612</u>	<u>\$ 3,523</u>	<u>\$ 4,924</u>	Due to Others	<u>\$ 40</u>	<u>\$ 1,231</u>	<u>\$ 1,256</u>	<u>\$ 14</u>		
CLERK OF SUPERIOR COURT					STATE COURT PROBATION						
ASSETS					ASSETS						
Cash and Cash Equivalents	\$ 4,608	\$ 28,877	\$ 29,491	\$ 3,994	Cash and Cash Equivalents	\$ 2,237	\$ 3,116	\$ 3,612	\$ 1,741		
LIABILITIES					LIABILITIES						
Due to Others	<u>\$ 4,608</u>	<u>\$ 28,877</u>	<u>\$ 29,491</u>	<u>\$ 3,994</u>	Due to Others	<u>\$ 2,237</u>	<u>\$ 3,116</u>	<u>\$ 3,612</u>	<u>\$ 1,741</u>		
STATE COURT					SEIZED PROPERTY						
ASSETS					ASSETS						
Cash and Cash Equivalents	\$ 1,322	\$ 18,657	\$ 18,243	\$ 1,736	Cash and Cash Equivalents	\$ 483	\$ 190	\$ 181	\$ 492		
LIABILITIES					LIABILITIES						
Due to Others	<u>\$ 1,322</u>	<u>\$ 18,657</u>	<u>\$ 18,243</u>	<u>\$ 1,736</u>	Due to Others	<u>\$ 483</u>	<u>\$ 190</u>	<u>\$ 181</u>	<u>\$ 492</u>		
JUVENILE COURT					TOTALS						
ASSETS					ASSETS						
Cash and Cash Equivalents	\$ 17	\$ 154	\$ 153	\$ 18	Cash and Cash Equivalents	\$ 29,604	\$ 1,045,598	\$ 1,039,275	\$ 35,926		
LIABILITIES					Taxes Receivable	38,987	1,857,024	1,851,695	44,316		
Due to Others	<u>\$ 17</u>	<u>\$ 154</u>	<u>\$ 153</u>	<u>\$ 18</u>	Total Assets	<u>\$ 68,591</u>	<u>\$ 2,902,622</u>	<u>\$ 2,890,970</u>	<u>\$ 80,242</u>		
					LIABILITIES						
					Due to Others	<u>\$ 68,591</u>	<u>\$ 2,902,622</u>	<u>\$ 2,890,970</u>	<u>\$ 80,242</u>		



STATISTICAL SECTION

DeKalb County, Georgia

Statistical Section (Unaudited)

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These tables reflect social and economic data, financial trends, and the fiscal capacity of the government. The information in this section is presented as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the County's overall financial health.

Contents

Page

Financial Trends

S3-S8

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

S9-S14

These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

S15-S20

These schedules present information to help the reader assess the affordability of the County's current debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

S21-S22

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

S23-S27

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB Statement 34, *Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments*, in 2002; schedules presenting government-wide information include information beginning in that year.

DeKalb County, Georgia

Comments Relative to the Statistical Section

The following statistical tables that are recommended for inclusion by the Government Finance Officer's Association are not included for the reasons stated below:

Special Assessment Collections - Last Ten Fiscal Years. (The County has had no special assessments for the past ten years related to any debt for which the County is obligated in some manner.)

DeKalb County, Georgia

Net Assets by Component

Last Seven Years
(in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002
Governmental activities:							
Invested in capital assets, net of related debt	\$ 969,556	\$ 920,759	\$ 849,228	\$ 762,138	\$ 723,385	\$ 670,833	\$ 618,643
Restricted	48,583	9,778	33,703	58,419	41,118	57,533	57,159
Unrestricted	<u>(38,581)</u>	<u>20,676</u>	<u>109,402</u>	<u>38,377</u>	<u>34,064</u>	<u>51,388</u>	<u>51,653</u>
Total governmental activities net assets	<u>\$ 979,558</u>	<u>\$ 951,213</u>	<u>\$ 992,333</u>	<u>\$ 858,934</u>	<u>\$ 798,567</u>	<u>\$ 779,754</u>	<u>\$ 727,455</u>
Business-type activities:							
Invested in capital assets, net of related debt	\$ 897,769	\$ 849,814	\$ 794,096	\$ 720,427	\$ 695,273	\$ 681,681	\$ 646,745
Restricted	100,375	120,006	130,607	43,508	58,580	49,015	59,822
Unrestricted	<u>(38,530)</u>	<u>(3,558)</u>	<u>5,198</u>	<u>111,838</u>	<u>104,342</u>	<u>81,921</u>	<u>71,503</u>
Total business-type activities net assets	<u>\$ 959,614</u>	<u>\$ 966,262</u>	<u>\$ 929,901</u>	<u>\$ 875,773</u>	<u>\$ 858,195</u>	<u>\$ 812,617</u>	<u>\$ 778,070</u>
Primary government:							
Invested in capital assets, net of related debt	\$ 1,867,325	\$ 1,770,573	\$ 1,643,324	\$ 1,482,565	\$ 1,418,658	\$ 1,352,514	\$ 1,265,388
Restricted	148,958	129,784	164,310	101,927	99,698	106,548	116,981
Unrestricted	<u>(77,111)</u>	<u>17,118</u>	<u>114,600</u>	<u>150,215</u>	<u>138,406</u>	<u>133,309</u>	<u>123,156</u>
Total primary government net assets	<u>\$ 1,939,172</u>	<u>\$ 1,917,475</u>	<u>\$ 1,922,234</u>	<u>\$ 1,734,707</u>	<u>\$ 1,656,762</u>	<u>\$ 1,592,371</u>	<u>\$ 1,505,525</u>

Source: DeKalb County Finance Department
See accompanying independent auditors report.

DeKalb County, Georgia

Changes in Net Assets

Last Seven Years
(in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002
Expenses							
Governmental activities:							
General government	\$ 115,683	\$ 118,913	\$ 85,673	\$ 86,494	\$ 82,760	\$ 79,615	\$ 71,149
Public safety	192,545	224,885	153,741	167,085	166,585	148,775	137,806
Civil and criminal court system	150,360	163,121	114,529	124,713	123,479	110,237	103,493
Planning & development	2,591	2,339	1,935	1,703	1,686	1,599	1,374
Public works	49,737	63,773	49,729	60,965	63,510	50,950	47,761
Community development	10,544	12,685	6,700	13,559	13,323	9,444	8,266
Parks and recreation	20,286	24,819	20,148	23,213	23,306	18,003	20,600
Library	14,696	12,539	12,866	12,054	11,699	11,286	10,681
Health and welfare	36,259	45,623	40,814	34,728	35,118	34,539	34,590
Bond issuance expense	234	242	245	603	237	518	-
Interest on long-term debt	22,610	36,625	29,456	14,762	16,205	19,796	18,977
Total governmental activities expenses	<u>615,545</u>	<u>705,564</u>	<u>515,835</u>	<u>539,879</u>	<u>537,908</u>	<u>484,762</u>	<u>454,697</u>
Business-type activities:							
Water	74,348	68,881	55,085	55,269	53,187	48,421	44,917
Sewer	94,624	87,666	70,108	70,343	62,437	56,843	52,728
Sanitation	59,094	57,061	54,314	56,783	44,037	43,896	46,696
DeKalb Peachtree Airport	3,219	3,805	2,671	2,985	2,815	2,657	2,582
Stormwater utility	20,090	15,854	13,977	13,319	5,038	597	-
Total business-type activities expenses	<u>251,375</u>	<u>233,267</u>	<u>196,156</u>	<u>198,699</u>	<u>167,514</u>	<u>152,414</u>	<u>146,923</u>
Total primary government expenses	<u>\$ 866,920</u>	<u>\$ 938,831</u>	<u>\$ 711,991</u>	<u>\$ 738,578</u>	<u>\$ 705,422</u>	<u>\$ 637,176</u>	<u>\$ 601,620</u>
Program Revenues							
Governmental activities:							
Charges for services:							
Civil and criminal court system	\$ 55,514	\$ 46,038	\$ 43,127	\$ 34,280	\$ 37,319	\$ 42,628	\$ 34,539
Public safety	23,856	33,529	28,522	20,995	20,859	17,332	18,112
General government	24,672	14,107	15,088	11,432	20,061	13,742	10,524
Other activities	16,936	18,165	16,035	19,951	16,182	17,227	18,692
Operating grants and contributions	22,569	11,291	49,447	12,714	17,901	24,165	20,200
Capital grants and contributions	19,244	53,178	49,321	37,276	28,250	30,969	6,391
Total governmental activities program revenues	<u>162,791</u>	<u>176,308</u>	<u>201,540</u>	<u>136,648</u>	<u>140,572</u>	<u>146,063</u>	<u>108,458</u>
Business-type activities:							
Charges for services:							
Water	62,439	60,183	60,249	52,792	53,061	55,383	52,326
Sewer	79,468	76,596	76,680	67,190	62,289	65,015	56,687
Sanitation	62,475	69,554	66,387	57,067	58,405	52,506	54,934
Other activities	31,027	35,579	24,724	23,120	19,871	2,766	2,808
Capital grants and contributions	9,290	17,396	13,903	21,330	17,875	7,602	13,974
Total business-type activities program revenues	<u>244,699</u>	<u>259,308</u>	<u>241,943</u>	<u>221,499</u>	<u>211,501</u>	<u>183,272</u>	<u>180,729</u>
Total primary governmental program revenues	<u>\$ 407,490</u>	<u>\$ 435,616</u>	<u>\$ 443,483</u>	<u>\$ 358,147</u>	<u>\$ 352,073</u>	<u>\$ 329,335</u>	<u>\$ 289,187</u>

(continued)

DeKalb County, Georgia

Changes in Net Assets

Last Seven Years
(in thousands of dollars)
(continued)

	2008	2007	2006	2005	2004	2003	2002
Net (Expense)/Revenue							
Governmental activities	\$ (452,754)	\$ (529,256)	\$ (314,295)	\$ (403,231)	\$ (397,336)	\$ (338,699)	\$ (346,239)
Business-type activities	(6,676)	26,041	45,787	22,800	43,987	30,858	33,806
Total primary government net expense	<u>\$ (459,430)</u>	<u>\$ (503,215)</u>	<u>\$ (268,508)</u>	<u>\$ (380,431)</u>	<u>\$ (353,349)</u>	<u>\$ (307,841)</u>	<u>\$ (312,433)</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes:							
Property tax	\$ 275,427	\$ 272,850	\$ 252,294	\$ 231,516	\$ 209,783	\$ 219,265	\$ 189,354
Sales tax	95,350	100,649	94,921	91,488	85,365	81,684	83,143
Other taxes	86,983	90,805	86,698	78,919	77,728	66,502	62,872
Unrestricted investment earnings	2,278	8,290	8,876	6,048	2,326	2,627	3,620
Unrestricted grants and contributions	16,381	15,407	4,233	45,879	40,252	21,530	18,041
Transfers	4,680	135	672	9,748	695	(610)	1,569
Total governmental activities	<u>481,099</u>	<u>488,136</u>	<u>447,694</u>	<u>463,598</u>	<u>416,149</u>	<u>390,998</u>	<u>358,599</u>
Business-type activities:							
Unrestricted investment earnings	4,708	10,455	9,013	4,526	2,286	3,079	8,567
Transfers	(4,680)	(135)	(672)	(9,748)	(695)	610	(1,569)
Total business-type activities	<u>28</u>	<u>10,320</u>	<u>8,341</u>	<u>(5,222)</u>	<u>1,591</u>	<u>3,689</u>	<u>6,998</u>
Total primary government	<u>\$ 481,127</u>	<u>\$ 498,456</u>	<u>\$ 456,035</u>	<u>\$ 458,376</u>	<u>\$ 417,740</u>	<u>\$ 394,687</u>	<u>\$ 365,597</u>
Change in Net Assets							
Governmental activities:	\$ 28,345	\$ (41,120)	\$ 133,399	\$ 60,367	\$ 18,813	\$ 52,299	\$ 12,360
Business-type activities:	(6,648)	36,361	54,128	17,578	45,578	34,547	40,804
Total primary government net expense	<u>\$ 21,697</u>	<u>\$ (4,759)</u>	<u>\$ 187,527</u>	<u>\$ 77,945</u>	<u>\$ 64,391</u>	<u>\$ 86,846</u>	<u>\$ 53,164</u>

DeKalb County, Georgia
Fund Balances of Governmental Funds
Last Ten Years
(in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund:										
Reserved	\$ 5,219	\$ 2,649	\$ 8,491	\$ 8,040	\$ 1,608	\$ 5,804	\$ 7,352	\$ 6,558	\$ 6,783	\$ 5,356
Unreserved	(15,041)	19,447	23,380	23,893	19,793	16,709	20,183	22,710	33,974	17,237
Total General Fund	<u>(9,822)</u>	<u>22,096</u>	<u>31,871</u>	<u>31,933</u>	<u>21,401</u>	<u>22,513</u>	<u>27,535</u>	<u>29,268</u>	<u>40,757</u>	<u>22,593</u>
All Other Governmental Funds:										
Reserved	61,194	39,884	51,480	37,793	22,659	18,446	21,493	42,351	54,402	12,212
Unreserved, reported in:										
Special revenue funds	437	3,866	23,664	32,031	25,087	21,107	18,798	16,735	15,758	18,226
Capital projects funds	192,691	255,335	323,715	145,651	124,331	154,724	161,030	171,291	50,083	90,002
Debt service funds	8,796	4,346	19,322	15,911	13,186	11,500	14,976	17,610	12,979	12,618
Total all other governmental funds	<u>263,118</u>	<u>303,431</u>	<u>418,181</u>	<u>231,386</u>	<u>185,263</u>	<u>205,777</u>	<u>216,297</u>	<u>247,987</u>	<u>133,222</u>	<u>133,058</u>
Total governmental funds	<u>\$ 253,296</u>	<u>\$ 325,527</u>	<u>\$ 450,052</u>	<u>\$ 263,319</u>	<u>\$ 206,664</u>	<u>\$ 228,290</u>	<u>\$ 243,832</u>	<u>\$ 277,255</u>	<u>\$ 173,979</u>	<u>\$ 155,651</u>

DeKalb County, Georgia

Changes in Fund Balances of Governmental Funds

Last Ten Years
(in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Revenues By Source:										
Taxes	\$ 449,216	\$ 430,429	\$ 409,023	\$ 381,027	\$ 356,629	\$ 353,904	\$ 318,756	\$ 296,665	\$ 282,191	\$ 265,959
Licenses and permits	31,076	32,996	30,719	30,757	28,432	26,833	27,625	29,385	27,686	28,254
Use of money and property	13,474	25,467	36,546	8,075	2,467	4,284	4,237	7,280	10,556	7,302
Intergovernmental	37,371	46,655	59,703	63,057	46,613	46,704	47,228	48,929	55,613	28,860
Fines and forfeitures	38,333	32,676	34,376	31,429	33,674	29,311	24,162	21,571	20,171	19,277
Charges for services	39,718	36,522	29,386	42,467	46,786	35,835	35,580	28,994	28,894	26,499
Miscellaneous	20,695	17,814	22,317	7,296	8,043	6,742	4,262	5,470	3,610	3,950
Total revenues	629,883	622,559	622,070	564,108	522,644	503,613	461,850	438,294	428,721	380,101
Expenditures By Function:										
General government	\$ 106,917	\$ 100,988	\$ 95,017	\$ 79,115	\$ 75,847	\$ 73,532	\$ 65,663	\$ 61,622	\$ 57,120	\$ 55,741
Public safety	191,230	198,495	177,375	155,917	160,407	144,166	136,441	128,107	118,265	114,840
Civil and criminal court system	146,951	139,440	126,513	115,928	115,295	109,274	101,229	97,039	91,326	82,810
Planning and development	2,562	2,015	1,650	1,688	1,664	1,569	1,341	1,750	1,923	2,234
Public works	39,651	40,830	41,843	40,169	40,858	43,605	41,107	38,346	42,459	30,063
Community development	10,518	11,121	7,486	13,457	12,929	9,443	8,094	8,642	7,361	8,183
Parks and recreation	21,898	23,582	20,195	18,931	18,433	17,697	19,578	18,245	16,562	15,722
Library	11,323	13,141	12,013	11,446	11,004	10,828	10,071	10,171	8,525	7,377
Health and welfare	35,893	45,018	40,010	34,127	33,801	33,960	33,526	26,596	25,787	25,716
Debt service:										
Bond issuance expense	-	-	825	624	237	11,204	-	-	-	-
Interest	23,235	24,200	30,106	16,024	11,400	12,256	14,785	11,228	12,069	11,576
Principal	32,314	30,623	26,542	16,251	18,414	23,106	19,327	15,973	14,132	9,842
Capital outlays	84,302	129,621	97,094	51,477	101,517	71,934	46,650	42,148	16,473	28,544
Total expenditures	706,794	759,074	676,669	555,154	601,806	562,574	497,812	459,867	412,002	392,648
Excess (deficiency) of revenues over expenditures	(76,911)	(136,515)	(54,599)	8,954	(79,162)	(58,961)	(35,962)	(21,573)	16,719	(12,547)
Other Financing Sources (Uses)										
Issuance of debt	-	-	230,000	35,670	50,000	167,915	-	125,000	-	-
Premium on bond issuance	-	-	7,596	637	579	6,953	-	5,241	-	-
Contractual purchase obligations	-	11,855	3,064	1,616	6,296	4,723	282	584	4,023	14,419
Payments to escrow agents	-	-	-	-	-	(135,562)	-	-	-	-
Transfers in	135,751	157,482	128,293	133,138	122,323	119,287	89,613	16,602	25,299	20,347
Transfers out	(131,071)	(157,347)	(127,621)	(123,390)	(121,628)	(119,897)	(88,044)	(33,691)	(36,238)	(27,103)
Total other financing sources (uses)	4,680	11,990	241,332	47,671	57,570	43,419	1,851	113,736	(6,916)	7,663
Net change in fund balance	\$ (72,231)	\$ (124,525)	\$ 186,733	\$ 56,625	\$ (21,592)	\$ (15,542)	\$ (34,111)	\$ 92,163	\$ 9,803	\$ (4,884)
Debt service as a percentage of noncapital expenditures	8.9%	8.7%	9.9%	6.5%	6.0%	9.5%	7.6%	6.5%	6.6%	5.9%

Source: DeKalb County Finance Department

DeKalb County, Georgia
 Operating Revenues, Expenses, and Income of Enterprise Funds
 Last Ten Years
 (in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Water and Sewerage System Fund:										
Operating revenues	\$ 141,907	\$ 136,779	\$ 136,929	\$ 119,982	\$ 115,350	\$ 120,398	\$ 109,013	\$ 109,928	\$ 111,054	\$ 103,633
Operating expenses	155,760	135,363	113,412	107,074	100,230	93,181	80,195	84,480	78,306	71,600
Operating income	<u>\$ (13,853)</u>	<u>\$ 1,416</u>	<u>\$ 23,517</u>	<u>\$ 12,908</u>	<u>\$ 15,120</u>	<u>\$ 27,217</u>	<u>\$ 28,818</u>	<u>\$ 25,448</u>	<u>\$ 32,748</u>	<u>\$ 32,033</u>
Sanitation Fund:										
Operating revenues	\$ 62,475	\$ 69,554	\$ 66,387	\$ 57,067	\$ 58,405	\$ 52,506	\$ 54,934	\$ 46,374	\$ 41,545	\$ 41,277
Operating expenses	59,929	57,836	55,387	55,321	42,980	46,397	46,718	40,125	38,268	40,584
Operating income	<u>\$ 2,546</u>	<u>\$ 11,718</u>	<u>\$ 11,000</u>	<u>\$ 1,746</u>	<u>\$ 15,425</u>	<u>\$ 6,109</u>	<u>\$ 8,216</u>	<u>\$ 6,249</u>	<u>\$ 3,277</u>	<u>\$ 693</u>
DeKalb Peachtree Airport Fund:										
Operating revenues	\$ 8,829	\$ 8,375	\$ 5,167	\$ 6,247	\$ 3,178	\$ 2,766	\$ 2,808	\$ 2,625	\$ 2,509	\$ 2,855
Operating expenses	3,264	3,857	2,724	2,908	2,747	2,771	2,583	2,429	2,250	2,150
Operating income (loss)	<u>\$ 5,565</u>	<u>\$ 4,518</u>	<u>\$ 2,443</u>	<u>\$ 3,339</u>	<u>\$ 431</u>	<u>\$ (5)</u>	<u>\$ 225</u>	<u>\$ 196</u>	<u>\$ 259</u>	<u>\$ 705</u>
Stormwater Utility Fund:										
Operating revenues	\$ 22,198	\$ 27,204	\$ 19,557	\$ 16,873	\$ 16,693	\$ -				
Operating expenses	20,374	16,069	13,977	13,319	5,038	597				
Operating income (loss)	<u>\$ 1,824</u>	<u>\$ 11,135</u>	<u>\$ 5,580</u>	<u>\$ 3,554</u>	<u>\$ 11,655</u>	<u>\$ (597)</u>				

Note: DeKalb County created the Stormwater Utility Fund in 2003.

Source: DeKalb County Finance Department

DeKalb County, Georgia

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years
(in millions of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Purposes and Bond Retirement:										
Real property:										
Assessed value	\$ 23,639	\$ 22,652	\$ 21,809	\$ 19,952	\$ 18,728	\$ 17,636	\$ 16,545	\$ 15,135	\$ 13,565	\$ 12,033
Estimated market value	59,098	56,630	54,523	49,880	46,820	44,090	41,363	37,838	33,913	30,083
Personal property:										
Assessed value	2,301	1,863	1,881	1,752	1,686	1,763	1,850	1,916	1,806	1,825
Estimated market value	5,753	4,658	4,702	4,380	4,215	4,408	4,625	4,790	4,515	4,563
Motor vehicle and mobile homes:										
Assessed value	1,453	1,410	1,348	1,378	1,439	1,513	1,509	1,489	1,750	1,355
Estimated market value	3,633	3,525	3,370	3,445	3,598	3,783	3,773	3,723	4,375	3,388
Privately owned public utilities:										
Assessed value	494	475	478	458	477	424	441	416	419	436
Estimated market value	1,235	1,188	1,195	1,145	1,193	1,060	1,103	1,040	1,048	1,090
Total value for bond retirement (gross):										
Assessed value	\$ 27,887	\$ 26,400	\$ 25,516	\$ 23,540	\$ 22,330	\$ 21,336	\$ 20,345	\$ 18,956	\$ 17,540	\$ 15,649
Estimated market value	\$ 69,719	\$ 66,000	\$ 63,790	\$ 58,850	\$ 55,826	\$ 53,341	\$ 50,864	\$ 47,391	\$ 43,851	\$ 39,124
Ratio of Total Assessed Value to Total Estimated Market Value	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>	<u>0.4</u>
Homestead Exemption	<u>\$ 2,104</u>	<u>\$ 1,780</u>	<u>\$ 1,550</u>	<u>\$ 1,544</u>	<u>\$ 1,534</u>	<u>\$ 1,499</u>	<u>\$ 1,452</u>	<u>\$ 1,407</u>	<u>\$ 1,353</u>	<u>\$ 1,313</u>
Freeport Exemption	<u>\$ 286</u>	<u>\$ 318</u>	<u>\$ 311</u>	<u>\$ 289</u>	<u>\$ 240</u>	<u>\$ 265</u>	<u>\$ 258</u>	<u>\$ 281</u>	<u>\$ 292</u>	<u>\$ 294</u>
Net Assessed Value for General Purposes	<u>\$ 25,497</u>	<u>\$ 24,302</u>	<u>\$ 23,655</u>	<u>\$ 21,707</u>	<u>\$ 20,556</u>	<u>\$ 19,572</u>	<u>\$ 18,634</u>	<u>\$ 17,268</u>	<u>\$ 15,895</u>	<u>\$ 14,042</u>
Total Direct Tax Rate	<u>\$ 39.30</u>	<u>\$ 39.30</u>	<u>\$ 39.30</u>	<u>\$ 38.71</u>	<u>\$ 38.71</u>	<u>\$ 38.81</u>	<u>\$ 37.81</u>	<u>\$ 37.26</u>	<u>\$ 37.16</u>	<u>\$ 37.91</u>

Note: Assessments are made as of January 1 of each year. Tax rates are per \$1,000 of assessed value.
Source: DeKalb County Finance Department; DeKalb County Tax Commissioner

DeKalb County, Georgia

Property Tax Rates and Levies

Last Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Property Tax Rates Per \$1,000										
Real and Personal Property:										
County:										
General	\$ 7.99	\$ 7.54	\$ 9.12	\$ 8.21	\$ 8.31	\$ 8.73	\$ 8.03	\$ 5.65	\$ 9.01	\$ 6.36
Special tax district - designated services:										
Avondale	2.10	2.14	1.84	2.05	2.89	2.76	3.49	4.29	3.72	4.03
Chamblee	0.85	0.87	0.74	0.83	1.17	1.12	1.42	1.74	1.51	1.64
Clarkston	1.77	1.80	1.55	1.73	2.44	2.33	2.94	3.62	3.14	3.40
Decatur	1.12	1.14	0.97	1.09	1.53	1.47	1.85	2.28	1.98	2.14
Doraville	1.18	1.20	1.03	1.15	1.62	1.56	1.96	2.41	2.09	2.27
Lithonia	1.84	1.87	1.60	1.79	2.53	2.42	3.05	3.75	3.26	3.53
Pine Lake	2.10	2.14	1.84	2.05	2.89	2.76	3.49	4.29	3.72	4.03
Stone Mountain	1.58	1.60	1.38	1.54	2.17	2.07	2.62	3.21	2.79	3.02
Unincorporated	2.74	2.87	2.04	2.55	2.69	2.76	2.94	4.20	1.96	3.93
Hospital services	0.84	0.89	0.83	0.98	0.88	0.92	1.05	1.30	1.30	1.09
Fire protection	2.54	2.61	2.08	2.43	2.30	1.99	2.31	2.43	1.44	2.73
Bond retirement and interest	1.96	2.16	2.00	1.31	1.30	1.18	1.25	1.45	0.97	1.07
Total County *	<u>\$ 16.07</u>	<u>\$ 16.07</u>	<u>\$ 16.07</u>	<u>\$ 15.48</u>	<u>\$ 15.48</u>	<u>\$ 15.58</u>	<u>\$ 15.58</u>	<u>\$ 15.03</u>	<u>\$ 14.68</u>	<u>\$ 15.18</u>

* The total County millage rate shown above is for the unincorporated portion of the County which comprises over 86% of the total County.

Property Tax Levies (In thousands
of dollars)

Real and Personal Property:

County:

General	\$ 128,271	\$ 114,173	\$ 138,183	\$ 112,450	\$ 103,863	\$ 102,320	\$ 74,393	\$ 44,444	\$ 65,870	\$ 43,828
Special tax district - designated services	39,427	38,768	27,821	31,373	30,762	29,291	25,130	30,288	13,943	25,124
Hospital services	13,485	13,477	12,576	13,423	10,999	10,730	9,728	10,226	9,504	7,511
Fire protection	37,605	36,380	28,972	30,704	26,556	21,469	19,963	17,961	9,940	17,906
Bond retirement and interest	43,140	45,730	41,498	25,775	24,041	20,806	21,035	22,508	14,319	14,242
Total County	<u>261,928</u>	<u>248,528</u>	<u>249,050</u>	<u>213,725</u>	<u>196,221</u>	<u>184,616</u>	<u>150,249</u>	<u>125,427</u>	<u>113,576</u>	<u>108,611</u>

(continued)

DeKalb County, Georgia

Property Tax Rates and Levies

Last Ten Years
(continued)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Property Tax Levies (continued)										
(In thousands of dollars)										
Public Utilities:										
County:										
General	3,768	3,795	4,675	3,937	3,886	4,168	2,389	2,492	3,746	2,775
Special tax district -										
designated services	1,115	1,244	909	1,042	1,086	1,106	1,085	1,543	751	1,534
Hospital services	396	448	426	470	411	439	443	573	540	475
Fire protection	1,062	1,168	951	1,025	943	812	857	910	520	1,087
Bond retirement and interest	800	937	880	563	539	503	475	575	403	467
Total County	<u>7,141</u>	<u>7,592</u>	<u>7,841</u>	<u>7,037</u>	<u>6,865</u>	<u>7,028</u>	<u>5,249</u>	<u>6,093</u>	<u>5,960</u>	<u>6,338</u>
Motor Vehicle and Mobile Homes:										
County:										
General	11,697	13,716	12,034	11,467	12,295	11,999	9,114	14,243	10,181	8,753
Special tax district -										
designated services	4,038	2,931	3,458	3,490	3,708	4,280	6,040	3,294	5,769	3,861
Hospital services	1,365	1,267	1,423	1,219	1,312	1,760	2,025	2,087	1,785	2,425
Fire protection	3,720	2,979	3,305	2,964	2,664	3,617	3,524	2,319	4,042	3,256
Bond retirement and interest	3,041	2,774	1,828	1,691	1,608	1,987	2,145	1,486	1,697	1,477
Total County	<u>23,861</u>	<u>23,667</u>	<u>22,048</u>	<u>20,831</u>	<u>21,587</u>	<u>23,643</u>	<u>22,848</u>	<u>23,429</u>	<u>23,474</u>	<u>19,772</u>
Total County Property Tax Levies	<u>\$ 292,930</u>	<u>\$ 279,787</u>	<u>\$ 278,939</u>	<u>\$ 241,593</u>	<u>\$ 224,673</u>	<u>\$ 215,287</u>	<u>\$ 178,346</u>	<u>\$ 154,949</u>	<u>\$ 143,010</u>	<u>\$ 134,721</u>

Source: DeKalb County Finance Department

DeKalb County, Georgia										
Total Property Tax Rates - All Direct and Overlapping Governments										
Per \$1,000 Assessed Value										
Last Ten Years										
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
DeKalb County	\$ 39.30	\$ 39.30	\$ 39.30	\$ 38.71	\$ 38.71	\$ 38.81	\$ 37.81	\$ 37.26	\$ 37.16	\$ 37.91
Atlanta	\$ 40.91	\$ 41.78	\$ 43.39	\$ 41.27	\$ 42.10	\$ 43.60	\$ 43.99	\$ 38.95	\$ 46.22	\$ 45.05
Decatur	\$ 43.65	\$ 42.44	\$ 42.72	\$ 42.25	\$ 43.38	\$ 43.44	\$ 43.77	\$ 40.35	\$ 42.26	\$ 44.41
Avondale	\$ 48.21	\$ 47.44	\$ 47.76	\$ 47.53	\$ 48.02	\$ 48.06	\$ 48.29	\$ 47.25	\$ 49.42	\$ 49.51
Chamblee	\$ 40.96	\$ 40.67	\$ 41.56	\$ 41.32	\$ 40.63	\$ 42.82	\$ 39.77	\$ 38.21	\$ 40.72	\$ 40.62
Clarkston	\$ 47.88	\$ 47.60	\$ 48.37	\$ 48.22	\$ 42.38	\$ 42.38	\$ 42.20	\$ 41.24	\$ 43.94	\$ 43.38
Lithonia	\$ 48.65	\$ 48.37	\$ 49.12	\$ 48.98	\$ 49.56	\$ 50.30	\$ 48.87	\$ 48.21	\$ 50.46	\$ 49.51
Doraville	\$ 43.79	\$ 43.50	\$ 44.35	\$ 44.14	\$ 44.95	\$ 46.81	\$ 42.80	\$ 41.37	\$ 43.79	\$ 42.25
Pine Lake	\$ 51.51	\$ 51.24	\$ 51.96	\$ 52.02	\$ 52.72	\$ 52.89	\$ 52.83	\$ 54.75	\$ 59.92	\$ 47.01
Stone Mountain	\$ 46.69	\$ 46.40	\$ 47.20	\$ 45.03	\$ 46.50	\$ 47.81	\$ 46.96	\$ 43.67	\$ 45.99	\$ 45.00

Note: Total property tax rates include the taxes for general County government, schools, the State, and any additional taxes levied by the respective cities. All of the above are assessed at 40% of fair market value except Decatur and Doraville at 50%. No street lights are included in the above rates.

Source: DeKalb County Finance Department

DeKalb County, Georgia
Principal Property Tax Payers
Last Ten Years

Type of Business	2008			2007			2006			2005			2004			
	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	
Bell South/AT&T Georgia	Utility	\$ 238,926	1	0.86%	\$ 244,402	1	0.93%	\$ 238,664	1	0.94%	\$ 252,285	1	1.07%	\$ 252,505	1	1.13%
Perimeter Mall LLC	Retail	73,232	2	0.26%	141,126	2	0.53%	150,761	3	0.59%	120,596	3	0.51%	109,162	2	0.49%
Post Apartment Homes LP	Developer	69,124	3	0.25%	131,572	3	0.50%	160,392	2	0.63%	148,656	2	0.63%	-	-	-
RB Terraces LLC	Developer	52,579	4	0.19%	73,232	4	0.28%	73,412	5	0.29%	65,658	5	0.28%	65,658	6	0.29%
Stone Mountain Industrial Park	Industrial	51,271	5	0.18%	68,820	5	0.26%	73,451	4	0.29%	68,625	6	0.29%	65,842	5	0.29%
Koger Ravinia LLC	Developer	44,268	6	0.16%	44,288	6	0.17%	56,068	6	0.22%	106,400	4	0.45%	99,205	4	0.44%
Atlanta Gas Light	Utility	44,047	7	0.16%	44,688	7	0.17%	49,137	9	0.19%	-	-	-	39,559	10	0.18%
General Motors	Industrial	42,398	8	0.15%	41,055	8	0.16%	-	-	-	42,053	10	0.18%	43,117	9	0.19%
Highwoods/Forsyth LTD	Developer	41,578	9	0.15%	40,244	9	0.15%	44,268	10	0.17%	40,244	9	0.17%	-	-	-
Georgia Power	Utility	1,348	10	0.00%	28,385	10	0.11%	53,071	7	0.21%	46,393	8	0.20%	44,220	8	0.20%
Hewlett-Packard Co	Retail	-	-	-	-	-	-	50,296	8	0.20%	53,378	7	0.23%	55,678	7	0.25%
Development Authority of DeKalb	Developer	-	-	-	-	-	-	-	-	-	-	-	-	99,647	3	0.45%
Total		\$ 658,771		2.36%	\$ 857,812		3.26%	\$ 949,520		3.73%	\$ 944,288		4.01%	\$ 874,593		3.91%

Total County

\$27,887,000 \$26,400,000 \$25,516,000 \$23,540,000 \$22,330,000

Type of Business	2003			2002			2001			2000			1999			
	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	Assessed Valuation (In thousands)	Percentage of Total County Assessed Rank	Valuation	
Bell South	Utility	\$ 250,737	1	1.18%	\$ 295,243	1	1.45%	\$ 287,225	1	1.52%	\$ 253,022	1	1.44%	\$ 230,750	1	1.47%
GA-Perimeter Center LLC	Investment	153,107	2	0.72%	162,477	2	0.80%	161,568	2	0.85%	159,775	2	0.91%	151,057	3	0.97%
Georgia Power	Utility	108,082	3	0.51%	99,477	5	0.49%	105,841	3	0.56%	104,711	3	0.60%	115,012	4	0.73%
Perimeter Mall LLC	Retail	107,435	4	0.50%	108,906	3	0.54%	71,299	6	0.38%	71,322	6	0.41%	-	-	-
General Motors	Industrial	83,025	5	0.39%	100,029	4	0.49%	93,881	4	0.50%	86,897	4	0.50%	94,052	5	0.60%
Post Apartment Homes LP	Developer	65,842	6	0.31%	64,017	6	0.31%	88,743	5	0.47%	78,658	5	0.45%	160,283	2	1.02%
Hewlett-Packard Co	Retail	52,614	7	0.25%	54,667	7	0.27%	53,332	7	0.28%	53,648	7	0.31%	59,595	6	0.38%
Koger Ravinia LLC	Developer	47,000	8	0.22%	47,000	9	0.23%	52,198	8	0.28%	52,198	8	0.30%	50,232	8	0.32%
Highwoods/Forsyth LTD	Developer	44,651	9	0.21%	47,309	8	0.23%	46,034	9	0.24%	46,036	9	0.26%	-	-	-
Stone Mountain Industrial Park	Developer	44,568	10	0.21%	-	-	-	41,832	10	0.22%	43,631	10	0.25%	39,789	10	0.25%
Media One of Colorado	Utility	-	-	-	33,172	10	0.16%	-	-	-	-	-	-	-	-	-
Atlanta Gas Light	Utility	-	-	-	-	-	-	-	-	-	-	-	-	40,217	9	0.26%
Security Capital Atlantic	Developer	-	-	-	-	-	-	-	-	-	-	-	-	53,190	7	0.34%
Total		\$ 957,061		4.50%	\$ 1,012,297		4.97%	\$ 1,001,953		5.30%	\$ 949,898		5.43%	\$ 994,177		6.34%

Total County

\$21,336,000 \$20,345,000 \$18,956,000 \$17,540,000 \$15,649,000

DeKalb County, Georgia
Property Tax Levies and Collections
(County Portion Only)
Last Ten Years
(in thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Total Tax Levy	\$ 292,930	\$ 279,787	\$ 278,939	\$ 241,593	\$ 224,673	\$ 215,287	\$ 178,346	\$ 154,949	\$ 143,010	\$ 134,721
Collection of Current Year's Taxes During Year	\$ 275,236	\$ 263,800	\$ 255,264	\$ 230,053	\$ 215,878	\$ 203,674	\$ 172,814	\$ 154,249	\$ 135,206	\$ 131,593
Percentage of Levy Collected During Year	93.96%	94.29%	91.51%	95.22%	96.09%	94.61%	96.90%	99.55%	94.54%	97.68%
Collection of Prior Years' Taxes During Year	\$ 11,116	\$ 17,272	\$ 8,942	\$ 7,199	\$ 6,643	\$ 7,676	\$ 6,729	\$ 6,512	\$ 5,483	\$ 6,223
Total Collections	\$ 286,352	\$ 281,072	\$ 264,206	\$ 237,252	\$ 222,521	\$ 211,350	\$ 179,543	\$ 160,761	\$ 140,689	\$ 137,816
Percentage of Total Collections to Tax Levy	97.75%	100.46%	94.72%	98.20%	99.04%	98.17%	100.67%	103.75%	98.38%	102.30%
Current Delinquent Taxes	\$ 12,775	\$ 14,027	\$ 846	\$ 441	\$ 250	\$ 179	\$ 185	\$ 228	\$ 132	\$ -
Accumulated Delinquent Taxes	\$ 29,063	\$ 16,288	\$ 18,433	\$ 9,275	\$ 8,167	\$ 10,134	\$ 7,404	\$ 8,085	\$ 9,717	\$ 6,316
Percentage of Accumulated Delinquent Taxes to Current Year's Tax Levy	9.92%	5.82%	6.61%	3.84%	3.64%	4.71%	4.15%	5.22%	6.79%	4.69%

Note: Collection of prior years' taxes during year is reported in the year when the collected amount was levied.

Source: DeKalb County Finance Department; DeKalb County Tax Commissioner

DeKalb County, Georgia

Ratios of Outstanding Debt by Type

Last Ten Years
(in thousands of dollars, except per capita)

Fiscal Year	Governmental Activities					Percentage of Actual Taxable Value ^a of Property	Business-Type Activities			Total Primary Government Debt	Debt as a Percentage of Personal Income ^b	Total Debt per Capita ^b
	General Obligation Bonds	Certificates of Participation	Revenue Bonds	Equipment Capital Leases	Total Governmental Debt		Water & Sewer Bonds	Vehicle Capital Leases	Water & Sewer Debt per Customer ^b			
1999	\$ 175,920	\$ 10,685	\$ -	\$ 15,884	\$ 202,489	1.4%	\$ 250,435	\$ 2,021	\$ 932	\$ 454,945	n/a	\$ 746
2000	\$ 168,335	\$ 10,240	\$ -	\$ 14,878	\$ 193,453	1.2%	\$ 459,925	\$ 2,868	\$ 1,687	\$ 656,246	3.07%	\$ 986
2001	\$ 282,275	\$ 9,770	\$ -	\$ 8,601	\$ 300,646	1.7%	\$ 452,970	\$ 5,149	\$ 1,630	\$ 758,765	3.28%	\$ 1,118
2002	\$ 267,640	\$ 9,270	\$ -	\$ 4,565	\$ 281,475	1.5%	\$ 446,580	\$ 6,190	\$ 1,571	\$ 734,245	3.13%	\$ 1,071
2003	\$ 250,345	\$ 25,000	\$ 15,000	\$ 4,509	\$ 294,854	1.5%	\$ 505,365	\$ 5,712	\$ 1,766	\$ 805,931	3.39%	\$ 1,166
2004	\$ 234,500	\$ 24,525	\$ 64,420	\$ 8,293	\$ 331,738	1.6%	\$ 497,815	\$ 3,536	\$ 1,717	\$ 833,089	3.34%	\$ 1,199
2005	\$ 218,865	\$ 24,040	\$ 98,600	\$ 6,552	\$ 348,057	1.6%	\$ 490,900	\$ 5,502	\$ 1,673	\$ 844,459	n/a	\$ 1,206
2006	\$ 427,360	\$ 23,070	\$ 95,815	\$ 5,270	\$ 551,515	2.3%	\$ 568,090	\$ 3,135	\$ 1,897	\$ 1,122,740	n/a	\$ 1,580
2007	\$ 405,215	\$ 22,075	\$ 92,950	\$ 13,791	\$ 534,031	2.2%	\$ 560,875	\$ 1,344	\$ 1,801	\$ 1,096,250	4.36%	\$ 1,526
2008	\$ 381,380	\$ 21,055	\$ 89,975	\$ 9,374	\$ 501,784	2.0%	\$ 550,235	\$ 718	\$ 1,767	\$ 1,052,737	4.53%	\$ 1,465

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

^a See page S9 for property value data.

^b See page S21 for population, customer and personal income data.

Source: DeKalb County Planning and Development Department; Atlanta Regional Commission; U.S. Census Bureau

DeKalb County, Georgia
Ratio of Net General Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita

	Last Ten Years									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Population (in thousands)	728	718	710	701	695	691	686	679	666	610
Assessed Value (in millions of dollars)	\$ 27,887	\$ 26,400	\$ 25,516	\$ 23,540	\$ 22,330	\$ 21,336	\$ 20,345	\$ 18,956	\$ 17,540	\$ 15,649
Gross Bonded Debt (in thousands of dollars)	\$ 381,380	\$ 405,215	\$ 427,360	\$ 218,865	\$ 234,500	\$ 250,345	\$ 267,640	\$ 282,275	\$ 168,335	\$ 175,920
Less Reserve for General Bond Debt Service (in thousands of dollars)	-	4,341	19,353	15,678	13,182	10,814	14,976	17,610	12,979	12,618
Net Bonded Debt (in thousands of dollars)	\$ 381,380	\$ 400,874	\$ 408,007	\$ 203,187	\$ 221,318	\$ 239,531	\$ 252,664	\$ 264,665	\$ 155,356	\$ 163,302
Ratio of Net Bonded Debt to Assessed Value	0.0137	0.0152	0.0160	0.0086	0.0099	0.0112	0.0124	0.0140	0.0089	0.0104
Net General Bonded Debt Per Capita	\$ 523.87	\$ 558.32	\$ 574.66	\$ 289.85	\$ 318.44	\$ 346.64	\$ 368.31	\$ 389.79	\$ 233.27	\$ 267.71

Source: DeKalb County Planning and Development Department; DeKalb County Finance Department; DeKalb County Property Appraisal Department

DeKalb County, Georgia
Ratio of Annual Debt Service For General Bonded Debt
to Total General Expenditures

	Last Ten Years (in thousands of dollars)									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Governmental Expenditures ¹	\$ 706,794	\$ 759,074	\$ 676,669	\$ 555,154	\$ 601,806	\$ 562,574	\$ 497,812	\$ 459,867	\$ 412,002	\$ 392,648
Debt Service Expenditures for General Bonded Debt ²	\$ 18,096	\$ 41,245	\$ 39,767	\$ 26,125	\$ 26,140	\$ 28,495	\$ 28,318	\$ 20,866	\$ 17,029	\$ 17,177
Ratio (%) of Debt Service Expenditures to General Governmental Expenditures	2.56%	5.43%	5.88%	4.71%	4.34%	5.07%	5.69%	4.54%	4.13%	4.37%

¹ Includes all expenditures by governmental fund types. Transfers to other funds are not included.

² Includes all governmental funds general obligation bond expenditures.

Source: DeKalb County Finance Department

DeKalb County, Georgia
 Computation of Legal Debt Margin
 December 31, 2008
 (in thousands of dollars)

Assessed Value		<u>\$ 27,887,000</u>
Debt Limit - 10% of assessed value		\$ 2,788,700
Amount of Debt Applicable to Debt Limit:		
Total bonded debt	\$ 1,021,590	
Less:		
General obligation bonds fund balance	\$ 8,739	
Governmental activities revenue bonds	89,975	
Water and sewerage system revenue bonds	<u>550,235</u>	<u>648,949</u>
Total debt applicable to debt limit		<u>372,641</u>
Legal Debt Margin		<u>\$ 2,416,059</u>

NOTE: The constitutional debt limit for general obligation tax bonds which may be issued by the Commissioners of DeKalb County is 10% of the assessed valuation of taxable property within the County.

DeKalb County, Georgia
 Legal Debt Margin
 Last Ten Years
 (In thousands of dollars)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Debt limit	\$ 2,788,700	\$2,640,000	\$ 2,551,600	\$ 2,354,000	\$ 2,233,000	\$ 2,150,600	\$ 2,034,400	\$1,895,600	\$1,754,000	\$1,564,900
Total debt applicable to limit	<u>372,641</u>	<u>400,874</u>	<u>408,007</u>	<u>203,187</u>	<u>221,318</u>	<u>239,531</u>	<u>252,664</u>	<u>264,665</u>	<u>155,356</u>	<u>163,302</u>
Legal debt margin	<u>\$ 2,416,059</u>	<u>\$2,239,126</u>	<u>\$ 2,143,593</u>	<u>\$ 2,150,813</u>	<u>\$ 2,011,682</u>	<u>\$ 1,911,069</u>	<u>\$ 1,781,736</u>	<u>\$1,630,935</u>	<u>\$1,598,644</u>	<u>\$1,401,598</u>
Total debt applicable to the limit as a percentage of the debt limit	13.36%	15.18%	15.99%	8.63%	9.91%	11.14%	12.42%	13.96%	8.86%	10.44%

Source: DeKalb County Finance Department

DeKalb County, Georgia
 Computation of Direct and Overlapping Debt
 December 31, 2008
 (in thousands of dollars)

	Gross Debt Less Debt Retirement Funds	Percentage of Debt Applicable to DeKalb County	DeKalb County's Share of Debt
DeKalb County	\$ 372,641	100.00%	\$ 372,641
Overlapping Debt:			
City of Atlanta (A)	296,915	2.60%	7,720
Fulton-DeKalb Hospital Authority (B)	222,671	27.11%	60,366
Total Overlapping Debt	<u>519,586</u>		<u>68,086</u>
Total Direct and Overlapping Debt	<u>\$ 892,227</u>		<u>440,727</u>
 Total Per Capita Direct and Overlapping Debt			 <u>\$ 605.73</u>

Total Direct and Overlapping Debt Per Capita

(A) Debt overlaps only property in the County which lies within the city limits of Atlanta.

(B) Debt overlaps Countywide. These bonds are a closed lien on a limited tax contracted to be levied by Fulton and DeKalb Counties. The Authority has no power to levy taxes.

Source: DeKalb County Finance Department; City of Atlanta; Fulton-DeKalb Hospital Authority

DeKalb County, Georgia

Schedule of Governmental Revenue Bond Coverage

Last Ten Years
(in thousands of dollars)

Building Authority and Juvenile Justice Center Revenue Bonds

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Net Available Revenue *	<u>\$ 3,717</u>	<u>\$ 3,712</u>	<u>\$ 3,717</u>	<u>\$ 1,622</u>	<u>\$ 1,079</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Current Annual Debt Service	<u>\$ 3,717</u>	<u>\$ 3,712</u>	<u>\$ 3,717</u>	<u>\$ 1,622</u>	<u>\$ 1,079</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ratio	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Public Safety and Judicial Facilities Authority Revenue Bonds

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Net Available Revenue *	<u>\$ 3,092</u>	<u>\$ 3,092</u>	<u>\$ 3,097</u>	<u>\$ 2,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Current Annual Debt Service	<u>\$ 3,092</u>	<u>\$ 3,092</u>	<u>\$ 3,097</u>	<u>\$ 2,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ratio	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

* Net Available Revenue = Leases and rents on the property constructed/renovated using the bond proceeds. Rents and leases are set at an amount equal to annual debt service, therefore always carrying a bond coverage of 1.00.

Source: DeKalb County Finance Department

DeKalb County, Georgia

Schedule of Business-Type Revenue Bond Coverage

Water and Sewerage System

Last Ten Years
(In thousands of dollars)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Net Operating Revenue as Defined in Bond Resolution *	<u>\$ 46,841</u>	<u>\$ 46,683</u>	<u>\$ 55,347</u>	<u>\$ 60,269</u>	<u>\$ 46,915</u>	<u>\$ 48,584</u>	<u>\$ 45,132</u>	<u>\$ 47,180</u>	<u>\$ 52,878</u>	<u>\$ 49,313</u>
Current Annual Debt Service Requirement	<u>\$ 38,660</u>	<u>\$ 35,516</u>	<u>\$ 31,336</u>	<u>\$ 32,110</u>	<u>\$ 31,500</u>	<u>\$ 31,474</u>	<u>\$ 29,993</u>	<u>\$ 29,993</u>	<u>\$ 29,995</u>	<u>\$ 15,215</u>
Ratio	<u>1.21</u>	<u>1.31</u>	<u>1.77</u>	<u>1.88</u>	<u>1.49</u>	<u>1.54</u>	<u>1.50</u>	<u>1.57</u>	<u>1.76</u>	<u>3.24</u>

* Net Operating Revenue = Collected revenues (cash basis revenues, including interest earned on operating funds, renewal and extension funds, and fully reserved sinking funds), less accrued expenses.

Source: DeKalb County Finance Department

DeKalb County, Georgia
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Population	School Enrollment	Water Customers	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Property Value (millions of dollars)	Construction Permits	Construction Value (millions of dollars)	Bank Deposits (millions of dollars)
1999	610,000	93,460	268,682	n/a	n/a	3.2%	\$ 39,124	9,331	\$ 1,436	\$ 8,392
2000	665,865	93,460	272,563	\$ 21,352,959	\$ 32,068	3.4%	\$ 43,851	9,530	\$ 1,644	\$ 11,107
2001	678,600	98,352	277,837	\$ 23,122,616	\$ 34,074	4.1%	\$ 47,391	10,051	\$ 2,601	\$ 7,876
2002	685,800	95,333	284,182	\$ 23,425,556	\$ 34,158	5.7%	\$ 50,864	9,283	\$ 1,831	\$ 7,916
2003	691,300	95,690	286,556	\$ 23,787,633	\$ 34,410	4.5%	\$ 53,341	8,785	\$ 1,312	\$ 8,553
2004	695,100	96,875	289,813	\$ 24,910,299	\$ 35,837	5.2%	\$ 55,826	9,115	\$ 1,754	\$ 8,223
2005	700,500	102,310	293,407	n/a	n/a	6.1%	\$ 58,850	10,923	\$ 1,582	\$ 8,711
2006	710,400	99,509	299,445	n/a	n/a	5.0%	\$ 63,790	6,923	\$ 1,630	\$ 7,709
2007	718,400	101,396	311,023	\$ 25,141,845	\$ 34,997	4.7%	\$ 66,000	8,127	\$ 2,413	\$ 7,882
2008	727,600	101,079	314,572	\$ 23,540,770	\$ 32,354	7.7%	\$ 69,719	8,244	\$ 1,142	\$ 8,473

Note: Personal income data is unavailable for 1999, 2005 and 2006.

Sources: DeKalb County Planning and Development Department; Atlanta Regional Commission; U.S. Census Bureau; DeKalb County Board of Education; Georgia Department of Labor; Federal Reserve Bank. 2008 per capita personal income data from ESRI is estimated.

DeKalb County, Georgia
Principal Employers
Last Ten Years

	2008			2007			2006			2005			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
DeKalb County Schools	14,700	1	4.1%	15,800	1	4.1%	7,000	5	2.3%	-	-	-	22,041	1	6.4%
Emory University	10,401	2	2.9%	12,968	2	3.4%	14,223	1	4.6%	13,727	2	4.4%	6,876	4	2.0%
Emory Healthcare	9,044	3	2.5%	10,265	3	2.7%	10,265	2	3.3%	14,700	1	4.7%	14,398	2	4.2%
DeKalb County Government	7,130	4	2.0%	8,477	4	2.2%	8,285	4	2.7%	8,220	3	2.6%	8,045	3	2.3%
U.S. Centers for Disease Control & Preventior	6,046	5	1.7%	6,690	5	1.7%	-	-	-	-	-	-	2,800	9	0.8%
DeKalb Medical Center	3,800	6	1.1%	6,177	6	1.6%	-	-	-	849,228	-	-	5,322	5	1.5%
Children's Healthcare of Atlanta	3,500	7	1.0%	6,002	7	1.6%	8,949	3	2.9%	33,703	4	10.8%	5,089	6	1.5%
Georgia Perimeter College	2,848	8	0.8%	3,800	8	1.0%	3,662	6	1.2%	3,000	7	1.0%	2,300	10	0.7%
Georgia Regional Hospital	1,213	9	0.3%	3,463	9	0.9%	3,010	7	1.0%	2,100	8	0.7%	-	-	-
Cox Communication	1,192	10	0.3%	1,860	10	0.5%	1,782	8	0.6%	2,000	9	0.6%	-	-	-
InterContinental Hotels Group Inc.	-	-	-	-	-	-	1,566	9	0.5%	3,100	6	1.0%	3,500	8	1.0%
United Parcel Service	-	-	-	-	-	-	926	10	0.3%	-	-	-	-	-	-
Internal Revenue Service	-	-	-	-	-	-	-	-	-	4,500	5	1.5%	4,500	7	1.3%
Total	59,874		16.5%	75,502		19.7%	59,668		19.3%	934,278		27.3%	74,871		21.6%
Total County	362,420			383,718			308,842			311,283			346,900		

	2003			2002			2001			2000			1999		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Emory University & Hospital	10,300	1	3.0%	10,300	1	3.0%	10,300	1	3.3%	10,300	1	3.0%	10,300	1	3.2%
DeKalb County Schools	10,000	2	2.9%	10,000	2	2.9%	10,000	2	3.2%	10,000	2	2.9%	10,000	2	3.1%
DeKalb County Government	7,903	3	2.3%	7,753	3	2.2%	7,598	3	2.5%	7,499	3	2.2%	7,240	3	2.3%
General Motors Corporation	4,800	4	1.4%	4,800	4	1.4%	4,800	4	1.6%	4,800	4	1.4%	4,800	4	1.5%
Internal Revenue Service	4,500	5	1.3%	4,500	5	1.3%	4,500	5	1.5%	4,500	5	1.3%	4,500	5	1.4%
Cox Enterprises	4,000	6	1.2%	4,000	6	1.2%	4,000	6	1.3%	4,000	6	1.2%	4,000	6	1.3%
Emory Clinic	2,800	7	0.8%	2,800	7	0.8%	2,800	7	0.9%	2,800	7	0.8%	2,800	7	0.9%
DeKalb Medical Center	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%
Childrens Healthcare of Atlanta	2,100	9	0.6%	2,100	9	0.6%	2,100	9	0.7%	2,100	9	0.6%	2,100	9	0.7%
Veteran's Administration Hospital	2,000	10	0.6%	2,000	10	0.6%	2,000	10	0.7%	2,000	10	0.6%	2,000	10	0.6%
DeKalb College	-	-	-	-	-	-	-	-	-	2,000	10	0.6%	2,000	10	0.6%
Total	50,703		14.6%	50,553		14.6%	50,398		16.33%	52,299		15.1%	52,040		16.35%
Total County	346,900			346,900			346,900			346,900			318,300		

Note: Total county employment figures are not updated every year.

Source: DeKalb County Planning and Development Department; Georgia Department of Labor

DeKalb County, Georgia
 County Government Employees by Function/Program
 Last Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General government	1,029	964	896	872	868	874	815	806	779	740
Public safety:										
Fire & rescue services	859	860	849	849	849	850	824			
Fire								600	600	586
EMS								208	208	196
Police officers	1,250	1,104	1,058	1,056	1,058	1,012	994	995	995	996
Other public safety	377	507	533	536	528	538	527	495	423	371
Civil and criminal court system	1,740	1,762	1,715	1,693	1,624	1,603	1,583	1,546	1,550	1,475
Planning and development	186	186	186	185	177	178	177	150	168	167
Public works	611	612	612	612	582	540	534	535	529	513
Community development	24	22	33	32	29	27	28	24	24	24
Parks and recreation	636	637	623	615	588	578	608	626	622	610
Library	246	233	229	226	226	227	227	227	220	221
Health and welfare	86	87	76	76	77	74	73	69	72	33
Watershed management (Water and sewer)	771	729	736	732	713	688	685	685	680	715
Sanitation	743	728	712	709	699	686	650	604	601	565
DeKalb Peachtree Airport	28	27	27	27	27	28	28	28	28	28
Total	8,586	8,458	8,285	8,220	8,045	7,903	7,753	7,598	7,499	7,240

Source: DeKalb County Budget Office

Note: Fire and EMS combined into Fire & Rescue Services in 2002.

DeKalb County, Georgia
Operating Indicators by Function/Program
Last Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General government:										
Business licenses issued	22,955	27,743	22,450	21,390	20,443	20,908	20,843	20,430	19,778	19,703
Registered voters	456,096	408,279	403,419	388,993	404,539	364,394	386,976	375,581	388,975	362,170
Public safety:										
Fire & EMS emergency calls	201,300	164,291	100,769	98,995	89,499	65,593	88,243	87,921	67,656	87,163
Police arrests	53,707	45,284	62,354	54,686	51,757	48,914	37,115	34,756	39,281	33,328
Training academies	2	2	2	1	1	1	1	1	1	1
Civil and criminal court system:										
Recorder's court citations processed	243,396	212,224	235,854	195,863	211,297	195,472	157,001	150,574	135,761	121,178
State court dispossessory warrants	39,072	37,649	34,935	33,831	35,057	36,910	34,369	33,393	32,107	31,679
Superior court felony case filings	4,773	5,400	6,711	6,293	5,835	6,195	6,299	6,994	7,066	7,676
Planning and development:										
Building permits issued	8,244	8,127	17,333	9,039	9,115	8,785	9,283	10,051	9,530	9,331
Number of inspections	24,218	63,633	35,998	29,875	34,623	58,478	42,672	36,214	34,185	25,189
Public works:										
Road resurfacing (miles)	42	22	21	20	20	30	30	25	26	20
Patching (tons)	30,000	35,600	30,000	50,000	48,000	29,050	56,000	31,783	21,616	14,301
Sidewalks constructed (miles)	1	1	1	12	23	25	-	-	-	-
Parks and recreation:										
Average attendance per pool	5,059	6,900	4,100	4,017	4,800	4,755	n/a	4,000	2,628	5,925
Golf rounds per course	79,871	76,000	37,091	36,221	30,929	22,009	31,033	26,358	n/a	n/a
Youth & adult athletic patrons	20,559	109,000	40,500	33,017	21,500	20,939	26,000	10,000	10,361	7,560
Library:										
Patron visits	3,273,489	3,292,187	3,216,230	3,153,749	2,968,638	2,866,374	2,799,195	2,582,391	2,487,503	2,580,242
Water:										
Water Customers	314,572	311,023	299,445	293,407	289,813	286,556	284,182	277,837	272,563	268,682
Water meters	189,162	188,763	186,503	182,329	181,443	181,682	178,579	175,079	170,318	166,797
Average daily water consumption (million gallons)	66	77	65	72	67	67	70	72	74	73
Miles of water mains constructed during year	5	21	27	31	31	42	39	31	50	56
Sewer:										
Sewer Customers	280,196	278,353	267,057	261,379	258,066	254,357	252,114	245,933	240,898	237,570
Average daily sewer treatment (million gallons)	56	56	40	43	39	39	34	34	32	30
Miles of sewer mains constructed during year	28	28	16	18	14	26	28	37	31	45
Sanitation:										
Residential customers	176,186	174,500	158,427	153,748	148,015	148,999	146,375	158,920	155,060	148,134
Commercial customers	9,588	9,078	8,713	8,256	17,133	12,287	11,369	10,805	9,640	9,130
Weekly pickups	2	2	2	2	2	2	2	2	2	2
DeKalb Peachtree Airport:										
Annual flights	187,006	220,576	207,981	202,251	215,174	224,187	224,959	215,652	244,879	239,230
Based aircraft	608	698	608	608	608	608	608	590	590	590

Source: DeKalb County Departments: Geographic Information Systems, Public Works - Roads and Drainage, Finance, Fire and Rescue, Police Services, Parks and Recreation, Public Works - Transportation, Voter Registration, Water and Sewer, Airport, Human Resources

DeKalb County, Georgia
 Capital Asset Statistics by Function/Program
 Last Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Public safety:										
Fire stations	26	26	26	25	25	25	25	25	24	24
Fire hydrants	22,000	22,200	17,295	15,200	22,908	22,908	22,462	22,462	21,948	21,423
Public works:										
Miles of paved roads	2,422	2,753	2,746	2,746	2,746	2,668	2,664	2,613	2,485	2,479
Miles of unpaved roads	3	2	2	2	2	2	2	2	6	6
Street Lights	42,265	41,518	40,836	39,884	39,086	38,355	37,387	36,218	35,358	34,544
Parks and recreation:										
Parks	131	126	130	130	141	120	109	108	108	108
Park acreage	6,679	6,482	6,000	5,948	5,738	5,517	5,200	5,050	3,765	3,722
Swimming pools	11	13	12	12	12	12	12	11	12	12
Athletic fields	158	158	158	158	174	162	162	162	162	162
Recreation centers	11	11	11	11	11	11	11	11	11	11
Tennis centers	3	3	3	3	3	3	3	3	3	3
Tennis courts	105	105	105	105	104	109	109	105	105	105
Picnic shelters	77	90	90	90	80	87	87	87	87	87
Golf courses	2	2	2	2	2	2	2	2	2	2
Library:										
Books	811,672	826,239	812,634	775,472	776,329	785,396	792,744	838,544	887,350	904,213
Water:										
Water plant capacity (million gallons)	150	150	128	128	128	128	128	128	128	128
Treated water storage capacity (million gallons)	72	72	72	72	72	72	72	72	67	67
Raw water storage capacity (million gallons)	1,000	1,000	1,000	1,000	324	324	240	240	240	240
Miles of water mains	2,600	2,600	2,854	2,827	2,796	2,765	2,723	2,684	2,635	2,585
Sewer:										
Sewer treatment capacity (million gallons)	56	56	56	56	56	56	56	56	56	56
Sewer pumping stations	66	63	60	57	57	53	51	51	48	42
Miles of sewer mains	2,241	2,230	2,200	2,184	2,166	2,152	2,126	2,098	2,061	2,030

Source: DeKalb County Departments: Geographic Information Systems, Public Works - Roads and Drainage, Finance, Fire and Rescue, Police Services, Parks and Recreation, Public Works - Transportation, Voter Registration, Water and Sewer, Airport, Human Resources

DeKalb County, Georgia
Salaries and Bonds of Principal Officials
Year Ended December 31, 2008

	Statutory Bond	Statutory Salary
Chief Executive Officer - Vernon Jones	\$ 50,000	\$ 153,498
Board of Commissioners - Elaine C. Boyer; Burrell Ellis; Kathie Gannon; Larry Johnson; Lee May; Connie Stokes; Jeff Rader	10,000	38,374 - 39,775
Clerk of Superior Court - Linda Carter	25,000	127,472
Probate Court Judge - Jeryl Rosh	100,000	144,469
Sheriff - Thomas E. Brown, Jr.	25,000	140,525
Tax Commissioner - Claudia Lawson	100,000	155,670
The following officials and all other County employees are covered by a blanket \$200,000 bond, as required:		
State Court Judges - Alvin T. Wong; Johnny Panos; Barbara Mobley; Janis Gordon; Jose A. DelCampo; Wayne M. Purdom; Edward E. Carriere		152,967
Solicitor, State Court - Robert D. James		152,967
District Attorney - Gwen Keyes Fleming		158,915
Superior Court Judges - Gregory Adams; Clarence F. Seeliger; Daniel M. Coursey, Jr.; Michael E. Hancock; Gail C. Flake; Robert J. Castellani; Linda W. Hunter; Mark Scott; Anne Workman; Cynthia J. Becker		169,963
Juvenile Court Judges - Elliot Shoenthal; Desiree Peagler		152,967
Magistrate Court Judges - Charles D. Wood; Winston P. Bethel; R. Hopkins Kidd		127,472
		114,725

Source: DeKalb County Finance Department

DeKalb County, Georgia

Insurance In Force

December 31, 2008

<u>Coverage</u>	<u>Limits</u>
Buildings, Contents, Records, Equipment:	
Fire, lightning, extended coverage, vandalism, and malicious mischief (blanket coverage \ replacement cost \$250,000 deductible) per occurrence -	Scheduled Property
All risk marine floater (specified property, equipment, and records)	Scheduled Property
Boiler and machinery - each occurrence (specified location and equipment exclusions) \$10,000 deductible	\$ 25,000,000
Aircraft:	
Rotocraft Liability (per occurrence) - Hull coverage (deductible-5% of insured value)	\$ 1,000,000
Owner, Landlords, & Tenants - DeKalb-Peachtree Airport	\$ 5,000,000
Money and Securities (destruction, disappearance, wrongful abstraction) \$10,000 deductible	\$ 200,000
Employee Faithful Performance Blanket Position Bond	\$ 100,000
Excess Workers' Compensation - per loss (self-insured retentions \$500,000)	\$ 10,000,000
Group Life - 2.25 times annual salary	Schedule
Group Hospital and Surgery - employee and dependents:	
Major medical (70%-80% of expenses after \$200 deductible up to \$1,500 out of pocket then 100%). Optional HMO's available	Unlimited
Umbrella - \$1,000,000 deductible	\$ 5,000,000
Auto Liability Per Person	\$ 500,000
Auto Liability Per Accident	\$ 750,000

Source: DeKalb County Finance Department