

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEKALB COUNTY, GEORGIA

YEAR ENDED DECEMBER 31, 2003

Prepared by:

Department of Finance

DEKALB COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2003

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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

March 31, 2004

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

The Comprehensive Annual Financial Report (CAFR) of DeKalb County, Georgia, (the County) for the fiscal year ended December 31, 2003 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). The County fully adopted GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis- for State and Local Governments, GASB Statement No. 37, Basic Financial Statements-and Management's Discussion and Analysis - for State and Local Governments, an amendment of GASB Statements No. 21 and No. 34, and GASB Statement No. 38, Certain Financial Statement Note Disclosures, in fiscal year 2002.

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 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, 2003, 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, 2003, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the 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 legal requirements, with special emphasis on internal controls and legal requirements involving 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 691,300 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 nine incorporated municipalities within the County, including a portion of the City of Atlanta. Those municipalities comprise approximately 13% 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 may preside at Board meetings and may vote in the event of a tie vote, except the CEO does not preside nor vote on zoning matters. 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 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 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 is considered a joint venture between DeKalb County and Fulton County, Georgia, 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. The County has enjoyed good economic health during the past few years, and has experienced an unemployment rate consistently below the rate at the national level. The County's unemployment rate of 4.5% as of December 2003 was below the national rate of 5.7%. In accordance with the Homestead Option Sales Tax, the County has granted a homestead exemption on operating levies of 100% from 1999 through 2001, and the exemption was 86.8% and 60.58% in 2002 and 2003, 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 144,571 in 2003. Current economic conditions have slowed this pace. New construction decreased in 2003, by \$94,175,480, with over \$1,312,000,000 in construction value on building permits issued. Revenue from business related fees and taxes (hotel/motel, alcoholic beverage, business licenses and building permits) increased over \$147,000 during 2003 compared to 2002. At the end of 2003, the County's sales tax receipts showed signs of improvement.

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.

The 2003 budget continued the trend begun in 1991 to minimize the property tax burden on the citizens of the County. For 2003, there was an increase in the tax-supported budgets of 10%. The Fund Balance at year-end was \$22.5 million in the General Fund.

On March 20, 2001, the voters in the unincorporated areas approved a referendum to issue \$125,000,000 in Special Recreation Tax District General Obligation Bonds. These bonds were issued on October 11, 2001, and the proceeds are being used to acquire open space and park land (70%) and to improve and construct park and recreation facilities (30%).

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, to be effective July 1, 1997. In 2003, 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. Local Sales Tax Revenues from July 1, 1997 through December 31, 1998 are being used for major capital projects throughout the County. \$16.4 million was dedicated to capital outlay (infrastructure) projects from HOST funds in 2003.

Cash management policies and practices.

The County maintains a pooled cash and investments account for most County funds. 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. Tax anticipation notes were not issued in 2003.

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 increased slightly from 963 in 2002 to 1,012 in 2003.

Pension and other post employment benefits.

The County sponsors a single-employer defined benefit pension plan for all County employees. Each year, an independent actuary engaged by the pension plan 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, 2003, the date of the last actuarial report, the County's pension plan had funded 106% of the actuarial accrued liability of the plan.

The County also offers to provide post employment health benefits for all retirees. These benefits are financed on a pay-as-you-go basis. GAAP does not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Awards

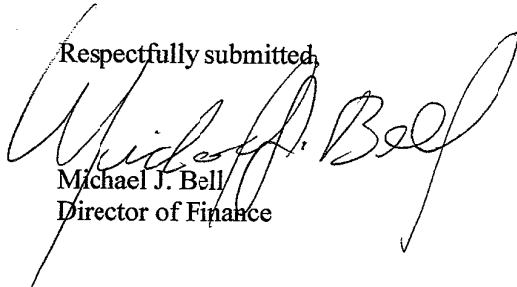
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeKalb County for its comprehensive annual financial report for the fiscal year ended December 31, 2002. This was the 25th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial 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 its preparation.

Respectfully submitted,


Michael J. Bell
Director of Finance

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, 2002

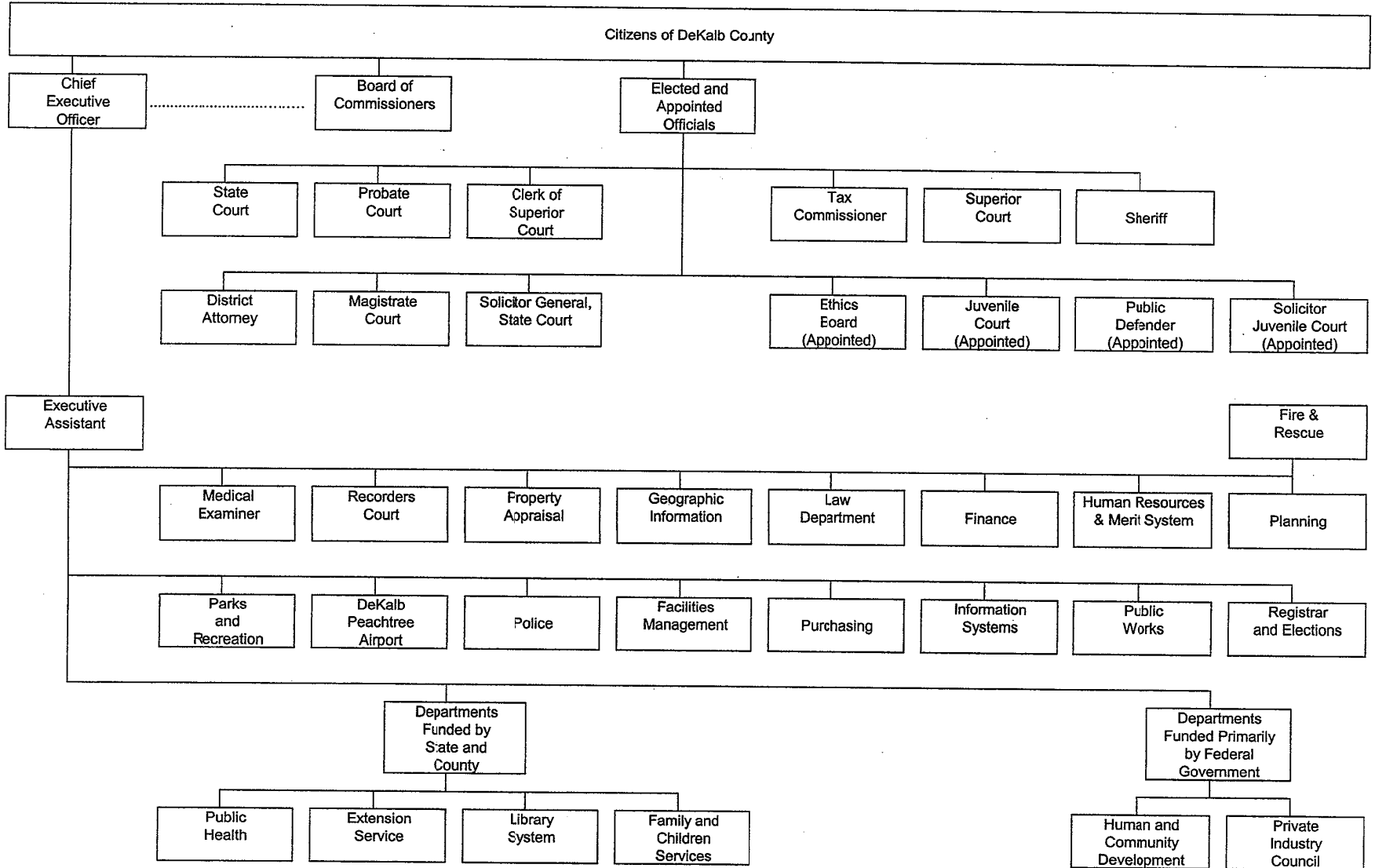
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

DeKalb County Organization



DeKalb County, Georgia

Chief Executive Officer

Vernon Jones

Board of Commissioners

Elaine C. Boyer
Gale A. Walldorff
Larry Johnson
Burrell Ellis, Presiding Officer
Henry C. "Hank" Johnson, Jr.
Judy A. Yates
Lou Walker

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

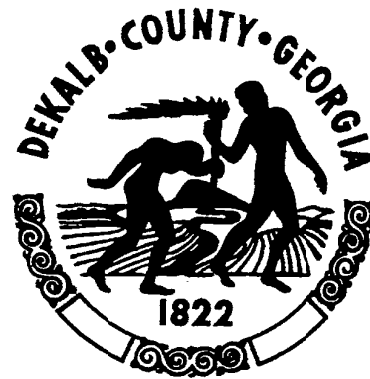
Richard A. Stogner

Department of Finance

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

Michael J. Bell
Joel I. Gottlieb

Marvin E. Davis
Russell W. Frankofsky
Major E. O. Sadler
William R. Pickens



FINANCIAL SECTION

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



303 Peachtree Street, N.E.
Suite 2000
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, 2003, 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 83% and 71%, respectively, of the assets and revenues 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the 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, 2003, and the respective changes in financial position and cash flows, where applicable, 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 accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2004 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis, the schedule of funding progress, and the schedule of employer contributions on pages 9 through 18 and page 51, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We 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 nonmajor fund financial statements, 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 nonmajor fund financial statements 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

March 12, 2004

Management's Discussion and Analysis

As management of DeKalb County (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, 2003.

Financial Highlights

The assets of the County exceeded its liabilities at the close of the fiscal year by \$1,592,371,000 (*net assets*). Of this amount, \$133,309,000 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

The County's total net assets increased by \$86,846,000 during 2003. \$34,547,000 of the increase was due to business-type activities with the governmental funds experiencing an increase of \$52,299,000.

As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$228,290,000, a decrease of \$15,542,000 in comparison with the previous year.

At the close of the fiscal year, unreserved fund balance for the General Fund was \$16,709,000, or 7.9% of total general fund expenditures.

The County's total debt increased by \$72,220,000 (10%) during the current fiscal year. The County refinanced several bond issues and combined that with financing of new capital projects primarily in water & sewer.

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 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, public works, community development, parks and recreation, health and welfare, and other miscellaneous activities. The business-type activities of the County include water and sewerage, sanitation, and DeKalb-Peachtree Airport, and the initial activity of the newly created Stormwater Utility Fund, which will begin significant operations in 2004.

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 19 - 20 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County 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 thirty-eight 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 2001 parks bond fund, which are considered to be major funds. Data from the other thirty-four funds are combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages 21 - 27 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 water and sewerage 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, the sanitation fund, the DeKalb Peachtree Airport fund, and Stormwater Utility fund, all of which are considered to be major funds of the County. The Stormwater Utility Fund began initial operations in 2003 and expects to have significantly more activity in 2004 and thus is reported as a major fund. 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 28 - 30 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 31 - 32 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 35 - 55 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$1,592,371,000 at the close of the fiscal year.

By far the largest portion of the County's net assets (85 percent) 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.

DeKalb County's Net Assets
December 31, 2003 and 2002
(In thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Current and other assets	\$289,395	\$292,046	\$302,300	\$368,593	\$591,695	\$660,639
Capital assets	851,063	778,523	1,069,265	899,709	1,920,328	1,678,232
Total assets	<u>1,140,458</u>	<u>1,070,569</u>	<u>1,371,565</u>	<u>1,268,302</u>	<u>2,512,023</u>	<u>2,338,871</u>
Long-term liabilities	335,186	320,190	532,893	473,148	868,079	793,338
Other liabilities	25,518	22,924	26,055	17,084	51,573	40,008
Total liabilities	<u>360,704</u>	<u>343,114</u>	<u>558,948</u>	<u>490,232</u>	<u>919,652</u>	<u>833,346</u>
Net assets:						
Invested in capital assets, net of related debt	670,833	618,643	681,681	646,745	1,352,514	1,265,388
Restricted	57,533	57,159	49,015	59,822	106,548	116,981
Unrestricted	51,388	51,653	81,921	71,503	133,309	123,156
Total net assets	<u>\$779,754</u>	<u>\$727,455</u>	<u>\$812,617</u>	<u>\$778,070</u>	<u>\$1,592,371</u>	<u>\$1,505,525</u>

An additional portion of the County's net assets (7 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$133,309,000) may be used to meet the governments' ongoing obligations to citizens and creditors.

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

The government's net assets increased by \$86,846,000 during the current fiscal year. Business-type activities increased by \$34,547,000 while governmental activities had an increase of \$52,299,000.

The most significant changes between 2002 and 2003 in both governmental activities and business-type activities relate to additions to capital assets and an increase in debt predominately related to those capital assets. See more explanation of the capital asset and long-term debt activity in later sections of this analysis.

DeKalb County's Changes in Net Assets
For the Years Ended December 31, 2003 and 2002
(In thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Revenues:						
Program revenues:						
Charges for services	\$90,929	\$81,867	\$175,670	\$166,755	\$266,599	\$248,622
Operating grants and contributions	24,165	20,200	-	-	24,165	20,200
Capital grants and contributions	30,969	6,391	7,602	13,974	38,571	20,365
General revenues:						
Property taxes	219,265	189,354	-	-	219,265	189,354
Sales taxes	81,684	83,143	-	-	81,684	83,143
Other taxes	66,502	62,872	-	-	66,502	62,872
Grants not restricted to specific programs	17,307	16,418	-	-	17,307	16,418
Other	6,332	5,243	3,079	8,567	9,411	13,810
Total revenues	537,153	465,488	186,351	189,296	723,504	654,784
Expenses:						
General government	67,434	60,307	-	-	67,434	60,307
Public safety	148,775	137,806	-	-	148,775	137,806
Civil and criminal court system	110,237	103,493	-	-	110,237	103,493
Planning	1,599	1,374	-	-	1,599	1,374
Public works	50,950	47,761	-	-	50,950	47,761
Community development	9,444	8,266	-	-	9,444	8,266
Parks and recreation	18,003	20,600	-	-	18,003	20,600
Library	11,286	10,681	-	-	11,286	10,681
Health and welfare	34,539	34,590	-	-	34,539	34,590
Miscellaneous	12,181	10,842	-	-	12,181	10,842
Interest on long-term debt	19,796	18,977	-	-	19,796	18,977
Water	-	-	48,421	44,917	48,421	44,917
Sewer	-	-	56,843	52,728	56,843	52,728
Stormwater Utility	-	-	597	-	597	-
Sanitation	-	-	43,896	46,696	43,896	46,696
Airport	-	-	2,657	2,582	2,657	2,582
Total expenses	484,244	454,697	152,414	146,923	636,658	601,620
Increase in net assets before transfers	52,909	10,791	33,937	42,373	86,846	53,164
Transfers	(610)	1,569	610	(1,569)	-	-
Increase in net assets	52,299	12,360	34,547	40,804	86,846	53,164
Net assets-beginning	727,455	715,095	778,070	737,266	1,505,525	1,452,361
Net assets-ending	\$779,754	\$727,455	\$812,617	\$778,070	\$1,592,371	\$1,505,525

Analysis of governmental activities.

Net assets of the governmental activities of the County increased by \$52,299,000 in 2003. Property taxes accounted for 41% of the governmental activities revenues, sales taxes accounted for 15%, and charges for services accounted for an additional 17%. Public safety expenses accounted for 31% of governmental activities expenses and were used for police, fire, and rescue services. The civil and criminal court system accounted for an additional 23% of the total expenses for governmental activities. General government expenses, which represented 14% 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, drainage, and transportation networks of the County, accounted for 11% of the total expenses of the governmental activities.

Charges for services increased in the areas of emergency management services, golf course fees and court fees. Property tax collections increased partially as a result of the lower homestead exemption (60.58% in 2003 compared to 86.8% in 2002) from the Homestead Option Sales Tax (HOST). As a result of low mortgage interest rates, refinancings continued at a brisk pace, thereby, generating increased Intangible Recording taxes. With respect to significant changes in expenses, general government increased due to a settlement of a lawsuit with the homebuilders association, and incurred additional lease payments for voting equipment and major computer software upgrades. Planning expenses increased as a result of several consultant studies, and community development assumed the responsibility for the Senior Centers in 2003. Group insurance costs increased the miscellaneous expenses. Parks and recreation expenses decreased as a result of the reorganization of the maintenance staff to Facilities Management.

Analysis of business-type activities.

Charges for services accounted for 94% of business-type activities revenues. Water expenses accounted for 32% of business-type activities expenses, sewer expenses accounted for 37%, sanitation services accounted for 29%, and the Peachtree-DeKalb Airport accounted for the remaining 2% of expenses. The Stormwater Utility program incurred expenses in 2003, and those activities will increase significantly in 2004.

Residential sanitation fees were increased effective July 1, 2002 from \$186 per annum to \$225 per annum. This fee remains one of the lowest fees in the metropolitan area. Furthermore, the billing of this fee has been transferred to the tax bill to improve the collection rate. Sanitation expenses declined slightly due to one-time expenses not recurring in 2003.

Water & sewer metered rates were increased by 19 percent effective December 2002, but remain the lowest fees in the metropolitan area. Rates were last increased in 1997, and this recent increase supports a significant capital improvements program for the Water & Sewer Department. Operating expenses increased slightly due to personnel expenses and cost of operating supplies.

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 fund balances of \$46,974,000, a decrease of \$1,814,000 over the prior year. Of this total fund balance for general and special revenue funds, \$37,816,000 is unreserved. Additionally, the governmental funds include the debt service and capital project funds with a total fund balance of \$181,316,000 which will be spent on outstanding debt and capital projects of the County.

At the end of the year, fund balance in the General Fund was \$22,513,000, representing a decrease of \$5,022,000 from the fund balance in the prior year. The decrease resulted from lower than anticipated revenues from property taxes and sales taxes.

The fund balance of the Special Tax District - Designated Services Fund at year-end was \$5,149,000 which represented an increase of \$4,951,000 from the prior year.

The Special Tax District – Unincorporated Fund had a decrease in fund balance of \$116,000 from the prior year to end the year with a fund balance of \$1,090,000.

The fund balance of the 2001 Parks Bond Fund decreased by \$19,890,000 as bond proceeds were expended for the purchase of greenspace in the County. Approximately 2,000 acres of greenspace have been purchased since the beginning of this program, with 490 acres purchased in 2003. Parks and recreation facilities improvements are currently underway utilizing 30 percent of the bond funds.

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 increase in net assets of \$28,864,000, as the business-type activities described earlier only in greater detail. The increase in net assets was predominately in the Water and Sewerage System which increased its net assets by \$21,378,000. The increase resulted from revenues which exceeded expenses of approximately \$15 million, which was consistent with the prior year, and infrastructure contributions from developers of \$6.5 million. The Sanitation Fund's net assets increased by \$6,402,000 as revenues exceeded expenditures for the year. Overall activity in the fund increased within the fund from the prior year, with revenue, primarily user charges increasing 3.5% and expenses, primarily operating charges, decreasing 1.3%. The activity within the Airport Fund remained consistent with the prior year.

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 Water and Sewerage System has significant expenses for interest on its long-term bonds and for depreciation of the capital assets of the system.

General Fund Budgetary Highlights

Property taxes increased in the General Fund in 2003 as a result of a decrease in the Homestead Exemption from 86.8 percent to 60.58 percent. Rising unemployment rates and slowing retail sales in the metropolitan economy, as a result of the overall national recession, impacted sales tax receipts. Investment income declined sharply as interest rates remained low throughout the year. There were no significant changes between the original and final amended budgets. Actual results differed from the amended budget due to the following reasons. Sales tax receipts continued to decline and property taxes were lower than anticipated. Expenses exceeded the budgeted amounts for five departments: Registrar & Elections for lease payments on voting equipment; Juvenile Court attorney fees; and Public Works-Administration for moving expenses for the new director; Parks and recreation granted more scholarships than expected, and the County Jail fund collected more revenue than anticipated, which was subsequently transferred to the General Fund.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of year-end, amounts to \$1,920,328,000 (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. Among the significant activity in 2003 was the County's acquisition of more than 490 acres of greenspace in 2003, the acquisition of a new office building for \$11 million, and the completion of the Courthouse annex (\$35 million).

The water & sewer system is nearing completion of the water treatment plant valued at \$155 million. Improvements to the landfill have also been undertaken. Readers should refer to note 7 of the financial statements for more information on capital asset activity.

Capital asset balances at year-end are as follows:

Capital Assets
December 31, 2003 and 2002
(In thousands of dollars, net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
Land	\$177,753	\$144,259	\$40,620	\$40,334	\$218,373	\$184,593
Land improvements	16,026	16,609	44,296	32,564	60,322	49,173
Buildings	185,342	187,930	5,660	6,001	191,002	193,931
Plants	-	-	104,459	89,073	104,459	89,073
Infrastructure	384,578	366,183	421,941	386,336	806,519	752,519
Vehicles and portable equipment	-	-	50,509	51,611	50,509	51,611
Other equipment	21,887	23,975	41,103	38,244	62,990	62,219
Leaseholds	-	-	152,320	155,797	152,320	155,797
Construction in progress	65,477	39,567	208,357	99,749	273,834	139,316
Total	\$851,063	\$778,523	\$1,069,265	\$899,709	\$1,920,328	\$1,678,232

Debt Administration

DeKalb County's financial condition is demonstrated by the ratings of its bonds as of year-end:

	Moody's Investors Service	Standard and Poors
General Obligation	Aaa	AA+
Refunded General Obligation	Aaa	AAA
Water and Sewerage System Revenue	Aa2	AA
Refunded Water and Sewerage Revenue	Aaa	AAA
Certificates of Participation	Aa1	AA

Outstanding Debt at Year End
(In thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2003	2002	2003	2002	2003	2002
General obligation bonds	\$250,345	\$267,640	-	-	\$250,345	\$267,640
Certificates of participation	25,000	9,270	-	-	25,000	9,270
Revenue bonds	15,000	-	\$505,365	\$446,580	520,365	446,580
Total	<u>\$290,345</u>	<u>\$276,910</u>	<u>\$505,365</u>	<u>\$446,580</u>	<u>\$795,710</u>	<u>\$723,490</u>

In 2001, the County's General Obligation debt was upgraded by Moody's to Aaa. Except for bonds, which are supported by bond insurance or other forms of credit enhancement, DeKalb County's ratings for 2003 are equal to or higher than those of all but three local governments in the State.

On a budget basis, \$8,675,000 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 \$239,531,000. 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 \$21,506,000,000, the County's net outstanding debt of \$239,531,000 represented only 1.11 % of gross assessed property values.

In terms of bonded debt per capita, the net direct general obligation debt outstanding at year-end represented \$346.64 per capita compared to \$368.31 in the previous year. Total direct and overlapping debt applicable to the County at year-end was \$320,881,000 or \$464.17 per capita. This compares to last year's amount of \$478.02. Details of direct and overlapping debt and legal debt margin are contained in the Statistical Section of this report.

Readers should refer to note 8 of the financial statements for more information on long-term debt activity. The County refinanced several general obligation issues and the certificates of participation and increased the amount outstanding to \$25 million to acquire and renovate additional general governmental office space, and to renovate and furnish existing courthouse space. The DeKalb Building Authority issued \$15 million in revenue bonds, on behalf of the County, to acquire land for a Juvenile Justice Center, and to construct a related parking structure. The County will make lease payments to the DeKalb Building Authority.

The water & sewer system refinanced \$110 million and issued \$70 million in new debt to complete the County's obligation for the Nancy Creek Tunnel with the City of Atlanta, and to construct related office space and pipeline improvements.

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 percent of the previous year's receipts to capital outlay projects. The 2004 Budget adopted by the County provides for the use of 16.8 percent, or \$13.745 million for capital outlay projects. As a result the Homestead Exemption will decrease to approximately 60 percent from 60.58 percent in 2003.

The County governing body adopted a Stormwater Utility Program and fee in December 2002. This program will begin to address the County's needs in the area of stormwater collection and treatment. The fee will start to be collected on the 2004 tax bill.

As a result of the Homestead Exemption of 100 percent in 1999 through 2001, and 86.8 and 60.58 percent exemption in 2002 and 2003, respectively, and as a result of historically low home mortgage interest rates, the number of homestead properties in the County has increased from 125,000 in 1999 to 144,571 in 2003, or an increase of 15.7 percent. Population has increased from 610,000 in 1999 to 691,300 in 2003. This increase has impacted the need for services, especially, in the areas of public safety and the business-type activities (sanitation and water & sewer).

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, GA 30030, 404-371-2741.

DeKalb County, Georgia
Statement of Net Assets
December 31, 2003
(in thousands of dollars)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 232,846	\$ 79,596	\$ 312,442	\$ 3,479
Investments	-	-	-	664
Accounts receivable (net)	4,073	25,480	29,553	1,671
Taxes receivable (net)	45,499	-	45,499	-
Due from other governments	4,342	700	5,042	1,754
Due from others	637	-	637	-
Inventories and prepaid items	694	3,103	3,797	63
Restricted assets:				
Cash and cash equivalents	-	182,770	182,770	344
Deferred bond issuance costs	1,304	10,651	11,955	-
Capital assets (net of accumulated depreciation)	851,063	1,069,265	1,920,328	2,151
Total assets	<u>1,140,458</u>	<u>1,371,565</u>	<u>2,512,023</u>	<u>10,126</u>
LIABILITIES				
Accounts payable	11,342	1,072	12,414	507
Claims and judgments payable	-	300	300	-
Accrued interest payable	1,339	-	1,339	-
Other accrued liabilities	8,383	1,746	10,129	378
Advanced payments and deposits	2,158	186	2,344	-
Due to other governments	1,874	1,555	3,429	-
Due to others	422	-	422	1,559
Liabilities payable from restricted assets:				
Accounts payable	-	5,519	5,519	-
Accrued interest on revenue bonds	-	5,988	5,988	-
Due to others	-	9,689	9,689	-
Noncurrent liabilities:				
Due within one year	25,945	9,945	35,890	6
Due in more than one year	309,241	522,948	832,189	1,500
Total liabilities	<u>360,704</u>	<u>558,948</u>	<u>919,652</u>	<u>3,950</u>
NET ASSETS				
Invested in capital assets, net of related debt	670,833	681,681	1,352,514	2,091
Restricted for debt service	10,161	6,997	17,158	-
Restricted for grants	2,763	-	2,763	347
Restricted for capital projects	44,809	42,018	86,627	-
Unrestricted	51,388	81,921	133,309	3,738
Total net assets	<u>\$ 779,754</u>	<u>\$ 812,617</u>	<u>\$ 1,592,371</u>	<u>\$ 6,176</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, 2003
(in thousands of dollars)

Functions / Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 67,434	\$ 13,742	\$ 4,345	\$ 1,365	\$ (47,982)	\$ -	\$ (47,982)	\$ -
Public safety	148,775	17,332	6,133	40	(125,270)	-	(125,270)	-
Civil and criminal court system	110,237	42,628	1,950	-	(65,659)	-	(65,659)	-
Planning	1,599	97	-	-	(1,502)	-	(1,502)	-
Public works	50,950	12,824	668	28,363	(9,095)	-	(9,095)	-
Community development	9,444	-	8,758	-	(686)	-	(686)	-
Parks and recreation	18,003	3,232	474	1,201	(13,096)	-	(13,096)	-
Library	11,286	-	-	-	(11,286)	-	(11,286)	-
Health and welfare	34,539	388	1,621	-	(32,530)	-	(32,530)	-
Miscellaneous	12,181	686	216	-	(11,279)	-	(11,279)	-
Interest on long-term debt	19,796	-	-	-	(19,796)	-	(19,796)	-
Total governmental activities	484,244	90,929	24,165	30,969	(338,181)	-	(338,181)	-
Business-type activities:								
Water	48,421	55,383	-	3,023	-	9,985	9,985	-
Sewer	56,843	65,015	-	3,549	-	11,721	11,721	-
Sanitation	43,896	52,506	-	-	-	8,610	8,610	-
DeKalb Peachtree Airport	2,657	2,766	-	1,030	-	1,139	1,139	-
Stormwater Utility	597	-	-	-	-	(597)	(597)	-
Total business-type activities	152,414	175,670	-	7,602	-	30,858	30,858	-
Total primary government	636,658	266,599	24,165	38,571	(338,181)	30,858	(307,323)	-
Component units:								
Board of health	30,015	6,365	18,004	-	-	-	-	(5,646)
Public library board	12,392	647	47	-	-	-	-	(11,698)
Total component units	\$ 42,407	\$ 7,012	\$ 18,051	\$ -	-	-	-	(17,344)
General revenues:								
Sales tax					81,684	-	81,684	-
Property tax					219,265	-	219,265	-
Motor vehicle tax					15,832	-	15,832	-
Hotel / motel tax					5,392	-	5,392	-
Alcoholic beverage tax					4,010	-	4,010	-
Insurance premium tax					23,561	-	23,561	-
Business license tax					17,707	-	17,707	-
Payments from the County					-	-	-	15,387
Unrestricted investment earnings					2,627	3,079	5,706	13
Grants not restricted to specific purpose					17,307	-	17,307	1,107
Miscellaneous					4,223	-	4,223	1,440
Loss on cash defeasance of bonds					(518)	-	(518)	-
Transfers					(610)	610	-	-
Total general revenues and transfers					390,480	3,689	394,169	17,947
Change in net assets					52,299	34,547	86,846	603
Net assets - beginning					727,455	778,070	1,505,525	5,573
Net assets - ending					\$ 779,754	\$ 812,617	\$ 1,592,371	\$ 6,176

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

DeKalb County, Georgia
Governmental Funds
Balance Sheet
December 31, 2003
(in thousands of dollars)

<u>ASSETS</u>	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2001 Parks Bonds	Other Governmental Funcs	Total Governmental Funds
Cash and cash equivalents	\$ 19,042	\$ 6,952	\$ -	\$ 85,548	\$ 112,349	\$ 223,891
Taxes receivable (net)	10,998	1,460	26,700	-	6,341	45,499
Accounts receivable (net)	2,989	18	-	-	1,066	4,073
Due from other governments	-	-	-	-	4,342	4,342
Due from other funds	3,240	1,219	-	-	-	4,459
Due from others	-	-	-	511	-	511
Inventories	131	-	-	-	-	131
Total assets	<u>36,400</u>	<u>9,649</u>	<u>26,700</u>	<u>86,059</u>	<u>124,098</u>	<u>282,906</u>
 <u>LIABILITIES AND FUND BALANCE</u>						
Liabilities:						
Accounts and contracts payable	5,739	1,587	355	-	2,808	10,489
Other accrued liabilities	4,736	2,128	115	-	1,404	8,383
Advance payments and deposits	341	-	845	-	972	2,158
Due to other governments	-	-	1,006	-	868	1,874
Due to other funds	-	-	1,219	-	3,114	4,333
Due to others	422	-	-	-	-	422
Deferred revenue	2,649	785	22,070	-	1,453	26,957
Total liabilities	<u>13,887</u>	<u>4,500</u>	<u>25,610</u>	<u>-</u>	<u>10,619</u>	<u>54,616</u>
Fund balances:						
Reserved for encumbrances	5,673	994	57	6,136	11,259	24,119
Reserved for inventories	131	-	-	-	-	131
Unreserved, reported in:						
General fund	16,709	-	-	-	-	16,709
Special revenue funds	-	4,155	1,033	-	15,919	21,107
Debt service funds	-	-	-	-	11,500	11,500
Capital projects funds	-	-	-	79,923	74,801	154,724
Total fund balances	<u>22,513</u>	<u>5,149</u>	<u>1,090</u>	<u>86,059</u>	<u>113,479</u>	<u>228,290</u>
Total liabilities and fund balances	<u>\$ 36,400</u>	<u>\$ 9,649</u>	<u>\$ 26,700</u>	<u>\$ 86,059</u>	<u>\$ 124,098</u>	<u>\$ 282,906</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, 2003

Total fund balances for governmental funds		\$ 228,290
Total net assets reported for governmental activities in the Statement of Net Assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		851,063
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.		(1,627)
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.		26,957
Deferred bond issuance cost is not recognized as an asset in the governmental funds.		1,304
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. Interest on long-term debt is not accrued in 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	\$ (1,339)	
Contractual obligations payable	(4,509)	
Certificates of participation payable	(25,000)	
Bonds payable	(265,345)	
Unamortized premium on bonds payable	(6,419)	
Deferred loss on debt refunding	4,908	
Claims and judgments not accounted for in the internal service funds	(500)	
Compensated absences	(28,029)	
Total long-term liabilities		<u>(326,233)</u>
Total net assets of governmental activities		<u>\$ 779,754</u>

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
For the Year Ended December 31, 2003
(in thousands of dollars)

<u>REVENUES</u>	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2001 Parks Bonds	Other Governmental Funds	Total Governmental Funds
Taxes	\$ 176,327	\$ 38,953	\$ 50,343	\$ -	\$ 88,281	\$ 353,904
Licenses and permits	-	642	17,707	-	8,484	26,833
Use of money and property	621	102	19	1,198	2,344	4,284
Intergovernmental	13,950	3,286	-	511	28,957	46,704
Fines and forfeitures	14,353	-	14,049	-	909	29,311
Charges for services	15,755	2,536	228	-	17,316	35,835
Miscellaneous	1,170	573	752	600	3,647	6,742
Total revenues	<u>222,176</u>	<u>46,092</u>	<u>83,098</u>	<u>2,309</u>	<u>149,938</u>	<u>503,613</u>
<u>EXPENDITURES</u>						
Current:						
General government	53,610	-	1,151	-	7,259	62,020
Public safety	19,333	70,113	1,283	-	53,437	144,166
Civil and criminal court system	103,750	-	2,528	-	2,996	109,274
Planning	1,239	-	330	-	-	1,569
Public works	1,264	27,774	-	-	14,567	43,605
Community development	-	-	-	-	9,443	9,443
Parks and recreation	-	15,972	-	-	1,725	17,697
Library	10,828	-	-	-	-	10,828
Health and welfare	10,439	-	-	-	23,521	33,960
Miscellaneous	7,576	2,228	370	-	1,338	11,512
Debt service	3,220	-	243	-	31,899	35,362
Cash defeasance of bonds	-	-	-	-	9,788	9,788
Capital outlay:						
General government	-	-	-	-	7,624	7,624
Public safety	-	-	-	-	481	481
Civil and criminal court system	-	-	-	-	24,910	24,910
Public works	-	-	-	-	14,706	14,706
Parks and recreation	-	-	-	22,199	1,929	24,128
Health and welfare	-	-	-	-	53	53
Other	-	-	-	-	32	32
Total expenditures	<u>211,259</u>	<u>116,087</u>	<u>5,905</u>	<u>22,199</u>	<u>205,708</u>	<u>561,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,917</u>	<u>(69,995)</u>	<u>77,193</u>	<u>(19,890)</u>	<u>(55,770)</u>	<u>(57,545)</u>
<u>OTHER FINANCING SOURCES (USES)</u>						
Proceeds of bond issuance	-	-	-	-	167,915	167,915
Premium on bond issuance	-	-	-	-	6,953	6,953
Payments to escrow agents	-	-	-	-	(135,562)	(135,562)
Bonds issuance expense	-	-	-	-	(1,416)	(1,416)
Contractual purchase obligations	3,358	-	-	-	1,365	4,723
Transfers in	8,829	76,726	-	-	33,732	119,287
Transfers out	(28,126)	(1,780)	(77,309)	-	(12,682)	(119,897)
Total other financing sources (uses)	<u>(15,939)</u>	<u>74,946</u>	<u>(77,309)</u>	<u>-</u>	<u>60,305</u>	<u>42,003</u>
Net change in fund balance	(5,022)	4,951	(116)	(19,890)	4,535	(15,542)
Fund balance - beginning	27,535	198	1,206	105,949	108,944	243,832
Fund balance - ending	<u>\$ 22,513</u>	<u>\$ 5,149</u>	<u>\$ 1,090</u>	<u>\$ 86,059</u>	<u>\$ 113,479</u>	<u>\$ 228,290</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, 2003
 (amounts expressed in thousands)

Net change in fund balance - total governmental funds \$ (15,542)

The change in net assets reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$71,934) and donated infrastructure assets (\$27,170) exceeded depreciation (\$26,564) in the current period: 72,540

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 liability in the Statement of Net Assets. This adjustment combines the net changes of the following:

Bond sales	\$ (167,915)	
Premium on bond sales	(6,953)	
Payments to escrow agents	135,562	
Cash defeasance of bonds	9,788	
Loss on cash defeasance	(518)	
Bond issuance expense	1,417	
Repayments of general obligation bonds	15,000	
Amortization of bond issuance expense	(112)	
Amortization of premium on bond sales	534	
Amortization of loss on bond refunding	<u>(445)</u>	(13,642)

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 not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes of the following:

Claims and judgements	\$ 2,500	
Compensated absences	(909)	
Capital leases	56	
Accrued interest on bonds	<u>3,266</u>	4,913

Deferred revenue in governmental funds is susceptible to full accrual on the Statement of Activities. 2,308

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 with governmental activities. 1,722

Change in net assets of governmental activities \$ 52,299

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 - Budget and Actual
For the Year Ended December 31, 2003
Non-GAAP Budget Basis (in thousands of dollars)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
Property taxes	\$ 146,331	\$ 147,194	\$ 139,749	\$ (7,445)
Sales taxes	39,820	39,820	37,177	(2,643)
Use of money and property	58	112	612	500
Intergovernmental	15,721	14,051	13,950	(101)
Fines and forfeitures	11,770	12,059	14,353	2,294
Charges for services	16,220	16,220	15,442	(778)
Miscellaneous	2,673	2,997	1,170	(1,827)
Total revenues	<u>232,593</u>	<u>232,453</u>	<u>222,453</u>	<u>(10,000)</u>
Expenditures:				
Current:				
General government:				
Chief executive officer	1,722	1,722	1,558	(164)
Board of commissioners	906	906	822	(84)
Law department	2,444	2,478	2,286	(192)
Ethics	2	2	-	(2)
Geographic information system	2,021	2,021	1,779	(242)
Facilities management	11,083	11,083	11,005	(78)
Purchasing	2,828	2,943	2,827	(116)
Human resources and merit system	3,262	3,262	2,568	(694)
Information systems	13,823	12,292	9,642	(2,650)
Finance	5,563	5,563	5,100	(463)
Property appraisal	4,592	4,592	4,378	(214)
Tax commissioner	5,818	5,918	5,814	(104)
Registrar and elections	1,612	1,612	1,632	20
Total general government	<u>55,676</u>	<u>54,394</u>	<u>49,411</u>	<u>(4,983)</u>
Public safety				
Administration and communications	2,289	3,658	2,937	(721)
Animal control	1,909	1,909	1,947	38
Fire and rescue services	14,797	14,797	13,669	(1,128)
Total public safety	<u>18,995</u>	<u>20,364</u>	<u>18,553</u>	<u>(1,811)</u>
Civil and criminal court system:				
Sheriff	57,236	57,267	56,665	(602)
Juvenile court	5,550	5,456	5,536	80
Superior court	7,383	7,383	6,898	(485)
Clerk superior court	4,052	4,270	4,054	(216)
State court	9,746	9,760	9,326	(434)
Solicitor state court	3,707	3,621	3,213	(408)
District attorney	7,915	7,888	7,644	(244)
Child advocate	304	304	275	(29)
Probate Court	1,478	1,478	1,430	(48)
Medical examiner	1,738	1,783	1,771	(12)
Public defender	5,086	5,114	5,089	(25)
Magistrate court	1,404	1,404	1,313	(91)
Total civil and criminal court system	<u>105,599</u>	<u>105,728</u>	<u>103,214</u>	<u>(2,514)</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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over Under
	Original	Final		
Expenditures (continued):				
Current (continued):				
Planning	\$ 1,277	\$ 1,357	\$ 1,184	\$ (173)
Public works:				
Administration	286	286	304	18
Economic development	749	949	930	(19)
Total public works	1,035	1,235	1,234	(1)
Library system	11,037	11,037	10,782	(255)
Health and welfare:				
Public health	5,305	5,305	5,234	(71)
Community service board	2,284	2,284	2,284	-
Human and community development	774	774	769	(5)
Family and children services	2,929	2,193	2,157	(36)
Total health and welfare	11,292	10,556	10,444	(112)
Miscellaneous:				
Cooperative extension	1,095	1,095	1,033	(62)
Non-departmental	24,786	23,161	6,974	(16,187)
Total miscellaneous	25,881	24,256	8,007	(16,249)
Debt service	2,636	2,636	2,552	(84)
Total expenditures	233,428	231,563	205,381	(26,182)
Excess (deficiency) of revenues over expenditures	(835)	890	17,072	16,182
Other financing sources (uses):				
Transfers in	8,460	8,460	8,829	369
Transfers out	(26,456)	(28,181)	(28,126)	55
Excess (deficiency) of revenues and other sources over expenditures and other uses	(18,831)	(18,831)	(2,225)	16,606
Fund balance, beginning of year	18,831	18,831	18,831	-
Fund balance, end of year	\$ -	\$ -	16,606	\$ 16,606
Explanation of differences between budget and GAAP:				
Deficiency of revenues and other sources over expenditures and other uses - budget basis			(2,225)	
Differences - budget to GAAP:				
Due to revenues:				
Accrued receivables 12-31-2002			(6,873)	
Accrued receivables 12-31-2003			7,189	
Deferred revenues 12-31-2002			2,057	
Deferred revenues 12-31-2003			(2,649)	
Due to expenditures:				
Accrued payables 12-31-2002			3,464	
Accrued payables 12-31-2003			(4,437)	
Encumbrances 12-31-2002			(7,238)	
Encumbrances 12-31-2003			5,673	
Due to inventory changes			17	
Net change in fund balance - GAAP basis			\$ (5,022)	

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

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

For the Year Ended December 31, 2003
 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			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	Original	Final			Original	Final		
Revenues:								
Property taxes	\$ 40,307	\$ 39,668	\$ 36,789	\$ (2,879)	\$ 550	\$ 550	\$ 485	\$ (65)
Sales taxes	1,700	1,700	2,441	741	20,550	20,550	20,340	(210)
Other taxes	-	-	-	-	28,166	29,666	29,755	89
Licenses and permits	375	375	642	267	18,039	18,039	17,707	(332)
Use of money and property	114	114	99	(15)	15	15	19	4
Intergovernmental	4,116	3,254	3,286	32	-	-	-	-
Fines and forfeitures	-	-	-	-	12,500	12,500	14,049	1,549
Charges for services	3,355	3,355	2,536	(819)	175	175	228	53
Miscellaneous	554	554	569	15	-	750	752	2
Total revenues	50,521	49,020	46,362	(2,658)	79,995	82,245	83,335	1,090
Expenditures:								
Current:								
General government:								
Chief executive officer	-	-	-	-	112	112	112	-
Finance	-	-	-	-	1,080	1,080	1,037	(43)
Total general government	-	-	-	-	1,192	1,192	1,149	(43)
Public safety:								
Police	74,277	72,470	69,952	(2,518)	-	-	-	-
Code enforcement	-	-	-	-	1,343	1,343	1,263	(80)
Total public safety	74,277	72,470	69,952	(2,518)	1,343	1,343	1,263	(80)
Civil and criminal court system - recorders court	-	-	-	-	2,752	2,752	2,522	(230)
Planning	-	-	-	-	740	740	330	(410)
Public works:								
Transportation	8,931	8,931	7,867	(1,064)	-	-	-	-
Roads and drainage	21,143	21,148	19,219	(1,929)	-	-	-	-
Total public works	30,074	30,079	27,086	(2,993)	-	-	-	-
Parks and recreation	17,337	17,387	15,901	(1,486)	-	-	-	-
Miscellaneous	3,245	3,246	2,229	(1,017)	285	437	371	(66)
Debt service	-	-	-	-	243	243	243	-
Total expenditures	124,333	123,182	115,168	(8,014)	6,555	6,707	5,878	(829)
Excess (deficiency) of revenues over expenditures	(74,412)	(74,162)	(68,806)	5,356	73,440	75,538	77,457	1,919
Other financing sources (uses):								
Transfers in	73,800	75,300	76,726	1,426	-	-	-	-
Transfers out	(30)	(1,780)	(1,780)	-	(73,800)	(75,898)	(77,309)	(1,411)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(642)	(642)	6,140	6,782	(360)	(360)	148	508
Fund balance, beginning of year	642	642	642	-	360	360	360	-
Fund balance, end of year	\$ -	\$ -	\$ 6,782	\$ 6,782	\$ -	\$ -	\$ 508	\$ 508

Explanation of differences between budget and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	6,140	148
Differences - budget to GAAP:		
Due to revenues:		
Accrued receivables 12-31-2002	(1,447)	(21,456)
Accrued receivables 12-31-2003	1,258	22,710
Deferred revenues 12-31-2002	705	20,579
Deferred revenues 12-31-2003	(785)	(22,070)
Due to expenditures:		
Accrued payables 12-31-2002	1,872	96
Accrued payables 12-31-2003	(3,100)	(115)
Encumbrances 12-31-2002	(686)	(65)
Encumbrances 12-31-2003	994	57
Net change in fund balance - GAAP basis	\$ 4,951	\$ (116)

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

DeKalb County, Georgia
Proprietary Funds Statement of Net Assets
December 31, 2003
(in thousands of dollars)

<u>ASSETS</u>	Water and Sewerage System	Sanitation	DeKalb- Peachtree Airport	Stormwater Utility	Total	Internal Service Funds
Current assets:						
Cash and cash equivalents	\$ 6,122	\$ 32,543	\$ 2,789	\$ 280	\$ 41,744	\$ 46,807
Accounts receivable (net)	25,237	91	162	-	25,480	-
Due from other governments	416	-	284	-	700	-
Inventories and prepaid items	2,189	-	-	-	2,189	1,477
Restricted:						
Cash and cash equivalents	182,770	-	-	-	182,770	-
Total current assets	216,734	32,634	3,235	280	252,883	48,284
Noncurrent assets:						
Deferred bond issuance costs	10,651	-	-	-	10,651	-
Capital assets (net)	935,463	35,924	45,123	-	1,016,510	52,755
Total noncurrent assets	946,114	35,924	45,123	-	1,027,161	52,755
Total assets	1,162,848	68,558	48,358	280	1,280,044	101,039
<u>LIABILITIES</u>						
Current liabilities:						
Accounts payable	739	118	1	199	1,057	868
Claims and judgments payable, current portion	-	300	-	-	300	7,172
Obligation under capital leases, current portion	219	-	-	-	219	2,176
Other accrued liabilities	917	600	34	-	1,551	195
Advance payments and deposits	181	-	5	-	186	-
Due to other governments	1,555	-	-	-	1,555	-
Payable from restricted assets:						
Accounts payable	5,519	-	-	-	5,519	-
Revenue bonds payable, current portion	7,550	-	-	-	7,550	-
Accrued interest on revenue bonds	5,988	-	-	-	5,988	-
Due to others	9,689	-	-	-	9,689	-
Total current liabilities	32,357	1,018	40	199	33,614	10,411
Noncurrent liabilities:						
Claims and judgments payable, long term portion	-	-	-	-	-	3,120
Landfill closure and postclosure cost	-	17,413	-	-	17,413	-
Compensated absences payable	2,826	1,740	94	-	4,660	663
Obligation under capital leases, long term portion	-	-	-	-	-	3,536
Revenue bonds payable, long term portion	497,815	-	-	-	497,815	-
Unamortized premium on bonds payable	8,000	-	-	-	8,000	-
Deferred loss on debt refunding	(9,139)	-	-	-	(9,139)	-
Total noncurrent liabilities	499,502	19,153	94	-	519,749	7,319
Total liabilities	531,859	20,171	134	199	552,363	17,730
<u>NET ASSETS</u>						
Invested in capital assets, net of related debt	553,591	35,924	45,123	-	634,638	47,043
Restricted for debt service	6,997	-	-	-	6,997	-
Restricted for capital projects	42,018	-	-	-	42,018	-
Unrestricted	28,383	12,463	3,101	81	44,028	36,266
Total net assets	\$ 630,989	\$ 48,387	\$ 48,224	\$ 81	727,681	\$ 83,309
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					84,936	-
Net assets of business-type activities					<u>\$ 812,617</u>	-

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

DeKalb County, Georgia

29

Proprietary Funds

Statement of Revenues, Expenses, and Changes in Fund Net Assets

For the Year Ended December 31, 2003

(In thousands of dollars)

	Water and Sewerage System	Sanitation	DeKalb- Peachtree Airport	Stormwater Utility	Total	Internal Service Funds
Operating revenues:						
Metered sales	\$ 106,119	\$ -	\$ -	\$ -	\$ 106,119	\$ -
Collection and disposal fees	-	47,575	-	-	47,575	-
Rental fees	-	-	2,713	-	2,713	-
Intergovernmental	2,536	-	-	-	2,536	85
Charges for services	-	-	-	-	-	97,695
Miscellaneous	11,743	4,931	53	-	16,727	1,791
Total operating revenues	<u>120,398</u>	<u>52,506</u>	<u>2,766</u>	<u>-</u>	<u>175,670</u>	<u>99,571</u>
Operating expenses:						
Salaries and employee benefits	32,700	21,702	1,163	-	55,565	7,418
Supplies	2,763	663	44	-	3,470	3,831
Operating services and charges	20,643	21,348	797	597	43,385	56,524
Maintenance and repairs	7,464	669	284	-	8,417	7,475
Leasehold operating expenses	11,326	-	-	-	11,326	-
Depreciation and amortization	23,522	2,015	483	-	26,020	17,028
Labor, overhead, and vehicle charges capitalized	(5,237)	-	-	-	(5,237)	-
Total operating expenses	<u>93,181</u>	<u>46,397</u>	<u>2,771</u>	<u>597</u>	<u>142,946</u>	<u>92,276</u>
Operating income (loss)	27,217	6,109	(5)	(597)	32,724	7,295
Nonoperating revenues (expenses)						
Interest income	2,740	306	33	-	3,079	341
Interest expense	(14,851)	-	-	-	(14,851)	(231)
Miscellaneous	(300)	-	-	-	(300)	-
Income (loss) before capital donations and operating transfers	14,806	6,415	28	(597)	20,652	7,405
Capital donations	6,572	-	1,030	-	7,602	-
Transfers in	-	-	-	678	678	-
Transfers out	-	(13)	(55)	-	(68)	-
Change in net assets	21,378	6,402	1,003	81	28,864	7,405
Net assets - beginning	609,611	41,985	47,221	-		75,904
Net assets - ending	<u>\$ 630,989</u>	<u>\$ 48,387</u>	<u>\$ 48,224</u>	<u>\$ 81</u>		<u>\$ 83,309</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					5,683	
Change in net assets of business-type activities					<u>\$ 34,547</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, 2003
(In thousands of dollars)

	Water and Sewerage System	Sanitation	DeKalb- Peachtree Airport	Stormwater Utility	Total	Internal Service Funds
Cash flows from operating activities:						
Cash received from customers	\$ 98,926	\$ 50,609	\$ 2,679	\$ -	\$ 152,214	\$ 99,571
Cash payments to suppliers for goods and services	(37,455)	(22,561)	(1,123)	(398)	(61,537)	(65,450)
Cash payments to employees for services	(32,510)	(21,600)	(1,137)	-	(55,247)	(7,452)
Other operating revenues	14,578	4,922	53	-	19,553	-
Net cash provided (required) by operating activities	<u>43,539</u>	<u>11,370</u>	<u>472</u>	<u>(398)</u>	<u>54,983</u>	<u>26,669</u>
Cash flows from noncapital financing activities:						
Transfers (to) / from other funds	-	(13)	(55)	678	610	-
Net cash provided (required) by noncapital financing activities	<u>-</u>	<u>(13)</u>	<u>(55)</u>	<u>678</u>	<u>610</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	(169,322)	(6,639)	(1,836)	-	(177,799)	(14,288)
Principal and interest paid on revenue bonds	(30,001)	-	-	-	(30,001)	-
Sale of revenue bonds	188,005	-	-	-	188,005	-
Refunding of revenue bonds	(118,218)	-	-	-	(118,218)	-
Bond issuance expenses	(1,268)	-	-	-	(1,268)	-
Payments on leases	(53)	-	-	-	(53)	(2,050)
Increase in escrow deposits	5,048	-	-	-	5,048	-
Capital donations	192	-	834	-	1,026	-
Net cash provided (required) by capital and related financing activities	<u>(125,617)</u>	<u>(6,639)</u>	<u>(1,004)</u>	<u>-</u>	<u>(133,260)</u>	<u>(16,338)</u>
Cash flows from investing activities:						
Interest on investments	2,755	306	33	-	3,094	341
Net cash provided by investing activities	<u>2,755</u>	<u>306</u>	<u>33</u>	<u>-</u>	<u>3,094</u>	<u>341</u>
Net increase (decrease) in cash and cash equivalents	(79,323)	5,024	(554)	280	(74,573)	10,672
Cash and cash equivalents at beginning of year	268,215	27,519	3,353	-	299,087	36,135
Cash and cash equivalents at end of year	<u>188,892</u>	<u>32,543</u>	<u>2,799</u>	<u>280</u>	<u>224,514</u>	<u>46,807</u>
Reconciliation of operating income to net cash provided by operating activities:						
Operating income (loss)	27,217	6,109	(5)	(597)	32,724	7,295
Adjustments to reconcile operating income (loss) to net cash provided (required) by operating activities:						
Depreciation and amortization	23,522	2,015	483	-	26,020	17,028
Change in assets and liabilities:						
(Increase) decrease in receivables	(7,012)	3,025	(34)	-	(4,021)	-
(Increase) decrease in inventories	137	-	-	-	137	21
Increase (decrease) in payables	(460)	122	19	199	(120)	2,310
Increase (decrease) in other liabilities	134	99	8	-	241	15
Increase (decrease) in advance deposits	1	-	1	-	2	-
Net cash provided (required) by operating activities	<u>43,539</u>	<u>11,370</u>	<u>472</u>	<u>(398)</u>	<u>54,983</u>	<u>26,669</u>
Noncash capital donations	6,262	-	-	-	6,262	-
Capital assets acquired through capital leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,341

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, 2003
 (in thousands of dollars)

	General Employees' Pension	Agency Funds
	<u> </u>	<u> </u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ -	\$ 30,267
Investments	1,083,697	-
Accrued interest receivable	3,459	-
Taxes receivable	-	26,671
Total assets	<u>1,087,156</u>	<u>56,938</u>
 <u>LIABILITIES</u>		
Accounts payable	313	-
Due to other funds	126	-
Due to others	<u>123</u>	<u>56,938</u>
Total liabilities	<u>562</u>	<u>\$ 56,938</u>
 <u>NET ASSETS</u>		
Held in trust for pension benefits and other purposes (see Note 9E)	<u>\$ 1,086,594</u>	

The notes to the financial statement 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, 2003

(in thousands of dollars)

	General Employees' Pension
Additions:	
Contributions:	
Employer	\$ 1,288
Employee	1,352
Other	68
Total contributions	<u>2,708</u>
Investment earnings:	
Dividends and interest	22,475
Net increase in fair market value of investments	151,699
Total investment earnings	<u>174,174</u>
Less investment expense	<u>(3,329)</u>
Net investment earnings	<u>170,845</u>
Total additions	<u>173,553</u>
Deductions:	
Benefit payments	44,807
Refunds of contributions	198
Administrative expenses	285
Total Deductions	<u>45,290</u>
Change in net assets	128,263
Net assets, beginning of year	<u>958,331</u>
Net assets, end of year	<u>\$ 1,086,594</u>

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

DeKalb County, Georgia

Component Units

Statement of Net Assets

December 31, 2003

(In thousands of dollars)

	Board of Health	Public Library Board	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,987	\$ 492	\$ 3,479
Cash and cash equivalents, restricted	344	-	344
Investments	-	664	664
Accounts receivable (net)	1,578	93	1,671
Due from other governments	1,754	-	1,754
Prepaid items	63	-	63
Capital assets (net)	1,657	494	2,151
Total assets	<u>8,383</u>	<u>1,743</u>	<u>10,126</u>
<u>LIABILITIES</u>			
Accounts and contracts payable	324	183	507
Other accrued liabilities	378	-	378
Due to others	1,559	-	1,559
Noncurrent liabilities:			
Due within one year	-	6	6
Due in more than one year	1,446	54	1,500
Total liabilities	<u>3,707</u>	<u>243</u>	<u>3,950</u>
<u>NET ASSETS</u>			
Invested in capital assets (net of related debt)	1,657	434	2,091
Restricted	344	3	347
Unrestricted	2,675	1,063	3,738
Total net assets	<u>\$ 4,676</u>	<u>\$ 1,500</u>	<u>\$ 6,176</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, 2003

(In thousands of dollars)

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Board of	Public	Total
				Health	Library Board	
Board of Health	\$ 30,015	\$ 6,365	\$ 18,004	\$ (5,646)	\$ -	\$ (5,646)
Public Library Board	12,392	647	47	-	(11,698)	(11,698)
Total component units	<u>\$ 42,407</u>	<u>\$ 7,012</u>	<u>\$ 18,051</u>	<u>(5,646)</u>	<u>(11,698)</u>	<u>(17,344)</u>
General revenues:						
Intergovernmental, not restricted for specific programs				-	1,107	1,107
Payments from DeKalb County				5,002	10,385	15,387
Unrestricted investment earnings				-	13	13
Miscellaneous				1,263	177	1,440
Total general revenues				<u>6,265</u>	<u>11,682</u>	<u>17,947</u>
Change in net assets				619	(16)	603
Net assets - beginning				<u>4,057</u>	<u>1,516</u>	<u>5,573</u>
Net assets - ending				<u>\$ 4,676</u>	<u>\$ 1,500</u>	<u>\$ 6,176</u>

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

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2003

1. Summary of Significant Accounting Policies

The financial statements have been prepared in conformity with 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 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 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 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 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 year-ends, consistent with the practice of most organizations receiving significant funding from the State.

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 CEO and Board of Commissioners. Although it is legally separate from the County's Board of Commissioners, the Building Authority is reported as if it were a part of the primary government, as a blended component unit, because its 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. No separate financial statements are available.

The County is also responsible for appointing the members of the DeKalb County Housing Authority, but the County's accountability for the Authority does not extend beyond making the 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. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange 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 different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular 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, including its fiduciary 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 fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, result from transactions not associated with the principal activity of the fund.

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 government'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 operating 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 2001 Parks Bonds Fund accounts for the proceeds from the 2001 general obligation parks bond issue and the related capital expenditures for parks.

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 DeKalb-Peachtree Airport Fund accounts 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.

The Stormwater Utility Fund is a new proprietary fund that was initiated during 2003. It is categorized as a major fund because it is believed that it will meet the necessary criteria in 2004. It accounts for the provision of a stormwater drainage system for residents of the County. All activities necessary to provide such services will be accounted for in this fund once it is fully implemented.

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. 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.

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.

(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 September 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. 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 (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

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. The consumption method is used to account for inventories.

(I) Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed 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 lives are not capitalized. The County capitalized \$8,775,000 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	2,000
Equipment	5	1,000

(J) 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 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.

(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 in the appropriate funds. 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 only if they have matured.

Employees earn annual leave at the rate of 15 days per year for the first 5 years up to a maximum of 30 days per year after 25 years. 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.

(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 in each period based on landfill capacity used as of each balance sheet date. The \$17,413,000 reported as landfill closure and postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 82% of the estimated capacity of the landfill, net of related expenditures to date of \$4,615,000. The County will recognize the remaining estimated cost of closure and postclosure care of \$4,836,000 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure in 2003. 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 business-type activities as required. The County expects to close the current landfill in the year 2007 but has already acquired enough additional land to meet landfill needs through 2019.

(M) Reclassifications

Certain reclassifications have been made to the 2002 totals to conform to the classifications used in 2003.

(N) 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 amount of revenues and expenditures / expenses during the reporting period. Actual results could differ from those estimates.

2. Joint Ventures

DeKalb County is party to a contract with Fulton County and the Fulton-DeKalb Hospital Authority (the "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 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 Authority are disclosed as a component unit in the Fulton County, Georgia Comprehensive Annual Financial Report. DeKalb County has a financial interest in the 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, DeKalb County funded \$14,135,000 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 Authority. The Authority's debt is secured by a pledge of the operating revenues of the Hospital. Payments to the Authority are made from the County's other governmental funds. Separate financial statements may be obtained from: Fulton-DeKalb Hospital Authority; 80 Butler St SE; Atlanta Georgia 30314.

Condensed financial information for the Authority as of and for the year ended December 31, 2002 is as follows (in thousands of dollars) (December 31, 2003 amounts are unavailable):

Total Assets	\$ 484,112	Total Operating Revenues	\$ 492,844
Total Liabilities	\$ 447,062	Total Operating Expenses	\$ 628,949
Total Equity	\$ 37,050	Nonoperating Revenue (Net)	\$ (456)
Current Debt	\$ 10,155	Fulton County and DeKalb County Contributions	\$ 103,169
Long-Term Debt	\$ 255,758	Decrease In Retained Earnings	\$ (33,392)

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 the past year, the County paid \$668,000 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 an

municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements ma 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 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) as opposed to when incurred (GAAP);
- (3) Debt service requirements due January 1, 2004 are recorded as expenditures in 2003 (budget) as opposed to 2004 when obligations are due (GAAP);
- (4) Encumbrances are recognized as expenditures (budget) as opposed to reservation of fund balance (GAAP);
- (5) Annual changes in inventory are recorded as expenditures (budget) as opposed to being recognized as changes in an asset (GAAP).

4. Cash, Cash Equivalents, and Investments

The County maintains a cash and investment pool that is available for use by all County funds, except for certain of the trust and agency funds. In addition, cash, cash equivalents and investments are separately held by other funds, including the General Employees' Pension Fund. At year-end, the carrying amount of the County's deposits was \$56,111,000 and the bank balance was \$65,977,000. All of the bank balance was covered by federal depository insurance or by collateral held by the County's custodial bank in the County's name.

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 (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 County's investments are categorized below to give an indication of the level of credit risk assumed by the County at year-end. Category 1 includes investments that are insured or registered, or securities held by the County's agent (the County's custodial bank) in the County's name. Category 2 includes investments that are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered with securities held by the counterparty's trust department or agent but not in the County's name. The following amounts are in thousands of dollars:

	Category			Total
	1	2	3	
U.S. Government securities	\$ 92,267	\$ -	\$ -	\$ 92,267
Certificates of deposit	122	-	-	122
Corporate stocks	146,119	-	-	146,119
Corporate bonds	782,066	-	-	782,066
Total Categorized Investments	<u>\$ 1,020,574</u>	<u>\$ -</u>	<u>\$ -</u>	1,020,574
Mutual funds				240,624
Investment in State of Georgia investment pools				296,154
Total Investments				<u>\$ 1,557,552</u>

5. Allowance For Uncollectible Receivables

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

Governmental activities:		Business-type activities:	
Taxes receivable	\$ 837	Accounts receivable	\$ 12,924
Accounts receivable	22,507		
	<u>\$ 23,344</u>		

6. Due From Other Governments

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

Governmental activities:		Business-type activities:	
Georgia Emergency Management Agency	\$ 811	Federal Aviation Administration	\$ 180
Georgia Department of Transportation	1,064	Georgia Department of Transportation	104
Georgia Department of Labor	335	Other local governments	416
Housing & Urban Development	943	Total	<u>\$ 700</u>
US Department of Justice	506		
Other	683	Component Units:	
Total	<u>\$ 4,342</u>	Miscellaneous State Agencies	\$ 1,754

7. Capital Assets

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

	Balance 12/31/2002	Additions	Deletions	Balance 12/31/2003	Accumulated Depreciation and Amortization 12/31/2002	Additions	Deletions	Accumulated Depreciation and Amortization 12/31/2003	Book Value 12/31/2003
<u>Governmental activities</u>									
Not depreciated:									
Land	\$ 144,259	\$ 33,494	\$ -	\$ 177,753					\$ 177,753
Construction in progress	39,567	25,910	-	65,477					65,477
Depreciated:									
Land improvements	26,509	-	-	26,509	\$ 9,900	\$ 583	\$ -	\$ 10,483	16,026
Buildings	250,057	2,822	-	252,879	62,127	5,410	-	67,537	185,342
Infrastructure	464,931	28,711	-	493,642	98,748	10,316	-	109,064	384,578
Other equipment	49,983	8,167	(5,586)	52,564	26,008	10,255	(5,586)	30,677	21,887
Totals	<u>\$ 975,306</u>	<u>\$ 99,104</u>	<u>\$ (5,586)</u>	<u>\$ 1,068,824</u>	<u>\$ 196,783</u>	<u>\$ 26,564</u>	<u>\$ (5,586)</u>	<u>\$ 217,761</u>	<u>\$ 851,063</u>
<u>Business-type activities</u>									
Not depreciated:									
Land	\$ 40,334	\$ 286	\$ -	\$ 40,620					\$ 40,620
Construction in progress	99,749	108,608	-	208,357					208,357
Depreciated:									
Land improvements	43,113	13,515	(13)	56,615	\$ 10,549	\$ 1,783	\$ (13)	\$ 12,319	44,296
Buildings	11,733	-	-	11,733	5,732	341	-	6,073	5,660
Plants	141,508	18,356	-	159,864	52,435	2,970	-	55,405	104,459
Lines	543,911	46,932	(1,852)	588,991	157,575	11,327	(1,852)	167,050	421,941
Water meters	42,629	5,472	(841)	47,260	13,978	2,996	(841)	16,133	31,127
Vehicles and portable equipment	125,669	15,600	(13,310)	127,959	74,058	16,703	(13,310)	77,451	50,508
Other equipment	17,282	3,336	(1,471)	19,147	7,689	2,952	(1,471)	9,170	9,977
Leaseholds	169,411	-	-	169,411	13,614	3,477	-	17,091	152,320
Totals	<u>\$ 1,235,339</u>	<u>\$ 212,105</u>	<u>\$ (17,487)</u>	<u>\$ 1,429,957</u>	<u>\$ 335,630</u>	<u>\$ 42,549</u>	<u>\$ (17,487)</u>	<u>\$ 360,692</u>	<u>\$ 1,069,265</u>
<u>Component units</u>									
Depreciated:									
Other equipment	<u>\$ 5,470</u>	<u>\$ 658</u>	<u>\$ (1,223)</u>	<u>\$ 4,905</u>	<u>\$ 3,301</u>	<u>\$ 676</u>	<u>\$ (1,223)</u>	<u>\$ 2,754</u>	<u>\$ 2,151</u>

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

<u>Governmental activities:</u>		<u>Business-type activities</u>	
General government	\$ 5,452	Water and sewerage system	\$ 23,024
Public safety	3,584	Sanitation	2,015
Civil and criminal court system	3,096	DeKalb-Peachtree Airport	482
Planning	38	Vehicle maintenance	325
Public works	10,525	Vehicle replacement	16,703
Community development	35		<u>\$ 42,549</u>
Library	636		
Parks and recreation	1,202		
Health and welfare	1,042		
Miscellaneous	954		
	<u>\$ 26,564</u>		

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

	<u>Project Authoriza- tion</u>	<u>Expended as of 12/31/2003</u>	<u>Committed</u>	<u>Required Future Financing</u>
<u>Governmental activities</u>				
Parks and recreation	\$ 19,124	\$ 788	\$ 18,336	\$ -
Health centers	300	193	107	-
Art centers	3,041	133	2,908	-
Fire stations	1,361	650	711	-
Police stations	1,500	1,402	98	-
Justice center addition	36,649	36,592	57	-
Jail parking deck	1,926	68	1,858	-
Office building	18,233	11,150	7,083	-
Infrastructure	54,731	14,501	40,230	-
Totals	<u>\$ 136,865</u>	<u>\$ 65,477</u>	<u>\$ 71,388</u>	<u>\$ -</u>
<u>Business-type activities</u>				
Water and sewer lines	\$ 24,176	\$ 11,102	\$ 13,074	\$ -
Water plants	285,133	194,795	90,338	-
Sanitation facilities	7,495	138	7,357	-
Airport facilities	3,044	2,322	722	-
Totals	<u>\$ 319,848</u>	<u>\$ 208,357</u>	<u>\$ 111,491</u>	<u>\$ -</u>

8. Long-Term Obligations

Changes in long-term obligations for the year are as follows (in thousands of dollars):

	Balance 12/31/2002	Additions	Payments/ Retirements	Refundings	Balance 12/31/2003	Current Portion	Long-term Portion
<u>Governmental activities</u>							
Claims and judgments payable	\$ 11,595	\$ 2,197	\$ 3,000	\$ -	\$ 10,792	\$ 7,672	\$ 3,120
Compensated absences payable	27,120	909	-	-	28,029	-	28,029
Capital leases	4,565	4,723	4,779	-	4,509	1,373	3,136
General obligation bonds payable	267,640	127,915	15,000	130,210	250,345	15,845	234,500
Building Authority revenue bonds payable	-	15,000	-	-	15,000	580	14,420
Certificates of participation payable	9,270	25,000	-	9,270	25,000	475	24,525
Unamortized premium on bonds payable	-	6,953	534	-	6,419	-	6,419
Deferred loss on bond refunding	-	(5,353)	(445)	-	(4,908)	-	(4,908)
Totals	<u>\$ 320,190</u>	<u>\$ 177,344</u>	<u>\$ 22,868</u>	<u>\$ 139,480</u>	<u>\$ 335,186</u>	<u>\$ 25,945</u>	<u>\$ 309,241</u>
<u>Business-type activities</u>							
Landfill closure and postclosure cost	\$ 17,288	\$ 125	\$ -	\$ -	\$ 17,413	\$ -	\$ 17,413
Compensated absences payable	5,295	77	49	-	5,323	-	5,323
Contractual obligations payable	265	-	46	-	219	219	-
Capital leases	6,190	1,341	1,819	-	5,712	2,176	3,536
Revenue bonds payable	446,580	179,865	6,745	114,335	505,365	7,550	497,815
Unamortized premium on bonds payable	-	8,140	140	-	8,000	-	8,000
Deferred loss on bond refunding	-	(9,475)	(336)	-	(9,139)	-	(9,139)
Totals	<u>\$ 475,618</u>	<u>\$ 180,073</u>	<u>\$ 8,463</u>	<u>\$ 114,335</u>	<u>\$ 532,893</u>	<u>\$ 9,945</u>	<u>\$ 522,948</u>
<u>Component Units</u>							
Compensated absences payable	\$ 1,150	\$ 296	\$ -	\$ -	\$ 1,446	\$ -	\$ 1,446
Contractual obligations payable	31	87	(58)	-	60	6	54
Totals	<u>\$ 1,181</u>	<u>\$ 383</u>	<u>\$ (58)</u>	<u>\$ -</u>	<u>\$ 1,506</u>	<u>\$ 6</u>	<u>\$ 1,500</u>

Governmental activities:

Claims and judgments payable typically have been liquidated in the other governmental funds and in the internal service funds. Compensated absences payable have typically been liquidated in the General Fund, the Special Tax District-Designated Services Fund, the Special Tax District-Unincorporated Fund, 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 by years of future minimum installment purchase payments on capital leases in the governmental activities with the present value of the net minimum payments as of December 31 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 1,373	\$ 134	\$ 1,507
2005	1,199	33	1,282
2006	1,163	46	1,209
2007	714	15	729
2008	60	-	60
Totals	<u>\$ 4,509</u>	<u>\$ 278</u>	<u>\$ 4,787</u>

In July 2003, the County issued \$53,295,000 of General Obligation Refunding Bonds, Series 2003A. The proceeds of which were used to purchase direct obligations of the United States Government for placement in an irrevocable trust to satisfy the principal and interest requirements of the Series 1992 General Obligation Refunding Bonds maturing in the years 2004-2007 and 2010-2020 in the aggregate sum of \$28,630,000 and the Series 1993 General Obligation Health Facilities Bonds maturing in the years 2004-2020 in the aggregate sum of \$24,170,000. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$6,136,000, with an economic gain of \$4,669,000.

In December 2003, the County issued \$74,620,000 of General Obligation Refunding Bonds, Series 2003B. The proceeds of which were used to purchase direct obligations of the United States Government for placement in an irrevocable trust to satisfy the principal and interest requirements of the Series 1993 General Obligation Refunding Bonds maturing in the years 2005-2020 in the aggregate principal amount of \$77,410,000. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$10,241,000, with a economic gain of \$6,645,000.

For financial accounting and reporting purposes, all bonds refunded (a total of \$139,280,000) 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 (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>
1991	Refunding issue	5.90	1-1 7-1	11/01/91	01/01/04	\$ 5,525	\$ 5,025	\$ 500
1991	Jail	6.25	1-1 7-1	12/01/91	01/01/20	88,000	85,810	2,190
1992	Refunding issue	6.00	1-1 7-1	12/01/92	01/01/20	64,775	55,705	9,070
1993	Refunding issue	4.65	1-1 7-1	11/01/93	01/01/20	81,125	80,535	590
1998	Jail	5.00	1-1 7-1	08/01/98	01/01/20	2,000	-	2,000
2001	Parks	3.00-5.00	6-1 12-1	10/01/01	12/01/15	125,000	16,920	108,080
2003	Refunding issue	2.00-5.00	1-1 7-1	07/22/03	01/01/20	53,295	-	53,295
2003	Refunding issue	3.00-5.00	1-1 7-1	12/05/03	01/01/20	74,620	-	74,620
	Totals					<u>\$ 494,340</u>	<u>\$ 227,075</u>	<u>\$ 250,345</u>

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

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 15,845	\$ 9,133	\$ 24,978
2005	15,635	10,478	26,113
2006	15,985	9,789	25,774
2007	16,410	8,999	25,409
2008	17,810	8,227	26,037
2009-2013	86,720	29,183	115,903
2014-2018	62,495	10,724	73,219
2019-2020	19,445	949	20,394
Totals	<u>\$ 250,345</u>	<u>\$ 87,482</u>	<u>\$ 337,827</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 \$239,531,000. The statutory limit at that date was \$2,150,600,000, providing a debt margin of \$1,911,069,000.

In October 2003, the County entered into a building lease-purchase agreement with Association County Commissioners of Georgia Leasing Program to finance the purchase and renovation of an office building and to renovate an existing courthouse. Certificates of Participation in the amount of \$25,000,000 were issued in connection with the lease purchase agreement. Prior to this agreement the County defeased the Series 1991 and Series 1994 Certificates of Participation that were then outstanding using available resources. \$1,580,000 of the Series 1991 and \$7,690,000 of the Series 1994 were defeased. For financial accounting and reporting purposes, all certificates defeased (a total of \$9,270,000) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements. This cash defeasance resulted in a current year accounting loss of \$518,000, but provided an economic gain of \$424,000.

The following is a summary of the County's outstanding Certificates of Participation at December 31 (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	2.50-4.75	6-1 12-1	10/14/03	12/01/23	\$ 25,000	\$ -	\$ 25,000

The following is a summary of Certificates of Participation debt service requirements to maturity as of year end (in thousands of dollars):

<u>Year Payable</u>	<u>Interest Rate (%)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	2.50	\$ 475	\$ 1,006	\$ 1,481
2005	2.25	485	994	1,479
2006	2.25	970	983	1,953
2007	2.5	995	961	1,956
2008	2.875	1,020	937	1,957
2009-2013	3.125-4.00	5,630	4,132	9,762
2014-2018	4.00-4.40	6,890	2,882	9,772
2019-2023	4.50-4.75	8,535	1,233	9,768
Totals		<u>\$ 25,000</u>	<u>\$ 13,128</u>	<u>\$ 38,128</u>

In June 2003, the Building Authority issued \$15,000,000 of DeKalb County Building Authority Revenue Bonds. The proceeds of which will be used to construct a juvenile justice center.

The following is a summary of the County's outstanding Building Authority revenue bond issues at December 31 (in thousands of dollars):

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
2003	Juvenile Justice Center	2.0-5.0	6-1 12-1	07/01/03	12/01/20	\$ 15,000	\$ -	\$ 15,000

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

Year Payable	Interest Rate (%)	Principal	Interest	Total
2004	2.0	\$ 580	\$ 499	\$ 1,079
2005	2.0	590	487	1,077
2006	2.0	605	475	1,080
2007	2.0	615	463	1,078
2008	2.0	630	451	1,081
2009-2013	2.5-3.0	3,370	2,022	5,392
2014-2018	3.0-3.7	3,910	1,488	5,398
2019-2020	3.75-5.0	4,700	694	5,394
Totals		\$ 15,000	\$ 6,579	\$ 21,579

Business-type activities:

DeKalb County has entered into a series of leasehold agreements with the City of Atlanta whereby the County would pay the City in equal monthly installments over 30 years for the use of a portion of the R. M. Clayton Water Pollution Control Plant. These lease payments are reflected as a capital lease obligation at the present value of the aggregate payments due over the remaining life of the lease. The following is a schedule by years of future minimum lease payments to the City of Atlanta for capital leases with the present value of the net minimum lease payments (in thousands of dollars):

Year Ending December 31,	
2004	\$ 221
Less amount representing interest costs at interest rate of 9.52%	2
Present value of net minimum lease payments	219
Current portion	219
Long-term portion	\$ -

The following is a schedule by years 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 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2004	\$ 2,176	\$ 172	\$ 2,348
2005	1,827	96	1,923
2006	1,034	41	1,075
2007	602	12	614
2008	73	1	74
Totals	\$ 5,712	\$ 322	\$ 6,034

In November, 2003 the County issued \$179,865,000 principal amount of Water and Sewerage Revenue Bonds. \$70,000,000 of the proceeds will be used to pay the County's proportionate share of its obligations for the jointly financed Nancy Creek Tunnel and Pump Station with the City of Atlanta, the construction of an office building, and the renovation of a number of trunk sewers. The remaining monies were used to purchase direct obligations of the United States Government for placement in an irrevocable trust to satisfy the principal and interest requirements of the Series 1993 Bonds in the aggregate principal amount of \$114,335,000 maturing in the years 2005-2023. For financial accounting and reporting purposes, all revenue bonds defeased (a total of \$159,550,000) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements. This advance refunding was undertaken to reduce total debt service payments over the next 20 years by \$11,204,000, and provided an economic gain of \$7,478,000.

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

Series	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Out-standing	Callable	Call Premiums
1993	4.60	4-1 10-1	12/01/93	10/01/23	\$ 125,935	\$ 124,930	\$ 1,005	\$ -	
1997	6.125-6.25	4-1 10-1	07/09/97	10/01/06	42,870	26,040	16,830	-	
1999	4.20-5.00	4-1 10-1	05/01/99	10/01/28	96,345	-	96,345	92,955	0-1%
2000	4.375-5.625	4-1 10-1	11/01/00	10/01/35	214,525	3,205	211,320	195,600	0-1%
2003	4.0-5.0	4-1 10-1	11/18/03	10/01/35	179,865	-	179,865	145,875	None
Totals					<u>\$ 659,540</u>	<u>\$ 154,175</u>	<u>\$ 505,365</u>	<u>\$ 434,430</u>	

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 year-end, 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 year-end (in thousands of dollars):

Year Payable	Principal	Interest	Total
2004	\$ 7,550	\$ 23,950	\$ 31,500
2005	6,915	25,195	32,110
2006	7,315	24,797	32,112
2007	5,550	24,375	29,925
2008	8,910	24,160	33,070
2009-2013	51,530	114,702	166,232
2014-2018	65,600	100,630	166,230
2019-2023	84,345	81,878	166,223
2024-2028	109,380	57,936	167,316
2029-2033	107,225	30,440	137,665
2034-2035	51,045	4,024	55,069
Totals	<u>\$ 505,365</u>	<u>\$ 512,087</u>	<u>\$ 1,017,452</u>

9. Employee Benefits

(A) Defined Benefits 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 five voting members (the Chief Executive Officer of DeKalb County, two members elected by County employees, one member selected by the DeKalb County Board of Commissioners, 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 \$275,335,000, as compared to a total County payroll of \$292,218,000.

The Plan provides retirement benefits of 2.75% 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 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 regardless of 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 fewer than ten years of service, the participant may either withdraw his contributions plus interest or leave his 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 his contributions plus interest or leave his 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.

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. Current contribution levels, as approved by the DeKalb County Board of Commissioners, are employee 0.5% and County 0.5% 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:

Ten year vested active employees covered by the Plan	2,416
Three year vested active employees covered by the Plan	2,047
Nonvested active employees covered by the Plan	1,653
Retirees currently receiving normal retirement benefits	1,763
Retirees currently receiving disability benefits	109
Beneficiaries of deceased retirees currently receiving benefits	194
Terminated employees entitled to benefits but not yet receiving them because of age	244
Total members	<u>8,426</u>

(B) Actuarial assumptions

The actuarial accrued liability was computed as part of an actuarial valuation performed as of April 1, 2003. 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% for inflation and 0% to 4.3% for merit / seniority based on an age graduated scale, compounded annually, (c) no post retirement benefit increases were assumed.

(C) Actuarially Determined Pension Plan Contribution Requirements and Contribution 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 cost is determined using the entry age normal cost method. The required contribution includes the normal cost less amortization of the assets in excess of the actuarial accrued liability. Amortization is taken as a level percentage of payroll over 0.25 to 29 years for various bases. 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 total contributions to the Plan for the year of \$2,708,000 were made in accordance with actuarially determined requirements computed through an actuarial valuation performed April 1, 2002. Employer contributions of \$1,288,000 represent 100% of the employer annual required contribution. The net pension obligation of \$0 was determined in accordance with GASB Statement No. 27. The amortization period for the County's actuarial accrued surplus is open.

(D) Schedule of Contributions as a percentage of salary

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Employee	.5%	.5%	.5%	.5%	.5%	.5%	2.50%	2.50%	2.50%	2.50%
Employer	.5%	.5%	.5%	.5%	.5%	.5%	.5-3.25%	3.25%	10.00%	10.00%

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

	Valuation Date					
	4-1-2003	4-1-2002	4-1-2001	4-1-2000	4-1-1999	4-1-1998
Actuarial value of plan assets	\$ 1,122,066	\$ 1,161,884	\$ 1,002,973	\$ 995,071	\$ 922,548	\$ 861,814
Actuarial accrued liability	\$ 1,062,595	\$ 978,606	\$ 851,877	\$ 790,994	\$ 726,771	\$ 593,931
Percentage funded	105.60%	118.73%	117.74%	125.80%	126.94%	145.10%
Assets in excess of actuarial accrued liability	\$ 59,471	\$ 183,278	\$ 151,096	\$ 204,077	\$ 195,777	\$ 267,883
Annual covered payroll	\$ 254,259	\$ 249,746	\$ 206,419	\$ 196,590	\$ 194,410	\$ 181,342
Assets in excess of actuarial accrued liability as a % of annual covered payroll	23.39%	73.39%	73.20%	103.81%	100.70%	147.72%

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

	2003	2002	2001	2000	1999	1998
Annual required contribution / annual pension cost	\$ 1,288	\$ 1,302	\$ 1,253	\$ 1,140	\$ 1,070	\$ 1,007
Annual employer contributions made	\$ 1,288	\$ 1,302	\$ 1,253	\$ 1,140	\$ 1,070	\$ 1,007
Net pension obligation, end of year	\$0	\$0	\$0	\$0	\$0	\$0
Percentage of annual employer contributions made to annual required contributions	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(G) Other Post Retirement Benefits

Group health benefits are available to all retirees and beneficiaries of retirees with the County paying up to 70% of the total cost and the retiree paying the remaining amount. 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, \$11,638,000 for the year, is recognized as an expense in the Internal Service Funds as claims are incurred. 1,631 retirees and beneficiaries of retirees were covered by County group insurance as of year-end.

(H) 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 which required the removal of plan assets and liabilities from the financial statements of the County.

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, Henry 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 the year, the County incurred the following operating costs (no capital costs were incurred) (in thousands of dollars):

R. M. Clayton Plant - City of Atlanta	\$ 9,783
Big Creek Plant, John's Creek Plant, Marsh Creek Plant - Fulton County	1,125
Jackson Creek Plant - Gwinnett County	418
Total	<u>\$ 11,326</u>

11. Fund Deficits

The Risk Management Fund (an internal service fund) ended the year with a net assets deficit of \$1,627,000. Risk management charges will be increased in 2004 to eliminate this deficit.

12. 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 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 \$175,000 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. No claim has ever exceeded the excess limits of the workers' compensation or excess medical insurance policies. 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 in two manners: (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 had 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 \$100,000 of each loss, with no aggregate limits. This retention level is funded by an annual appropriation of \$300,000 which, historically, has proven adequate to cover all claims.

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

	2003	2002	2001	2000
Workers' compensation:				
Incurring claims, net of any changes	\$ 3,493	\$ 1,800	\$ 2,595	\$ 4,533
Payments	(2,887)	(2,411)	(2,722)	(3,316)
Ending balance	<u>5,279</u>	<u>4,673</u>	<u>5,284</u>	<u>5,411</u>
Health and dental:				
Incurring claims, net of any changes	46,552	39,828	38,420	34,189
Payments	(45,461)	(38,484)	(38,215)	(34,204)
Ending balance	<u>5,013</u>	<u>3,922</u>	<u>2,578</u>	<u>2,373</u>
Total liability for self insurance	<u><u>\$ 10,292</u></u>	<u><u>\$ 8,595</u></u>	<u><u>\$ 7,862</u></u>	<u><u>\$ 7,784</u></u>

13. Interfund Balances and Activity

(A) Balances Due to/from Other Funds

Balances due to / from other funds at year end consist of the following (in thousands of dollars):

\$ 3,114	Due to the General Fund from other governmental funds representing short-term loans.
126	Due to the General Fund from the General Employee's Pension fund representing a short-term loan.
<u>1,219</u>	Due to the Special Tax District Designated Services Fund from the Special Tax District Unincorporated Fund representing a short-term loan.
<u>\$ 4,459</u>	Total

(B) Transfers to / from Other Funds

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

\$ 812	Transfer from General Fund to other governmental funds to match federal and state grants.
800	Transfer from General Fund to debt service fund.
26,434	Transfer from General Fund to other governmental funds for capital projects.
80	Transfer from General Fund to to fund the implementation of the Stormwater Utility Fund.
8,537	Transfer from other governmental funds to General Fund to fund programs.
223	Transfer from other governmental funds of unspent grant and projects monies to General Fund.
12	Transfer from other governmental funds of unspent projects monies to Special Tax district Designated Services Fund.
1,780	Transfer from Special Tax District Designated Services Fund to other governmental funds to match federal and state grants.

598	Transfer from Special Tax District Unincorporated Fund to fund an implementation study for the Stormwater Utility Fund.
76,711	Transfer from Special Tax District Unincorporated Fund to Special Tax District Designated Services Fund to fund operations.
3,910	Transfers between other governmental funds to supplement other funds sources.
13	Transfer from Sanitation Fund to other governmentnal funds for grant match.
55	Transfer from DeKalb-Peachtree Airport Fund to General Fund to match a federal grant.
<u>\$ 119,965</u>	

14. Commitments And Contingencies

The County Board of Commissioners voted during fiscal year 2003 to approve giving 95% of the hotel / motel tax received by the County to the DeKalb County Convention and Visitors Bureau and 5% to the DeKalb Council for the Arts. During the year, the County paid \$1,814,000 and \$95,000 respectively, on these agreements, with \$199,000 remaining as a payable.

Litigation - The County is defendant in various legal actions in the nature of 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. Budget Information

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

Registrar and elections	\$	(19)
Juvenile Court		(79)
Public works administration		(18)
County jail fund		(286)
Parks and recreation (DATAE)	\$	(9)

These overages were caused by unexpected expenditures in these funds during 2003. The budget for these departments in 2004 is expected to be sufficient to cover expenditures.

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 funds project-length budgets (in thousands of dollars):

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	COPS Bonds	Morgue Project	HOST Capital Projects	Community Greenspace Program	2001 Parks Bonds
Project-length revenues:								
Budget	\$ 385	\$ 3,291	\$ 14,544	\$ 34,644	\$ 318	\$ 145,270	\$ 6,291	\$ 133,807
Actual	387	3,318	14,546	34,696	318	142,528	6,273	134,386
Project-length expenditures:								
Budget	385	3,291	14,544	34,644	318	145,270	6,291	133,807
Actual	233	1,108	14,360	13,599	308	114,136	2,382	48,914
	Capital Improvement Projects	Building Authority Juvenile Court Project	Total					
Project-length revenues:								
Budget	\$ 90,529	\$ 15,000	\$ 444,079					
Actual	72,810	15,154	424,416					
Project-length expenditures:								
Budget	90,529	15,000	444,079					
Actual	46,160	6,207	247,407					

16. 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	2001 Parks Bonds	Other Governmental Funds	Total Governmental Funds
Reserved for encumbrances	\$ 5,673	\$ 994	\$ 57	\$ 6,136	\$ 11,259	\$ 24,119
Reserved for inventories	131	-	-	-	-	131
Total reserved	<u>\$ 5,804</u>	<u>\$ 994</u>	<u>\$ 57</u>	<u>\$ 6,136</u>	<u>\$ 11,259</u>	<u>\$ 24,250</u>

DEKALB COUNTY, GEORGIA

COMBINING STATEMENTS AND SCHEDULES

DEKALB COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

DeKalb County, Georgia
 Nonmajor Governmental Funds
 Combining Balance Sheet
 December 31, 2003
 (in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 17,487	\$ 11,212	\$ 83,650	\$ 112,349
Taxes receivable (net)	5,597	744	-	6,341
Accounts receivable (net)	1,066	-	-	1,066
Due from other governments	2,479	-	1,863	4,342
Total assets	<u>26,629</u>	<u>11,956</u>	<u>85,513</u>	<u>124,098</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts and contracts payable	1,063	-	1,745	2,808
Other accrued liabilities	1,404	-	-	1,404
Advance payments and deposits	972	-	-	972
Due to other governments	868	-	-	868
Due to other funds	3,114	-	-	3,114
Deferred revenue	986	456	11	1,453
Total liabilities	<u>8,407</u>	<u>456</u>	<u>1,756</u>	<u>10,619</u>
Fund balances:				
Reserved	2,303	-	8,956	11,259
Unreserved	15,919	11,500	74,801	102,220
Total fund balances	<u>18,222</u>	<u>11,500</u>	<u>83,757</u>	<u>113,479</u>
Total liabilities and fund balances	<u>\$ 26,629</u>	<u>\$ 11,956</u>	<u>\$ 85,513</u>	<u>\$ 124,098</u>

DeKalb County, Georgia

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Nonmajor Governmental Funds

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

For the Year Ended December 31, 2003

(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 64,309	\$ 23,972	\$ -	\$ 88,281
Licenses and permits	8,484	-	-	8,484
Use of money and property	1,574	183	587	2,344
Intergovernmental	27,649	-	1,308	28,957
Fines and forfeitures	909	-	-	909
Charges for services	17,316	-	-	17,316
Miscellaneous	1,484	2,070	93	3,647
Total revenues	<u>121,725</u>	<u>26,225</u>	<u>1,988</u>	<u>149,938</u>
EXPENDITURES				
Current:				
General government	7,259	-	-	7,259
Public safety	53,437	-	-	53,437
Civil and criminal court system	2,996	-	-	2,996
Public works	14,567	-	-	14,567
Community development	9,443	-	-	9,443
Parks and recreation	1,725	-	-	1,725
Health and welfare	23,521	-	-	23,521
Miscellaneous	1,338	-	-	1,338
Debt service	1,290	28,495	2,114	31,899
Cash defeasance of bonds	-	-	9,788	9,788
Capital outlay:				
General government	-	-	7,624	7,624
Public safety	-	-	481	481
Civil and criminal court system	-	-	24,910	24,910
Public works	-	-	14,706	14,706
Parks and recreation	-	-	1,929	1,929
Health and welfare	-	-	53	53
Other	-	-	32	32
Total expenditures	<u>115,576</u>	<u>28,495</u>	<u>61,637</u>	<u>205,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,149</u>	<u>(2,270)</u>	<u>(59,649)</u>	<u>(55,770)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds of bond issuance	-	27,915	40,000	167,915
Premium on bond issuance	-	6,509	444	6,953
Payments to escrow agents	-	(135,562)	-	(135,562)
Bond issuance expense	-	(868)	(548)	(1,416)
Contractual purchase obligations	-	-	1,365	1,365
Transfers in	2,794	800	30,138	33,732
Transfers out	(10,570)	-	(2,112)	(12,682)
Total other financing sources (uses)	<u>(7,776)</u>	<u>(1,206)</u>	<u>69,287</u>	<u>60,305</u>
Net change in fund balance	<u>(1,627)</u>	<u>(3,476)</u>	<u>9,638</u>	<u>4,535</u>
Fund balance - beginning	19,849	14,976	74,119	108,944
Fund balance - ending	<u>\$ 18,222</u>	<u>\$ 11,500</u>	<u>\$ 83,757</u>	<u>\$ 113,479</u>

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.

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.

Child Support Incentive Fund - to account for monies collected from the State to be used by the District Attorney for programs relating to child support.

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.

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

LLEBG #5 Grant Fund - to account for local law enforcement block grant #5 monies which are used to support law enforcement in the County.

LLEBG #6 Grant Fund - to account for local law enforcement block grant #6 monies which are used to support law enforcement in the County.

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.

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.

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

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.

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.

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.

LLEBG #7 Grant Fund - to account for local law enforcement block grant #7 monies which are used to support law enforcement in the County.

LLEBG #8 Grant Fund - to account for local law enforcement block grant #8 monies which are used to support law enforcement in the County.

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, 2003
 (In thousands of dollars)

	Development	Fire	Hospital	Child Support Incentive	PEG Support	County Jail	Hotel \ Mote Tax	Grant-in-Aid	LLEBG #5 Grant	LLEBG #6 Grant	Victim Assistance	Recreation
ASSETS												
Cash and cash equivalents	\$ 2,339	\$ -	\$ -	\$ 5	\$ 1,808	7	\$ 199	\$ -	\$ 36	\$ 40	\$ 553	\$ 392
Taxes receivable (net)	-	3,783	1,664	-	-	-	150	-	-	-	-	-
Accounts receivable (net)	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	2,479	-	-	-	-
Total assets	2,339	3,783	1,664	5	1,808	7	349	2,479	36	40	553	392
LIABILITIES AND FUND BALANCE												
Liabilities:												
Accounts and contracts payable	613	178	-	-	-	-	-	-	-	-	30	15
Other accrued liabilities	180	944	-	-	-	-	-	264	-	-	-	14
Advance payments and deposits	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	1,857	1,136	-	-	-	-	121	-	-	-	-
Due to other governments	-	-	-	-	-	-	349	-	-	-	-	-
Deferred revenue	-	575	324	-	-	-	-	87	-	-	-	-
Total liabilities	793	3,554	1,460	-	-	-	349	472	-	-	30	29
Fund balances:												
Reserved	775	379	-	-	179	-	-	-	-	-	20	71
Unreserved	771	(150)	204	5	1,629	7	-	2,007	36	40	503	292
Total fund balances	1,546	229	204	5	1,808	7	-	2,007	36	40	523	363
Total liabilities and fund balances	\$ 2,339	\$ 3,783	\$ 1,664	\$ 5	\$ 1,808	\$ 7	\$ 349	\$ 2,479	\$ 36	\$ 40	\$ 553	\$ 392

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2003
 (in thousands of dollars)
 (continued)

	Law Enforcement										Total
	Confiscated Monies	Juvenile Services	Emergency Telephone System	Drug Abuse Treatment & Education	Street Lights	Speed Humps	LLEBG #7 Grant	LLEBG #8 Grant	Law Library	Alternative Dispute Resolution	Special Revenue Funds
ASSETS											
Cash and cash equivalents	\$ 3,017	\$ 36	\$ 6,752	\$ 36	\$ 113	225	\$ 177	\$ 503	\$ 170	\$ 1,079	\$ 17,487
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-	5,597
Accounts receivable (net)	-	-	850	-	155	6	-	-	7	48	1,066
Due from other governments	-	-	-	-	-	-	-	-	-	-	2,479
Total assets	3,017	36	7,602	36	268	231	177	503	177	1,127	26,629
LIABILITIES AND FUND BALANCE											
Liabilities:											
Accounts and contracts payable	21	-	-	16	-	-	-	-	-	-	1,063
Other accrued liabilities	-	-	-	-	2	-	-	-	-	-	1,404
Advance payments and deposits	972	-	-	-	-	-	-	-	-	-	972
Due to other funds	-	-	-	-	-	-	-	-	-	-	3,114
Due to other governments	-	-	-	-	-	-	-	9	510	-	868
Deferred revenue	-	-	-	-	-	-	-	-	-	-	986
Total liabilities	1,163	-	-	16	2	-	-	-	9	510	8,407
Fund balances:											
Reserved	879	-	-	-	-	-	-	-	-	-	2,303
Unreserved	955	36	7,602	20	266	231	177	503	168	617	15,919
Total fund balances	1,834	36	7,602	20	266	231	177	503	168	617	18,222
Total liabilities and fund balances	\$ 3,017	\$ 36	\$ 7,602	\$ 36	\$ 268	\$ 231	\$ 177	\$ 503	\$ 177	\$ 1,127	\$ 26,629

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2003
 (in thousands of dollars)

REVENUES	Child Support										
	Development	Fire	Hospital	Incentive	PEG Support	County Jail	Hotel Motel Tax	Grant-in-Aid	LLEBG #5 Grant	LLEBG #6 Grant	Victim Assistance
Taxes	\$ -	\$ 41,948	\$ 20,407	\$ -	\$ -	\$ -	\$ 1,954	\$ -	\$ -	\$ -	\$ -
Licenses and permits	8,484	-	-	-	-	-	-	-	-	-	-
Use of money and property	44	-	-	-	21	-	-	1,370	-	4	-
Intergovernmental	-	2,106	1,058	-	-	111	-	22,714	-	-	280
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	848
Charges for services	-	75	-	-	-	1,727	-	-	-	-	-
Miscellaneous	14	56	-	-	721	-	-	7	-	-	-
Total revenues	8,542	44,185	21,465	-	742	1,838	1,954	24,091	-	4	1,128
EXPENDITURES											
Current:											
General government	-	-	-	1	149	-	2,101	5,008	-	-	-
Public safety	-	43,640	-	-	-	-	-	6,919	-	128	-
Civil and criminal court system	-	-	-	-	-	-	-	2,202	-	205	161
Public works	11,391	-	-	-	-	-	-	32	-	-	-
Community development	-	-	-	-	-	-	-	9,443	-	-	-
Parks and recreation	-	-	-	-	-	-	-	408	-	23	-
Health and welfare	-	-	21,588	-	-	-	-	1,871	-	-	-
Miscellaneous	-	-	-	-	-	-	-	568	101	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	11,391	43,640	21,588	1	149	-	2,101	26,451	101	356	161
Excess (deficiency) of revenues over (under) expenditures	(2,849)	545	(123)	(1)	593	1,838	(147)	(2,360)	(101)	(352)	967
OTHER FINANCING SOURCES (USES)											
Transfers in	-	21	-	-	-	-	-	2,688	-	-	-
Transfers out	-	(1,208)	-	(18)	(500)	(1,831)	-	(176)	-	-	(673)
Total other financing sources (uses)	-	(1,187)	-	(18)	(500)	(1,831)	-	2,512	-	-	(873)
Net change in fund balance	(2,849)	(642)	(123)	(19)	93	7	(147)	152	(101)	(352)	94
Fund balance - beginning	4,395	871	327	24	1,715	-	147	1,855	137	392	429
Fund balance - ending	\$ 1,546	\$ 229	\$ 204	\$ 5	\$ 1,808	\$ 7	\$ -	\$ 2,007	\$ 36	\$ 40	\$ 523

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2003
 (in thousands of dollars)
 (continued)

REVENUES	Law										Total Nonmajor Special Revenue Funds	
	Recreation	Enforcement Confiscated Monies	Juvenile Services	Emergency Telephone System	Drug Abuse Treatment & Education	Street Lights	Spæd Humps	LLEBG #7 Grant	LLEBG #8 Grant	Law Library		Alternative Dispute Resolution
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,309
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	8,484
Use of money and property	6	32	-	83	1	1	1	10	-	1	-	1,574
Intergovernmental	-	927	-	-	-	-	-	-	453	-	-	27,649
Fines and forfeitures	-	-	-	-	61	-	-	-	-	-	-	909
Charges for services	1,235	-	72	10,918	-	3,113	176	-	-	-	-	17,316
Miscellaneous	-	-	-	-	-	-	-	-	-	86	601	1,484
Total revenues	1,241	959	72	11,001	62	3,114	177	10	453	86	601	121,725
EXPENDITURES												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	7,259
Public safety	-	1,295	-	1,145	-	-	-	310	-	-	-	53,437
Civil and criminal court system	-	156	41	-	-	-	-	231	-	-	-	2,996
Public works	-	-	-	-	-	3,143	1	-	-	-	-	14,567
Community development	-	-	-	-	-	-	-	-	-	-	-	9,443
Parks and recreation	1,264	-	-	-	-	-	-	-	-	-	-	1,725
Health and welfare	-	-	-	-	62	-	-	-	-	-	-	23,521
Miscellaneous	-	-	-	-	73	-	-	-	-	81	515	1,338
Debt service	-	-	-	1,290	-	-	-	-	-	-	-	1,290
Total expenditures	1,294	1,451	41	2,435	135	3,143	1	541	-	81	515	115,576
Excess (deficiency) of revenues over (under) expenditures	(53)	(492)	31	8,566	(73)	(29)	176	(531)	453	5	86	6,149
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	3	-	-	32	50	-	-	2,794
Transfers out	-	(131)	-	(5,833)	-	-	-	-	-	-	-	(10,570)
Total other financing sources (uses)	-	(131)	-	(5,833)	3	-	-	32	50	-	-	(7,776)
Net change in fund balance	(53)	(623)	31	2,733	(70)	(29)	176	(499)	503	5	86	(1,627)
Fund balance - beginning	418	2,457	5	4,869	90	235	55	676	-	163	531	19,849
Fund balance - ending	\$ 363	\$ 1,834	\$ 36	\$ 7,602	\$ 20	\$ 206	\$ 231	\$ 177	\$ 503	\$ 168	\$ 617	\$ 18,222

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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)

	Development Fund			Fire Fund				Hospital Fund			
	Original and 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)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:											
Property taxes	\$ -	\$ -	\$ -	\$ 28,397	\$ 29,476	\$ 27,295	\$ (2,181)	\$ 14,359	\$ 14,655	\$ 13,682	\$ (973)
Sales taxes	-	-	-	14,750	14,750	14,881	131	5,775	5,775	6,845	1,070
Licenses and permits	10,025	8,484	(1,541)	-	-	-	-	-	-	-	-
Use of money and property	62	47	(15)	1	1	-	(1)	-	-	-	-
Intergovernmental	-	-	-	3,234	2,374	2,106	(268)	1,470	1,174	1,058	(116)
Charges for services	-	-	-	75	75	75	-	-	-	-	-
Miscellaneous	2	4	12	70	70	57	(13)	-	-	-	-
Total revenues	10,089	8,545	(1,544)	46,527	46,746	44,414	(2,332)	21,604	21,604	21,585	(19)
Expenditures:											
Current:											
Public safety - fire and rescue services	-	-	-	46,299	46,392	43,617	(2,775)	-	-	-	-
Public works - development	14,267	11,214	(3,053)	-	-	-	-	-	-	-	-
Health and welfare - hospital	-	-	-	-	-	-	-	21,643	21,643	21,587	(56)
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	14,267	11,214	(3,053)	46,299	46,392	43,617	(2,775)	21,643	21,643	21,587	(56)
Excess (deficiency) of revenues over expenditures	(4,178)	(2,669)	1,509	228	354	797	443	(39)	(39)	(2)	37
Other financing sources (uses):											
Transfers in	-	-	-	-	-	21	21	-	-	-	-
Transfers out	-	-	-	(1,083)	(1,209)	(1,209)	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(4,178)	(2,669)	1,509	(855)	(855)	(391)	464	(39)	(39)	(2)	37
Fund balance, beginning of year	4,178	4,178	-	855	855	855	-	39	39	39	-
Fund balance, end of year	\$ -	\$ 1,509	\$ 1,509	\$ -	\$ -	\$ 464	\$ 464	\$ -	\$ -	\$ 37	\$ 37
Explanation of differences between budget and GAAP:											
Deficiency of revenues and other sources over expenditures and other uses - budget basis		(2,669)				(391)				(2)	
Differences - budget to GAAP:											
Due to revenues:											
Accrued receivables 12-31-2002		(6)				(1,101)				(593)	
Accrued receivables 12-31-2003		3				905				491	
Deferred revenues 12-31-2002		-				543				305	
Deferred revenues 12-31-2003		-				(575)				(324)	
Due to expenditures:											
Accrued payables 12-31-2002		146				917				-	
Accrued payables 12-31-2003		(741)				(944)				-	
Encumbrances 12-31-2002		(357)				(357)				-	
Encumbrances 12-31-2003		775				379				-	
Net change in fund balance - GAAP basis		\$ (2,849)				\$ (642)				\$ (123)	

(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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Child Support Incentive Fund			PEG Support Fund				County Jail Fund		
	Original and 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)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:										
Use of money and property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22	\$ 22	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	75	111	36
Charges for services	-	-	-	-	-	-	-	1,470	1,727	257
Miscellaneous	-	-	-	670	770	720	(50)	-	-	-
Total revenues	-	-	-	670	770	742	(28)	1,545	1,838	293
Expenditures:										
Current:										
General government	-	-	-	1,800	1,800	145	(1,655)	-	-	-
Civil and criminal court system - district attorney	23	1	(22)	-	-	-	-	-	-	-
Total expenditures	23	1	(22)	1,800	1,800	145	(1,655)	-	-	-
Excess (deficiency) of revenues over expenditures	(23)	(1)	22	(1,130)	(1,030)	597	1,627	1,545	1,838	293
Other financing sources (uses):										
Transfers out	-	(18)	(18)	(400)	(500)	(500)	-	(1,545)	(1,831)	(286)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(23)	(19)	4	(1,530)	(1,530)	97	1,627	-	7	7
Fund balance, beginning of year	23	23	-	1,530	1,530	1,530	-	-	-	-
Fund balance, end of year	\$ -	\$ 4	\$ 4	\$ -	\$ -	\$ 1,627	\$ 1,627	\$ -	\$ 7	\$ 7
Explanation of differences between budget and GAAP:										
Deficiency of revenues and other sources over expenditures and other uses - budget basis		(19)				97		7		
Differences - budget to GAAP:										
Due to revenues:										
Accrued receivables 12-31-2002		-				(2)		-		
Accrued receivables 12-31-2003		-				2		-		
Due to encumbrances:										
Encumbrances 12-31-2002		-				(183)		-		
Encumbrances 12-31-2003		-				179		-		
Net change in fund balance - GAAP basis		\$ (19)				\$ 93		\$ 7		

(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, 2003

Non-GAAP Budget Basis (in thousands of dollars)

(continued)

	Hotel \ Motel Tax Fund			Grant-in-Aid Fund			
	Original and 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:							
Excise taxes	\$ 2,050	\$ 1,952	\$ (98)	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	-	95	1,370	1,370	-
Intergovernmental	-	-	-	56,344	79,240	28,497	(50,743)
Miscellaneous	-	-	-	(71)	(70)	7	77
Total revenues	<u>2,050</u>	<u>1,952</u>	<u>(98)</u>	<u>56,368</u>	<u>80,540</u>	<u>29,874</u>	<u>(50,666)</u>
Expenditures:							
Current:							
General government:							
Chief Executive Officer	-	-	-	2	2	-	(2)
DeKalb PIC	-	-	-	4,557	8,478	5,003	(3,475)
Other	2,207	1,910	(297)	-	-	-	-
Total general government	<u>2,207</u>	<u>1,910</u>	<u>(297)</u>	<u>4,559</u>	<u>8,480</u>	<u>5,003</u>	<u>(3,477)</u>
Public safety:							
Police	-	-	-	12,687	14,831	6,906	(7,925)
Fire and rescue services	-	-	-	3	1,034	-	(1,034)
Total public safety	-	-	-	<u>12,690</u>	<u>15,865</u>	<u>6,906</u>	<u>(8,959)</u>
Civil and criminal court system:							
Sheriff	-	-	-	605	615	341	(274)
Juvenile court	-	-	-	1,207	1,615	969	(646)
Superior court	-	-	-	52	706	79	(627)
State court	-	-	-	1	1	1	-
Solicitor	-	-	-	213	398	192	(206)
District attorney	-	-	-	197	404	201	(203)
Magistrate court	-	-	-	458	488	371	(117)
Total civil and criminal court system	-	-	-	<u>2,733</u>	<u>4,227</u>	<u>2,154</u>	<u>(2,073)</u>
Publicworks - development	-	-	-	5,185	5,218	32	(5,186)
Community development	-	-	-	20,598	35,118	9,436	(25,682)
Parks and recreation	-	-	-	381	1,173	408	(785)
Health and welfare	-	-	-	2,329	2,574	1,871	(703)
Miscellaneous	-	-	-	2,907	3,585	565	(3,020)
Total expenditures	<u>2,207</u>	<u>1,910</u>	<u>(297)</u>	<u>51,382</u>	<u>76,240</u>	<u>26,375</u>	<u>(49,865)</u>
Excess (deficiency) of revenues over expenditures	(157)	42	199	4,986	4,300	3,499	(801)
Other financing sources (uses):							
Transfers in	-	-	-	2,005	2,730	2,688	(42)
Transfers out	-	-	-	(772)	(811)	(176)	635
Excess (deficiency) of revenues and other sources over expenditures and other uses	(157)	42	199	6,219	6,219	6,011	(208)
Fund balance, beginning of year	157	157	-	(6,219)	(6,219)	(6,219)	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 199</u>	<u>\$ 199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(208)</u>	<u>\$ (208)</u>
Explanation of differences between budget and GAAP:							
Deficiency of revenues and other sources over expenditures and other uses - budget basis		42				6,011	
Differences - budget to GAAP:							
Due to revenues:							
Accrued receivables 12-31-2002		(147)				(8,262)	
Accrued receivables 12-31-2003		150				2,479	
Due to expenditures:							
Accrued payables 12-31-2002		157				190	
Accrued payables 12-31-2003		(349)				(266)	
Net change in fund balance - GAAP basis		<u>\$ (147)</u>				<u>\$ 152</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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Local Law Enforcement Block Grant #5 Fund				Local Law Enforcement Block Grant #6 Fund				Victim Assistance Fund		
	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)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:											
Use of money and property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4	\$ 4	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	100	280	180
Fines and forfeitures	-	-	-	-	-	-	-	-	750	848	98
Total revenues	-	-	-	-	-	4	4	-	850	1,128	278
Expenditures:											
Current:											
Public safety - police	363	328	327	(1)	138	144	128	(16)	-	-	-
Civil and criminal court system:											
Sheriff	-	-	-	-	7	7	7	-	-	-	-
Juvenile court	-	-	-	-	125	125	125	-	-	-	-
State court	-	-	-	-	56	56	56	-	-	-	-
Solicitor state court	-	-	-	-	17	17	17	-	-	-	-
District attorney	-	-	-	-	-	-	-	-	406	181	(225)
Total civil and criminal court system	-	-	-	-	205	205	205	-	406	181	(225)
Parks and recreation	-	-	-	-	47	47	23	(24)	-	-	-
Miscellaneous	-	-	-	-	2	-	-	-	-	-	-
Total expenditures	363	328	327	(1)	392	396	356	(40)	406	181	(225)
Excess (deficiency) of revenues over expenditures	(363)	(328)	(327)	1	(392)	(392)	(352)	40	444	947	503
Other financing sources (uses):											
Transfers out	-	(35)	-	35	-	-	-	-	(873)	(873)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(363)	(363)	(327)	36	(392)	(392)	(352)	40	(429)	74	503
Fund balance, beginning of year	363	363	363	-	392	392	392	-	429	429	-
Fund balance, end of year	\$ -	\$ -	\$ 36	\$ 36	\$ -	\$ -	\$ 40	\$ 40	\$ -	\$ 503	\$ 503

Explanation of differences between budget and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	(327)									74
Differences - budget to GAAP:										
Due to expenditures:										
Accrued payables 12-31-2002			226				-			-
Encumbrances 12-31-2003			-				-			20
Net change in fund balance - GAAP basis			\$ (01)				\$ (352)			\$ 94

(continued)

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2003
 Non-GAAP Budget Basis (In thousands of dollars)
 (continued)

	Recreation Fund			Local Law Enforcement Confiscated Monies Fund				Juvenile Services Fund		
	Original and 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)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:										
Use of money and property	\$ (28)	\$ 6	\$ 34	\$ -	\$ -	\$ 33	\$ 33	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	927	927	-	-	-	-
Charges for services	1,409	1,235	(174)	-	-	-	-	47	72	25
Total revenues	1,381	1,241	(140)	-	927	960	33	47	72	25
Expenditures:										
Current:										
Public safety - police	-	-	-	1,303	2,166	1,395	(771)	-	-	-
Civil and criminal court system:										
Sheriff	-	-	-	140	140	25	(115)	-	-	-
Juvenile court	-	-	-	-	-	-	-	52	41	(11)
District attorney	-	-	-	393	429	212	(217)	-	-	-
Total civil and criminal court system	-	-	-	533	569	237	(332)	52	41	(11)
Parks and recreation	1,791	1,345	(446)	-	-	-	-	-	-	-
Total expenditures	1,791	1,345	(446)	1,836	2,735	1,632	(1,103)	52	41	(11)
Excess (deficiency) of revenues over expenditures	(410)	(104)	306	(1,836)	(1,808)	(672)	1,136	(5)	31	36
Other financing sources (uses):										
Transfers out	-	-	-	(117)	(145)	(131)	14	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(410)	(104)	306	(1,953)	(1,953)	(803)	1,150	(5)	31	36
Fund balance, beginning of year	410	410	-	1,953	1,953	1,953	-	5	5	-
Fund balance, end of year	\$ -	\$ 306	\$ 306	\$ -	\$ -	\$ 1,150	\$ 1,150	\$ -	\$ 36	\$ 36

Explanation of differences between budget and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	(104)	(803)	31
Differences - budget to GAAP:			
Due to revenues:			
Accrued receivables 12-31-2002	-	(5)	-
Accrued receivables 12-31-2003	-	5	-
Due to expenditures:			
Accrued payables 12-31-2002	12	-	-
Accrued payables 12-31-2003	(14)	(200)	-
Due to encumbrances:			
Encumbrances 12-31-2002	(18)	(489)	-
Encumbrances 12-31-2003	71	879	-
Net change in fund balance - GAAP basis	\$ (53)	\$ (623)	\$ 31

(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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Emergency Telephone System Fund				Drug Abuse Treatment & Education Fund			Street Lights Fund		
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:										
Use of money and property	\$ 60	\$ 60	\$ 82	\$ 22	\$ 1	\$ 1	\$ -	\$ 2	\$ 1	\$ (1)
Fines and forfeitures	-	-	-	-	70	61	(9)	-	-	-
Charges for services	9,994	9,994	10,242	248	-	-	-	3,010	3,099	89
Total revenues	10,054	10,054	10,324	270	71	62	(9)	3,012	3,100	88
Expenditures:										
Current:										
Public safety	8,393	7,393	1,237	(7,156)	-	-	-	-	-	-
Public works - roads and drainage	-	-	-	-	-	-	-	3,168	3,143	(25)
Parks and recreation	-	-	-	-	53	62	9	-	-	-
Health and welfare	-	-	-	-	108	73	(35)	-	-	-
Debt service	1,407	1,407	1,290	(117)	-	-	-	-	-	-
Total expenditures	9,800	8,800	2,527	(7,273)	161	135	(26)	3,168	3,143	(25)
Excess (deficiency) of revenues over expenditures	254	1,254	7,797	7,543	(90)	(73)	17	(156)	(43)	113
Other financing sources (uses):										
Transfers in	-	-	-	-	-	3	3	-	-	-
Transfers out	(4,943)	(5,943)	(5,833)	(890)	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(4,689)	(4,689)	1,964	6,653	(90)	(70)	20	(156)	(43)	113
Fund balance, beginning of year	4,689	4,689	4,689	-	90	90	-	156	156	-
Fund balance, end of year	\$ -	\$ -	\$ 6,653	\$ 6,653	\$ -	\$ 20	\$ 20	\$ -	\$ 113	\$ 113

Explanation of differences between budget and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	1,964	(70)	(43)
Differences - budget to GAAP:			
Due to revenues:			
Accrued receivables 12-31-2002	(180)	-	(141)
Accrued receivables 12-31-2003	857	-	155
Due to expenditures:			
Accrued payables 12-31-2002	-	-	2
Accrued payables 12-31-2003	-	-	(2)
Encumbrances 12-31-2003	92	-	-
Net change in fund balance - GAAP basis	\$ 2,733	\$ (70)	\$ (29)

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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)
 (continued)

	Speed Humps Fund			Local Law Enforcement Block Grant #7 Fund				Local Law Enforcement Block Grant #8 Fund		
	Original and 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)	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:										
Use of money and property	\$ -	\$ 1	\$ 1	\$ -	\$ 3	\$ 10	\$ 7	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	453	453	-
Charges for services	100	175	75	-	-	-	-	-	-	-
Total revenues	\$ 100	\$ 176	\$ 76	\$ -	\$ 3	\$ 10	\$ 7	\$ 453	\$ 453	\$ -
Expenditures:										
Current:										
Public safety - police	-	-	-	319	323	310	(13)	118	-	(118)
Civil and criminal court system										
Sheriff	-	-	-	132	132	118	(14)	186	-	(186)
Juvenile court	-	-	-	-	-	-	-	40	-	(40)
Superior court	-	-	-	111	111	111	-	159	-	(159)
State court	-	-	-	75	83	-	(83)	-	-	-
Solicitor state court	-	-	-	69	76	2	(74)	-	-	-
Total civil and criminal court system	-	-	-	387	402	231	(171)	385	-	-
Public works - roads and drainage	151	1	(150)	-	-	-	-	-	-	-
Total expenditures	151	1	(150)	706	725	541	(184)	503	-	(118)
Excess (deficiency) of revenues over expenditures	(51)	175	226	(706)	(722)	(531)	191	(50)	453	118
Other financing sources (uses):										
Transfers in	-	-	-	30	46	32	(14)	50	50	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(51)	175	226	(676)	(676)	(499)	177	-	503	118
Fund balance, beginning of year	51	51	-	676	676	676	-	-	-	-
Fund balance, end of year	\$ -	\$ 226	\$ 226	\$ -	\$ -	\$ 177	\$ 177	\$ -	\$ 503	\$ 118
Explanation of differences between budget and GAAP:										
Deficiency of revenues and other sources over expenditures and other uses - budget basis		175				(499)			503	
Differences - budget to GAAP:										
Due to revenues:										
Accrued receivables 12-31-2002		(4)				-			-	
Accrued receivables 12-31-2003		5				-			-	
Net change in fund balance - GAAP basis		\$ 176				\$ (499)			\$ 503	

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

Building Authority 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.

2001 General Obligation Park Bonds Debt Service Fund - to account for taxes levied to fund the principal and interest requirements on the 2001 general obligation park bonds.

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

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2003
(in thousands of dollars)

	Building Authority Debt Service	2001 General Obligation Park Bonds	Other General Obligation Bonds	Total Nonmajor Debt Service Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 686	\$ 605	\$ 9,921	\$ 11,212
Taxes receivable (net)	-	289	455	744
Total assets	<u>686</u>	<u>894</u>	<u>10,376</u>	<u>11,956</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Deferred revenue	-	171	285	466
Fund balance	686	723	10,091	11,500
Total liabilities and fund balances	<u>\$ 686</u>	<u>\$ 894</u>	<u>\$ 10,376</u>	<u>\$ 11,956</u>

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2003
(in thousands of dollars)

	Building Authority Debt Service	2001 General Obligation Park Bonds	Other General Obligation Bonds	Total Nonmajor Debt Service Funds
<u>REVENUES</u>				
Taxes	\$ -	\$ 10,140	\$ 13,832	\$ 23,972
Use of money and property	98	59	26	183
Miscellaneous	-	-	2,070	2,070
Total revenues	<u>98</u>	<u>10,199</u>	<u>15,928</u>	<u>26,225</u>
<u>EXPENDITURES</u>				
Debt service	212	11,399	16,384	28,465
Deficiency of revenues under expenditures	(114)	(1,700)	(456)	(2,270)
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds of bond issuance	-	-	127,915	127,915
Premium on bond issuance	-	-	6,509	6,509
Payments to escrow agents	-	-	(135,562)	(135,562)
Bond issuance expense	-	-	(868)	(868)
Transfers in	800	-	-	800
Total other financing sources (uses)	<u>800</u>	<u>-</u>	<u>(2,006)</u>	<u>(1,206)</u>
Net change in fund balance	686	(1,700)	(2,462)	(3,476)
Fund balance - beginning	-	2,423	12,553	14,976
Fund balance - ending	<u>\$ 686</u>	<u>\$ 723</u>	<u>\$ 10,091</u>	<u>\$ 11,500</u>

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, 2003
 Non-GAAP Budget Basis (in thousands of dollars)

	Revenue Bonds			2001 General Obligation Park Bonds			Other General Obligation Bonds			
	Original and Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original and 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	\$ -	\$ -	\$ -	\$ 11,966	\$ 10,172	\$ (1,794)	\$ 16,134	\$ 16,134	\$ 13,944	\$ (2,190)
Use of money and property	-	98	98	55	37	(18)	30	30	31	1
Miscellaneous	-	-	-	-	24	24	-	963	2,070	2,070
Total revenues	-	98	98	12,021	10,233	(1,788)	16,164	17,127	16,045	(119)
Expenditures:										
Debt service	800	212	(588)	14,291	11,898	(2,393)	16,200	17,163	16,056	(144)
Excess (deficiency) of revenues over expenditures	(800)	(114)	686	(2,270)	(1,665)	605	(36)	(36)	(11)	25
Other financing sources (uses):										
Transfers in	800	800	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	686	686	(2,270)	(1,665)	605	(36)	(36)	(11)	25
Fund balance, beginning of year	-	-	-	2,270	2,270	-	36	36	36	-
Fund balance, end of year	\$ -	\$ 686	\$ 686	\$ -	\$ 605	\$ 605	\$ -	\$ -	\$ 25	\$ 25

Explanation of differences between budget and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	686	(1,665)	(11)
Differences - budget to GAAP:			
Due to revenues:			
Accrued receivables 12-31-2002	-	(303)	(571)
Accrued receivables 12-31-2003	-	289	463
Deferred revenues 12-31-2002	-	150	276
Deferred revenues 12-31-2003	-	(171)	(285)
Due to expenditures:			
Debt service payment due 12-31-2002	-	-	(12,222)
Debt service payment due 12-31-2003	-	-	9,888
Net change in fund balance - GAAP basis	\$ 686	\$ (1,700)	\$ (2,462)

(continued)

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 issues 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.

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.

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

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

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

Building Authority Juvenile Court Project Fund - to account for the proceeds of the 2003 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, 2003

(in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	COPS Bond Projects	COPS Morgue Project	HOST Capital Projects	Community Greenspace Program	Capital Improvement Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
ASSETS										
Cash and cash equivalents	\$ 155	\$ 2,211	\$ 186	\$ 12,680	\$ 10	\$ 28,418	\$ 3,894	\$ 27,145	\$ 8,951	\$ 83,650
Due from other governments	-	-	-	-	-	-	-	1,863	-	1,863
Total assets	<u>155</u>	<u>2,211</u>	<u>186</u>	<u>12,680</u>	<u>10</u>	<u>28,418</u>	<u>3,894</u>	<u>29,008</u>	<u>8,951</u>	<u>85,513</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Accounts and contracts payable	-	-	-	-	-	1,216	-	529	-	1,745
Deferred revenue	-	-	-	-	-	-	-	11	-	11
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,216</u>	<u>-</u>	<u>540</u>	<u>-</u>	<u>1,756</u>
Fund balance:										
Reserved	30	1,721	36	-	7	2,399	-	4,759	4	8,956
Unreserved	125	490	150	12,680	3	24,803	3,894	23,709	8,947	74,801
Total fund balance	<u>155</u>	<u>2,211</u>	<u>186</u>	<u>12,680</u>	<u>10</u>	<u>27,202</u>	<u>3,894</u>	<u>28,468</u>	<u>8,951</u>	<u>83,757</u>
Total liabilities and fund balances	<u>\$ 155</u>	<u>\$ 2,211</u>	<u>\$ 186</u>	<u>\$ 12,680</u>	<u>\$ 10</u>	<u>\$ 28,418</u>	<u>\$ 3,894</u>	<u>\$ 29,008</u>	<u>\$ 8,951</u>	<u>\$ 85,513</u>

Nonmajor Capital Project Funds

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

For the Year Ended December 31, 2003

(in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	COPS Bond Projects	COPS Morgue Project	HOST Capital Projects	Community Greenspace Program	Capital Improvement Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
Revenues										
Use of money and property	\$ 2	\$ 26	\$ 3	\$ 48	\$ -	\$ 425	\$ 53	\$ -	\$ 30	\$ 587
Intergovernmental	-	-	-	-	-	(128)	-	1,436	-	1,308
Miscellaneous	-	-	-	-	-	-	-	93	-	93
Total revenues	2	26	3	48	-	297	53	1,529	30	1,988
Expenditures										
Debt service	-	-	-	-	-	2,114	-	-	-	2,114
Cash defeasance of bonds	-	-	-	9,788	-	-	-	-	-	9,788
Capital outlay:										
General government	-	-	-	-	-	2,117	-	5,507	-	7,624
Public safety	-	-	-	-	-	-	-	481	-	481
Civil and criminal court system	-	(18)	-	11,150	6	7,639	-	7	6,126	24,910
Public works	-	-	-	-	-	6,173	-	8,533	-	14,706
Parks and recreation	-	-	-	-	-	-	1,878	51	-	1,929
Health and welfare	-	-	52	-	-	-	-	1	-	53
Other	-	-	-	-	-	-	-	32	-	32
Total expenditures	-	(18)	52	20,938	6	18,043	1,878	14,612	6,126	61,637
Excess (deficiency) of revenues over expenditures	2	44	(49)	(20,890)	(6)	(17,746)	(1,825)	(13,083)	(6,096)	(59,649)
Other Financing Sources (Uses)										
Proceeds of bond issuance	-	-	-	25,000	-	-	-	-	15,000	40,000
Premium on bond issuance	-	-	-	212	-	-	-	-	232	444
Bond issuance expense	-	-	-	(363)	-	-	-	-	(185)	(548)
Contractual purchase obligations	-	-	-	-	-	-	-	1,365	-	1,365
Transfers in	-	-	-	-	-	3,045	-	27,093	-	30,138
Transfers out	-	-	-	-	-	(239)	(75)	(1,798)	-	(2,112)
Total other financing sources (uses)	-	-	-	24,849	-	2,806	(75)	26,660	15,047	69,287
Net change in fund balance	2	44	(49)	3,959	(6)	(14,940)	(1,900)	13,577	8,951	9,638
Fund balance - beginning	153	2,167	235	8,721	16	42,142	5,794	14,891	-	74,119
Fund balance - ending	\$ 155	\$ 2,211	\$ 186	\$ 12,680	\$ 10	\$ 27,202	\$ 3,894	\$ 28,468	\$ 8,951	\$ 83,757

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 worker's compensation insurance.

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Net Assets

December 31, 2003
(In thousands of dollars)

<u>ASSETS</u>	Vehicle Maintenance	Vehicle Replacement	Risk Management	Total
Current assets:				
Cash and cash equivalents	\$ 988	\$ 36,864	\$ 8,955	\$ 46,807
Inventories and prepaid items	914	-	563	1,477
Total current assets	<u>1,902</u>	<u>36,864</u>	<u>9,518</u>	<u>48,284</u>
Noncurrent assets:				
Capital assets (net)	<u>2,248</u>	<u>50,507</u>	<u>-</u>	<u>52,755</u>
Total assets	<u>4,150</u>	<u>87,371</u>	<u>9,518</u>	<u>101,039</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	15	-	853	868
Claims and judgments payable, current portion	-	-	7,172	7,172
Obligation under capital leases, current portion	-	2,176	-	2,176
Other accrued liabilities	195	-	-	195
Total current liabilities	<u>210</u>	<u>2,176</u>	<u>8,025</u>	<u>10,411</u>
Noncurrent liabilities:				
Claims and judgments payable, long term portion	-	-	3,120	3,120
Obligation under capital leases, long term portion	-	3,536	-	3,536
Compensated absences payable	663	-	-	663
Total long-term liabilities	<u>663</u>	<u>3,536</u>	<u>3,120</u>	<u>7,319</u>
Total Liabilities	<u>873</u>	<u>5,712</u>	<u>11,145</u>	<u>17,730</u>
<u>NET ASSETS (DEFICIT)</u>				
Invested in capital assets	2,248	44,795	-	47,043
Unrestricted	1,029	36,864	(1,627)	36,266
Total net assets (deficit)	<u>\$ 3,277</u>	<u>\$ 81,659</u>	<u>\$ (1,627)</u>	<u>\$ 83,309</u>

DeKalb County, Georgia

Internal Service Funds

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

For the Year Ended December 31, 2003
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Operating Revenues:				
Charges for services	\$ 20,230	\$ 20,375	\$ 57,090	\$ 97,695
Intergovernmental	85	-	-	85
Miscellaneous	260	1,531	-	1,791
Total Operating Revenues	<u>20,575</u>	<u>21,906</u>	<u>57,090</u>	<u>99,571</u>
Operating Expenses:				
Salaries and employee benefits	7,418	-	-	7,418
Supplies	3,831	-	-	3,831
Operating services and charges	1,146	10	55,368	56,524
Maintenance and repairs	7,475	-	-	7,475
Depreciation	326	16,702	-	17,028
Total Operating Expenses	<u>20,196</u>	<u>16,712</u>	<u>55,368</u>	<u>92,276</u>
Operating Income	379	5,194	1,722	7,295
Other Income (Expense):				
Interest income	-	341	-	341
Interest expense	-	(231)	-	(231)
Change in net assets	379	5,304	1,722	7,405
Net assets (deficit) - beginning	<u>2,898</u>	<u>76,355</u>	<u>(3,349)</u>	<u>75,904</u>
Net assets (deficit) - ending	<u>\$ 3,277</u>	<u>\$ 81,659</u>	<u>\$ (1,627)</u>	<u>\$ 83,309</u>

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Cash Flows

Year Ended December 31, 2003
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 20,575	\$ 21,906	\$ 57,090	\$ 99,571
Cash payments to suppliers for goods and services	(12,507)	(10)	(52,933)	(65,450)
Cash payments to employees for services	(7,452)	-	-	(7,452)
Net cash provided by operating activities	<u>616</u>	<u>21,896</u>	<u>4,157</u>	<u>26,669</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(30)	(14,258)	-	(14,288)
Payments on leases	-	(2,050)	-	(2,050)
Net cash required by capital and related financing activities	<u>(30)</u>	<u>(16,308)</u>	<u>-</u>	<u>(16,338)</u>
Cash flows from investing activities:				
Interest on investments	-	341	-	341
Net increase in cash and cash equivalents	586	5,929	4,157	10,672
Cash and cash equivalents at beginning of year	<u>402</u>	<u>30,935</u>	<u>4,798</u>	<u>36,135</u>
Cash and cash equivalents at end of year	<u><u>988</u></u>	<u><u>36,864</u></u>	<u><u>8,955</u></u>	<u><u>46,807</u></u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	379	5,194	1,722	7,295
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	326	16,702	-	17,028
Change in assets and liabilities:				
(Increase) decrease in inventories and prepaid expenses	(52)	-	73	21
Increase (decrease) in payables	(52)	-	2,362	2,310
Increase (decrease) in other liabilities	15	-	-	15
Net cash provided by operating activities	<u>616</u>	<u>21,896</u>	<u>4,157</u>	<u>26,669</u>
Capital assets acquired through capital leases	<u>\$ -</u>	<u>\$ 1,341</u>	<u>\$ -</u>	<u>\$ 1,341</u>

DeKalb County, Georgia

Agency Funds

Tax Commissioner - to account for all real, personal, intangible, 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

Agency Funds

Combining Statement of Changes in Assets and Liabilities

Year Ended December 31, 2003

(In thousands of dollars)

	Balance 12/31/2002	Additions	Deductions	Balance 12/31/2003
<u>TAX COMMISSIONER</u>				
ASSETS				
Cash and Cash Equivalents	\$ 13,986	\$ 757,082	\$ 753,450	\$ 17,618
Taxes Receivable	23,627	611,322	608,278	26,671
Total Assets	<u>\$ 37,613</u>	<u>\$ 1,368,404</u>	<u>\$ 1,361,728</u>	<u>\$ 44,289</u>
LIABILITIES				
Due to Others	<u>\$ 37,613</u>	<u>\$ 2,241,219</u>	<u>\$ 2,234,543</u>	<u>\$ 44,289</u>
<u>SHERIFF</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 7,613</u>	<u>\$ 5,279</u>	<u>\$ 6,811</u>	<u>\$ 6,081</u>
LIABILITIES				
Due to Others	<u>\$ 7,613</u>	<u>\$ 5,279</u>	<u>\$ 6,811</u>	<u>\$ 6,081</u>
<u>CLERK SUPERIOR COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 1,601</u>	<u>\$ 46,418</u>	<u>\$ 45,223</u>	<u>\$ 2,796</u>
LIABILITIES				
Due to Others	<u>\$ 1,601</u>	<u>\$ 46,418</u>	<u>\$ 45,223</u>	<u>\$ 2,796</u>
<u>STATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 1,221</u>	<u>\$ 11,749</u>	<u>\$ 11,924</u>	<u>\$ 1,046</u>
LIABILITIES				
Due to Others	<u>\$ 1,221</u>	<u>\$ 11,749</u>	<u>\$ 11,924</u>	<u>\$ 1,046</u>
<u>JUVENILE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 16</u>	<u>\$ 215</u>	<u>\$ 213</u>	<u>\$ 18</u>
LIABILITIES				
Due to Others	<u>\$ 16</u>	<u>\$ 215</u>	<u>\$ 213</u>	<u>\$ 18</u>

	Balance 12/31/2002	Additions	Deductions	Balance 12/31/2003
<u>PROBATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 265</u>	<u>\$ 981</u>	<u>\$ 927</u>	<u>\$ 319</u>
LIABILITIES				
Due to Others	<u>\$ 265</u>	<u>\$ 981</u>	<u>\$ 927</u>	<u>\$ 319</u>
<u>MAGISTRATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 33</u>	<u>\$ 925</u>	<u>\$ 930</u>	<u>\$ 28</u>
LIABILITIES				
Due to Others	<u>\$ 33</u>	<u>\$ 925</u>	<u>\$ 930</u>	<u>\$ 28</u>
<u>STATE COURT PROBATION</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 1,953</u>	<u>\$ 3,189</u>	<u>\$ 3,080</u>	<u>\$ 2,062</u>
LIABILITIES				
Due to Others	<u>\$ 1,953</u>	<u>\$ 3,189</u>	<u>\$ 3,080</u>	<u>\$ 2,062</u>
<u>SEIZED PROPERTY</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 347</u>	<u>\$ 198</u>	<u>\$ 246</u>	<u>\$ 299</u>
LIABILITIES				
Due to Others	<u>\$ 347</u>	<u>\$ 198</u>	<u>\$ 246</u>	<u>\$ 299</u>
<u>TOTALS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 27,035	\$ 826,036	\$ 822,804	\$ 30,267
Taxes Receivable	23,627	611,322	608,278	26,671
Total Assets	<u>\$ 50,662</u>	<u>\$ 1,437,358</u>	<u>\$ 1,431,082</u>	<u>\$ 56,938</u>
LIABILITIES				
Due to Others	<u>\$ 50,662</u>	<u>\$ 2,310,173</u>	<u>\$ 2,303,897</u>	<u>\$ 56,938</u>

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.

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. (County has had no special assessments for the past ten years related to any debt for which the County is obligated in some manner.)



STATISTICAL SECTION

DeKalb County, Georgia

General Governmental Revenues By Source and Expenditures By Function

Last Ten Years
(In thousands of dollars)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Revenues By Source:										
Taxes	\$ 353,904	\$318,756	\$296,665	\$282,191	\$265,959	\$309,268	\$264,053	\$226,554	\$216,116	\$216,201
Licenses and Permits	26,833	27,625	29,385	27,686	28,254	22,163	21,257	20,396	18,138	15,404
Intergovernmental	46,704	47,228	48,929	55,613	28,860	40,169	16,992	17,400	15,618	15,678
Charges for Services	35,835	35,580	28,994	28,894	26,499	24,191	22,053	21,900	20,268	17,809
Fines and Forfeitures	29,311	24,162	21,571	20,171	19,277	19,155	19,474	17,835	16,247	14,534
Use of Money and Property	4,284	4,237	7,280	10,556	7,302	7,391	5,211	5,751	5,311	5,030
Miscellaneous	6,742	4,262	5,470	3,610	3,950	4,141	5,315	3,024	2,143	4,765
Total	\$ 503,613	\$461,850	\$438,294	\$428,721	\$380,101	\$426,478	\$354,355	\$312,860	\$293,841	\$289,421
Expenditures By Function:										
General Government	\$ 62,020	\$ 55,369	\$ 51,986	\$ 49,551	\$ 45,123	\$ 41,290	\$ 36,957	\$ 38,031	\$ 36,704	\$ 34,429
Public Safety	143,940	136,441	128,107	118,265	114,840	103,288	93,282	88,625	89,741	85,435
Civil and Criminal Court System	109,274	101,229	97,039	91,326	82,810	73,481	66,188	60,436	59,525	50,104
Planning	1,569	1,341	1,750	1,923	2,234	1,920	1,943	1,943	2,141	2,137
Public Works	43,605	41,107	38,346	42,459	30,063	42,757	26,075	24,430	24,984	23,162
Community Development	9,443	8,094	8,642	7,361	8,183	5,839	6,225	6,027	6,348	5,304
Parks and Recreation	17,697	19,578	18,245	16,562	15,722	14,935	14,166	13,247	13,819	13,774
Library	10,828	10,071	10,171	8,525	7,377	6,963	6,663	6,106	6,016	5,788
Health and Welfare	33,960	33,526	26,596	25,787	25,716	25,830	19,032	23,570	24,628	29,268
Miscellaneous	11,738	10,294	9,636	7,569	10,618	7,664	7,049	8,730	11,329	8,644
Capital Outlays	71,934	46,650	42,148	16,473	28,544	30,270	14,709	9,239	9,167	34,748
Debt Service	35,362	34,112	27,201	26,201	21,418	19,628	19,838	20,188	19,658	17,111
Total	\$ 551,370	\$497,812	\$459,867	\$412,002	\$392,648	\$373,865	\$312,127	\$300,672	\$304,060	\$309,904

General governmental revenues and expenditures include all revenues and expenditures of governmental fund types. Transfers to or from other funds are not included.

DeKalb County, Georgia

Property Tax Rates and Levies

Last Ten Years

Property Tax Rates Per \$1,000 Real and Personal Property:	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
County:										
General	8.73	8.03	5.65	9.01	6.36	6.46	8.44	3.19	7.14	7.51
Special tax district-										
designated services:										
Avondale	2.76	3.49	4.29	3.72	4.03	2.37	2.38	2.34	3.97	5.75
Chamblee	1.12	1.42	1.74	1.51	1.64	0.96	0.97	0.95	1.30	1.70
Clarkston	2.33	2.94	3.62	3.14	3.40	2.00	2.01	1.98	3.25	4.64
Decatur	1.47	1.85	2.28	1.98	2.14	1.26	1.26	1.24	1.81	2.43
Doraville	1.56	1.96	2.41	2.09	2.27	1.33	1.34	1.32	1.88	2.51
Lithonia	2.42	3.05	3.75	3.26	3.53	2.07	2.08	2.05	3.32	4.72
Pine Lake	2.76	3.49	4.29	3.72	4.03	2.37	2.38	2.34	3.97	5.75
Stone Mountain	2.07	2.62	3.21	2.79	3.02	1.78	1.78	1.76	2.74	3.83
Unincorporated	2.76	2.94	4.20	1.96	3.93	3.05	2.60	2.71	3.27	3.26
Hospital services	0.92	1.05	1.30	1.30	1.09	1.79	1.25	1.80	1.95	2.31
Fire protection	1.99	2.31	2.43	1.44	2.73	2.54	2.60	2.60	2.84	2.38
Bond retirement and interest	1.18	1.25	1.45	0.97	1.07	1.09	1.29	1.33	1.43	1.17
Total County *	<u>15.58</u>	<u>15.58</u>	<u>15.03</u>	<u>14.68</u>	<u>15.18</u>	<u>14.93</u>	<u>16.18</u>	<u>16.63</u>	<u>16.63</u>	<u>16.63</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	\$ 102,320	\$ 74,393	\$ 44,444	\$ 65,870	\$ 43,828	\$ 72,239	\$ 86,574	\$ 79,374	\$ 66,270	\$ 67,753
Special tax district-										
designated services	29,291	25,130	30,288	13,943	25,124	31,182	24,660	24,229	28,287	28,056
Hospital services	10,730	9,728	10,226	9,504	7,511	20,017	12,822	17,445	18,099	20,840
Fire protection	21,469	19,963	17,961	9,940	17,906	26,620	25,098	23,733	24,785	20,895
Bond retirement and interest	20,806	21,035	22,508	14,319	14,242	13,492	14,732	14,430	14,895	11,851
Total County	<u>\$ 184,616</u>	<u>\$ 150,249</u>	<u>\$ 125,427</u>	<u>\$ 113,576</u>	<u>\$ 103,611</u>	<u>\$ 163,550</u>	<u>\$ 163,886</u>	<u>\$ 159,211</u>	<u>\$ 152,336</u>	<u>\$ 149,395</u>

(continued)

DeKalb County, Georgia

Property Tax Rates and Levies (continued)

Last Ten Years

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Property Tax Levies (continued)										
(In thousands of dollars)										
Public Utilities:										
County:										
General	\$ 4,168	\$ 2,389	\$ 2,492	\$ 3,746	\$ 2,775	\$ 2,507	\$ 3,318	\$ 3,294	\$ 2,900	\$ 3,081
Special tax district-										
designated services	1,106	1,085	1,543	751	1,534	1,030	902	942	1,169	1,208
Hospital services	439	443	573	540	475	695	491	724	792	948
Fire protection	812	857	910	520	1,087	897	927	930	1,025	877
Bond retirement and interest	503	475	575	403	467	423	507	535	581	480
Total County	<u>\$ 7,028</u>	<u>\$ 5,249</u>	<u>\$ 6,093</u>	<u>\$ 5,960</u>	<u>\$ 5,338</u>	<u>\$ 5,552</u>	<u>\$ 6,145</u>	<u>\$ 6,425</u>	<u>\$ 6,467</u>	<u>\$ 6,594</u>
Motor Vehicle and Mobile Homes:										
County:										
General	\$ 11,999	\$ 9,114	\$ 14,243	\$ 10,181	\$ 8,753	\$ 10,529	\$ 11,395	\$ 8,661	\$ 8,021	\$ 7,012
Special tax district-										
designated services	4,280	6,040	3,294	5,769	3,861	3,148	3,500	3,742	3,352	2,868
Hospital services	1,760	2,025	2,087	1,785	2,425	1,651	2,468	2,365	2,468	2,187
Fire protection	3,617	3,524	2,319	4,042	3,256	3,119	3,397	3,261	2,412	3,295
Bond retirement and interest	1,987	2,145	1,486	1,697	1,477	1,621	1,837	1,735	1,250	1,270
Total County	<u>\$ 23,643</u>	<u>\$ 22,848</u>	<u>\$ 23,429</u>	<u>\$ 23,474</u>	<u>\$ 19,772</u>	<u>\$ 20,068</u>	<u>\$ 22,597</u>	<u>\$ 19,764</u>	<u>\$ 17,503</u>	<u>\$ 16,632</u>
Intangible Property:										
County:										
General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 645	\$ 587
Special tax district-										
designated services	-	-	-	-	-	-	-	-	270	262
Hospital services	-	-	-	-	-	-	-	-	198	200
Fire protection	-	-	-	-	-	-	-	-	190	230
Fire tax refunds	-	-	-	-	-	-	-	-	-	75
Bond retirement and interest	-	-	-	-	-	-	-	-	100	116
Total County	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,403</u>	<u>\$ 1,470</u>
Total County Property Tax Levies	<u>\$ 215,287</u>	<u>\$ 178,346</u>	<u>\$ 154,949</u>	<u>\$ 143,010</u>	<u>\$ 134,721</u>	<u>\$ 189,170</u>	<u>\$ 192,628</u>	<u>\$ 185,400</u>	<u>\$ 177,709</u>	<u>\$ 174,091</u>

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

	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Total Tax Levy	<u>\$ 215,287</u>	<u>\$ 178,346</u>	<u>\$ 154,949</u>	<u>\$ 143,010</u>	<u>\$ 134,721</u>	<u>\$ 189,170</u>	<u>\$ 192,628</u>	<u>\$ 185,400</u>	<u>\$ 177,709</u>	<u>\$ 174,091</u>
Collection of Current Years' Taxes During Year	<u>\$ 203,674</u>	<u>\$ 172,814</u>	<u>\$ 154,249</u>	<u>\$ 135,206</u>	<u>\$ 131,593</u>	<u>\$ 185,728</u>	<u>\$ 187,964</u>	<u>\$ 181,337</u>	<u>\$ 172,107</u>	<u>\$ 169,879</u>
Percentage of Levy Collected During Year	<u>94.61%</u>	<u>96.90%</u>	<u>99.55%</u>	<u>94.54%</u>	<u>97.68%</u>	<u>98.18%</u>	<u>97.58%</u>	<u>97.81%</u>	<u>96.85%</u>	<u>97.58%</u>
Collection of Prior Years' Taxes During Year	<u>\$ 7,676</u>	<u>\$ 6,729</u>	<u>\$ 6,512</u>	<u>\$ 5,483</u>	<u>\$ 6,223</u>	<u>\$ 4,537</u>	<u>\$ 4,187</u>	<u>\$ 7,235</u>	<u>\$ 4,613</u>	<u>\$ 10,658</u>
Total Collections	<u>\$ 211,350</u>	<u>\$ 179,543</u>	<u>\$ 160,761</u>	<u>\$ 140,689</u>	<u>\$ 137,816</u>	<u>\$ 190,265</u>	<u>\$ 192,151</u>	<u>\$ 188,572</u>	<u>\$ 176,720</u>	<u>\$ 180,537</u>
Percentage of Total Collections to Tax Levy	<u>98.17%</u>	<u>100.67%</u>	<u>103.75%</u>	<u>98.38%</u>	<u>102.30%</u>	<u>100.58%</u>	<u>99.75%</u>	<u>101.71%</u>	<u>99.44%</u>	<u>103.70%</u>
Accumulated Delinquent Taxes	<u>\$ 10,134</u>	<u>\$ 7,404</u>	<u>\$ 8,085</u>	<u>\$ 9,717</u>	<u>\$ 6,316</u>	<u>\$ 5,878</u>	<u>\$ 6,137</u>	<u>\$ 5,788</u>	<u>\$ 8,460</u>	<u>\$ 6,902</u>
Percentage of Accumulated Delinquent Taxes to Current Years' Tax Levy	<u>4.71%</u>	<u>4.15%</u>	<u>5.22%</u>	<u>6.79%</u>	<u>4.69%</u>	<u>3.11%</u>	<u>3.19%</u>	<u>3.12%</u>	<u>4.76%</u>	<u>3.96%</u>

DeKalb County, Georgia

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years
(In millions of dollars)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
General Purposes and Bond Retirement:										
Real property:										
Assessed value	\$ 17,636	\$ 16,545	\$ 15,135	\$ 13,565	\$ 12,033	\$ 11,118	\$ 10,168	\$ 9,674	\$ 9,284	\$ 9,069
Estimated market value	44,090	41,363	37,838	33,913	30,083	27,795	25,420	24,185	23,210	22,673
Personal property:										
Assessed value	1,763	1,850	1,916	1,806	1,825	1,881	1,771	1,655	1,614	1,561
Estimated market value	4,408	4,625	4,790	4,515	4,563	4,703	4,428	4,138	4,035	3,903
Motor vehicle and mobile homes:										
Assessed value	1,513	1,509	1,489	1,750	1,355	723	1,318	1,213	1,068	1,015
Estimated market value	3,783	3,773	3,723	4,375	3,388	1,808	3,295	3,033	2,670	2,538
Privately owned public utilities:										
Assessed value	424	441	416	419	436	388	393	411	412	413
Estimated market value	1,060	1,103	1,040	1,048	1,090	970	983	1,028	1,030	1,033
Total value for bond retirement (gross):										
Assessed value	\$ 21,506	\$ 20,345	\$ 18,956	\$ 17,540	\$ 15,649	\$ 14,110	\$ 13,650	\$ 12,953	\$ 12,378	\$ 12,058
Estimated market value	<u>\$ 53,341</u>	<u>\$ 50,864</u>	<u>\$ 47,391</u>	<u>\$ 43,851</u>	<u>\$ 39,124</u>	<u>\$ 35,276</u>	<u>\$ 34,126</u>	<u>\$ 32,384</u>	<u>\$ 30,945</u>	<u>\$ 30,147</u>
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>\$ 1,499</u>	<u>\$ 1,452</u>	<u>\$ 1,407</u>	<u>\$ 1,353</u>	<u>\$ 1,313</u>	<u>\$ 1,336</u>	<u>\$ 1,309</u>	<u>\$ 1,310</u>	<u>\$ 1,293</u>	<u>\$ 1,271</u>
Freeport Exemption	<u>\$ 265</u>	<u>\$ 258</u>	<u>\$ 281</u>	<u>\$ 292</u>	<u>\$ 294</u>	<u>\$ 365</u>	<u>\$ 327</u>	<u>\$ 326</u>	<u>\$ 335</u>	<u>\$ 306</u>
Net Assessed Value for General Purposes	<u>\$ 19,572</u>	<u>\$ 18,634</u>	<u>\$ 17,268</u>	<u>\$ 15,895</u>	<u>\$ 14,042</u>	<u>\$ 12,409</u>	<u>\$ 12,014</u>	<u>\$ 11,317</u>	<u>\$ 10,750</u>	<u>\$ 10,481</u>
Net Assessed Value for Fire Purposes	<u>\$ 17,876</u>	<u>\$ 17,062</u>	<u>\$ 16,122</u>	<u>\$ 14,707</u>	<u>\$ 13,115</u>	<u>\$ 11,626</u>	<u>\$ 11,198</u>	<u>\$ 10,540</u>	<u>\$ 10,097</u>	<u>\$ 10,057</u>

Note: Assessments are made as of January 1 of each year.

DeKalb County, Georgia
 Total Property Tax Rates - All Direct and Overlapping Governments
 Per \$1,000 Assessed Value

	Last Ten Years									
	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
DeKalb County	<u>38.81</u>	<u>37.81</u>	<u>37.26</u>	<u>37.16</u>	<u>37.91</u>	<u>37.66</u>	<u>40.16</u>	<u>41.51</u>	<u>41.51</u>	<u>41.51</u>
Atlanta	<u>43.60</u>	<u>43.99</u>	<u>38.95</u>	<u>46.22</u>	<u>45.05</u>	<u>46.66</u>	<u>48.42</u>	<u>50.09</u>	<u>46.42</u>	<u>49.69</u>
Decatur	<u>43.44</u>	<u>43.77</u>	<u>40.35</u>	<u>42.26</u>	<u>44.41</u>	<u>45.95</u>	<u>48.09</u>	<u>54.31</u>	<u>54.08</u>	<u>53.52</u>
Avondale	<u>48.06</u>	<u>48.29</u>	<u>47.25</u>	<u>49.42</u>	<u>49.51</u>	<u>48.48</u>	<u>51.44</u>	<u>52.64</u>	<u>53.71</u>	<u>55.50</u>
Chamblee	<u>42.82</u>	<u>39.77</u>	<u>38.21</u>	<u>40.72</u>	<u>40.62</u>	<u>40.57</u>	<u>43.53</u>	<u>44.75</u>	<u>44.54</u>	<u>44.95</u>
Clarkston	<u>42.38</u>	<u>42.20</u>	<u>41.24</u>	<u>43.94</u>	<u>43.38</u>	<u>42.61</u>	<u>45.57</u>	<u>46.78</u>	<u>47.49</u>	<u>48.89</u>
Lithonia	<u>50.30</u>	<u>48.87</u>	<u>48.21</u>	<u>50.46</u>	<u>49.51</u>	<u>48.68</u>	<u>51.64</u>	<u>52.85</u>	<u>53.56</u>	<u>54.97</u>
Doraville	<u>46.81</u>	<u>42.80</u>	<u>41.37</u>	<u>43.79</u>	<u>42.25</u>	<u>41.94</u>	<u>44.90</u>	<u>46.12</u>	<u>46.12</u>	<u>46.76</u>
Pine Lake	<u>52.89</u>	<u>52.83</u>	<u>54.75</u>	<u>59.92</u>	<u>47.01</u>	<u>46.98</u>	<u>50.94</u>	<u>53.14</u>	<u>55.21</u>	<u>57.00</u>
Stone Mountain	<u>47.81</u>	<u>46.96</u>	<u>43.67</u>	<u>45.99</u>	<u>45.00</u>	<u>44.39</u>	<u>47.34</u>	<u>48.56</u>	<u>48.98</u>	<u>50.08</u>

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.

DeKalb County, Georgia

Ratio of Net General Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita

Last Ten Years

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Population (in thousands)*	<u>691</u>	<u>686</u>	<u>675</u>	<u>666</u>	<u>610</u>	<u>599</u>	<u>594</u>	<u>590</u>	<u>585</u>	<u>577</u>
Assessed Value (in millions of dollars)	<u>\$ 21,506</u>	<u>\$ 20,345</u>	<u>\$ 18,956</u>	<u>\$ 17,540</u>	<u>\$ 15,649</u>	<u>\$ 14,110</u>	<u>\$ 13,650</u>	<u>\$ 12,953</u>	<u>\$ 12,378</u>	<u>\$ 12,058</u>
Gross Bonded Debt (in thousands of dollars)	\$ 250,345	\$ 267,640	\$ 282,275	\$ 168,335	\$ 175,920	\$ 183,360	\$ 188,620	\$ 195,510	\$ 202,075	\$ 207,960
Less Reserve for General Bond Debt Service (in thousands of dollars)	<u>10,814</u>	<u>14,976</u>	<u>17,610</u>	<u>12,979</u>	<u>12,618</u>	<u>12,861</u>	<u>13,148</u>	<u>12,770</u>	<u>12,852</u>	<u>12,216</u>
Net Bonded Debt (in thousands of dollars)	<u>\$ 239,531</u>	<u>\$ 252,664</u>	<u>\$ 264,665</u>	<u>\$ 155,356</u>	<u>\$ 163,302</u>	<u>\$ 170,499</u>	<u>\$ 175,472</u>	<u>\$ 182,740</u>	<u>\$ 189,223</u>	<u>\$ 195,744</u>
Ratio of Net Bonded Debt to Assessed Value	<u>0.0111</u>	<u>0.0124</u>	<u>0.0140</u>	<u>0.0089</u>	<u>0.0104</u>	<u>0.0121</u>	<u>0.0129</u>	<u>0.0141</u>	<u>0.0153</u>	<u>0.0162</u>
Net Bonded Debt Per Capita	<u>\$ 346.64</u>	<u>\$ 368.31</u>	<u>\$ 392.10</u>	<u>\$ 233.27</u>	<u>\$ 267.71</u>	<u>\$ 284.64</u>	<u>\$ 295.41</u>	<u>\$ 309.73</u>	<u>\$ 323.46</u>	<u>\$ 339.24</u>

*Source: DeKalb County Planning Department

DeKalb County, Georgia

Ratio of Annual Debt Service For General Bonded Debt
To Total General ExpendituresLast Ten Years
(in thousands of dollars)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
General Governmental Expenditures*	<u>\$ 551,370</u>	<u>\$ 497,812</u>	<u>\$ 459,867</u>	<u>\$ 412,002</u>	<u>\$ 392,648</u>	<u>\$ 373,865</u>	<u>\$ 312,127</u>	<u>\$ 300,672</u>	<u>\$ 304,060</u>	<u>\$ 309,904</u>
Debt Service Expenditures for General Bonded Debt	<u>\$ 30,501</u>	<u>\$ 28,318</u>	<u>\$ 20,866</u>	<u>\$ 17,029</u>	<u>\$ 17,177</u>	<u>\$ 17,306</u>	<u>\$ 17,454</u>	<u>\$ 17,443</u>	<u>\$ 17,119</u>	<u>\$ 15,557</u>
Ratio (%) of Debt Service Expenditures to General Governmental Expenditures	<u>5.53%</u>	<u>5.69%</u>	<u>4.54%</u>	<u>4.13%</u>	<u>4.37%</u>	<u>4.63%</u>	<u>5.59%</u>	<u>5.80%</u>	<u>5.63%</u>	<u>5.02%</u>

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

DeKalb County, Georgia
Computation of Legal Debt Margin

December 31, 2003
(In thousands of dollars)

Assessed Value		<u>\$21,506,000</u>
Debt Limit - 10% of assessed value		2,150,600
Amount of Debt Applicable to Debt Limit:		
Total bonded debt	\$ 770,710	
Less:		
General obligation bonds fund balance	\$ 10,814	
Governmental activities revenue bonds	15,000	
Water and sewerage system revenue bonds	<u>505,365</u>	<u>531,179</u>
Total debt applicable to debt limit		<u>239,531</u>
Legal Debt Margin		<u>\$ 1,911,069</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
Computation of Direct and Overlapping Debt

December 31, 2003
(In thousands of dollars)

	Gross Debt Less Debt Retirement Funds	Percentage Debt Applicable to DeKalb County	DeKalb County's Share of Debt
DeKalb County	<u>\$ 239,531</u>	100.00%	<u>\$ 239,531</u>
Overlapping Debt:			
City of Atlanta (A)	212,874	2.60%	5,535
Fulton-DeKalb Hospital Authority (B)	<u>258,400</u>	29.34%	<u>75,815</u>
Total Overlapping Debt	471,274		81,350
Total Direct and Overlapping Debt	<u>\$ 710,805</u>		<u>320,885</u>
Total Direct and Overlapping Debt Per Capita			<u>\$ 464.17</u>

(A) Debt overlaps only property in the County which lies within 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.

DeKalb County, Georgia
Water and Sewerage System
Schedule of Revenue Bond Coverage

Last Ten Years
(In thousands of dollars)

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Net Operating Revenue as Defined in Bond Resolution*	<u>\$ 44,630</u>	<u>\$ 50,350</u>	<u>\$ 46,753</u>	<u>\$ 52,878</u>	<u>\$ 49,313</u>	<u>\$ 40,511</u>	<u>\$ 38,430</u>	<u>\$ 38,397</u>	<u>\$ 38,955</u>	<u>\$ 36,415</u>
Highest Annual Debt Service Requirement	<u>\$ 33,465</u>	<u>\$ 29,995</u>	<u>\$ 29,995</u>	<u>\$ 29,995</u>	<u>\$ 15,215</u>	<u>\$ 13,304</u>	<u>\$ 13,304</u>	<u>\$ 13,618</u>	<u>\$ 13,618</u>	<u>\$ 13,618</u>
Ratio	<u>1.33</u>	<u>1.68</u>	<u>1.56</u>	<u>1.76</u>	<u>3.24</u>	<u>3.05</u>	<u>2.89</u>	<u>2.82</u>	<u>2.86</u>	<u>2.67</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, plus depreciation and amortization.

DeKalb County, Georgia
Property Value, Construction Activity, and Bank Deposits

Last Ten Years

	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Property Value (In millions of dollars)	<u>\$ 53,341</u>	<u>\$ 50,864</u>	<u>\$ 47,391</u>	<u>\$ 43,851</u>	<u>\$ 39,124</u>	<u>\$ 35,276</u>	<u>\$ 34,126</u>	<u>\$ 32,334</u>	<u>\$ 30,945</u>	<u>\$ 30,147</u>
Construction Permits	<u>8,785</u>	<u>9,283</u>	<u>10,051</u>	<u>9,530</u>	<u>9,331</u>	<u>9,363</u>	<u>7,159</u>	<u>6,361</u>	<u>5,546</u>	<u>5,551</u>
Construction Value (In millions of dollars)	<u>\$ 1,312</u>	<u>\$ 1,831</u>	<u>\$ 2,601</u>	<u>\$ 1,644</u>	<u>\$ 1,436</u>	<u>\$ 984</u>	<u>\$ 825</u>	<u>\$ 690</u>	<u>\$ 509</u>	<u>\$ 562</u>
Bank Deposits (In millions of dollars)	<u>\$ 8,553</u>	<u>\$ 7,916</u>	<u>\$ 7,876</u>	<u>\$ 11,107</u>	<u>\$ 8,392</u>	<u>\$ 8,186</u>	<u>\$ 8,390</u>	<u>\$ 6,590</u>	<u>\$ 6,365</u>	<u>\$ 6,272</u>

Source: DeKalb County Development Department and Federal Reserve Bank

* Bank deposits are for fiscal years ending June 30 of the respective years.

DeKalb County, Georgia
Salaries and Bonds of Principal Officials
Year Ended December 31, 2003

	STATUTORY BOND	STATUTORY SALARY
Chief Executive Officer - Vernon Jones	\$ 50,000	\$ 97,089
Board of Commissioners - Elaine C. Boyer; Burrell Ellis; Henry C. "Hank" Johnson, Jr.; Larry Johnson; Lou Walker; Gale A. Walldorff; Judy A. Yates	10,000	21,324
Clerk of Superior Court - Linda Carter	25,000	107,169
Probate Court Judge - William M. Guess, Jr.	100,000	121,458
Sheriff - Thomas E. Brown, Jr.	25,000	108,026
Tax Commissioner - Thomas R. Scott	100,000	110,888
The following officials and all other County employees are covered by a blanket \$200,000 bond, as required:		
State Court Judges - Alvin T. Wong; Mathew Robins; Jack M. McLaughlin; Jose A. DelCampo; Wayne M. Purdom; Edward E. Carriere		128,602
Solicitor State Court - Gwendolyn R. Keyes		128,602
District Attorney - J. Tom Morgan		133,603
Superior Court Judges - Hilton M. Fuller, Jr.; Clarence F. Seeliger; Daniel M. Coursey, Jr.; Michael E. Hancock; Gail C. Flake; Robert J. Castellani; Linda W. Hunter; Robert P. Mallis; Anne Workman; Cynthia J. Becker		142,891
Juvenile Court Judges - Gregory A. Adams; Robin S. Nash		128,602
Magistrate Court Judges - Charles D. Wood; Winston P. Bethel; R. Hopkins Kidd		96,452-107,169

DeKalb County, Georgia
Principal Taxpayers For 2003

	Type of Business	Total Valuation (In thousands)	Assessed Valuation (In thousands)	Ratio of Assessed Valuation to Total County Assessed Valuation	Tax Paid (In thousands)
Bell South	Utility	\$ 678,768	\$ 250,737	1.17%	\$ 8,731
EOP - Perimeter Center LLC	Investment	382,767	153,107	0.71%	5,889
Georgia Power Company	Utility	292,587	108,082	0.50%	4,029
General Motors Corporation	Industrial	224,691	83,025	0.39%	3,077
Perimeter Mall Inc	Retail	268,587	107,435	0.50%	2,927
Post Apartment Homes LP	Developer	164,605	65,842	0.31%	2,394
Hewlett Packard Co	Retail	131,224	52,614	0.24%	2,091
Koger Ravinia LLC	Developer	117,500	47,000	0.22%	1,918
Stone Mountain Industrial Park	Developer	111,419	44,568	0.21%	1,660
Highwoods/Forsyth LTD	Developer	111,627	44,651	0.21%	1,572
Total		\$ 2,483,775	\$ 957,061	4.45%	\$ 34,288
Total County		\$53,341,000	\$21,506,000		

DeKalb County, Georgia

Insurance In Force

December 31, 2003

<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) \$2,500 deductible	\$ 25,000,000
Aircraft:	
Rotocraft Liability (per occurrence) - Hull coverage (deductible-5% of insured value)	\$ 5,000,000
Owner, Landlords, & Tenants - DeKalb-Peachtree Airport	\$ 5,000,000
Money and Securities (destruction, disappearance, wrongful abstraction)	\$ 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

DeKalb County, Georgia

Demographic Statistics

School Enrollment (Source: DeKalb County School Board)	95,690
Unemployment Rate (Source: State Department of Labor)	4.50%
Effective Buying Income for 2003 (Source: DeKalb County Planning Department)	\$ 42,622

Population (Source: DeKalb County Planning Department):

1900	21,112
1910	27,881
1920	44,051
1930	70,378
1940	86,942
1950	136,395
1960	256,782
1970	415,387
1980	483,024
1990	545,837
2000	665,865
2003	691,300

Major Employers (Source: DeKalb County Planning Department):

Emory University and Hospital	10,300
DeKalb County Board of Education	10,000
DeKalb County Government	7,903
General Motors	4,800
Internal Revenue Service	4,500
Cox Enterprises	4,000
Emory Hospital & Clinic	2,800
DeKalb Medical Center	2,300
Children's Health Care of Atlanta	2,100
Veteran's Administration Hospital	2,000

DeKalb County, Georgia

Miscellaneous Statistical Information

DeKalb County was created by Legislative Act in 1823.

Form of Government: A Chief Executive Officer and a Board of Commissioners consisting of seven members

Area in square miles 269
 Miles of paved roads 2,668
 Miles of unpaved roads 2

Business licenses issued 20,908

Building permits:
 Issued during year 8,785
 Number of inspections made 158,478

Fire protection:
 Number of stations 25
 Number of training academies 1
 Number of employee positions 642
 Number of fire calls 19,321
 Number of fire hydrants (including private hydrants) 22,908

Emergency medical service:
 Number of employee positions 208
 Number of calls 46,272

Police protection:
 Number of police officers 1,012
 Number of arrests 48,914

Recreation (County owned facilities):
 Number of parks 120
 Total acreage of parks 5,517
 Number of swimming pools 12
 Number of athletic fields 162
 Number of recreation centers 11
 Number of tennis centers 3
 Number of tennis courts 109
 Number of picnic shelters 87

Number of golf courses 2

Number of streetlights 38,355

Number of registered voters 364,394

County Water Plant:
 Daily average consumption - gallons 66,511,000
 Plant capacity - gallons/day 128,000,000
 Treated water storage capacity - gallons 71,500,000
 Raw water storage capacity - gallons 324,000,000
 Water supply source Chattahoochee River
 Miles of water mains 2,765
 Miles of water mains constructed during year 42
 Number of customers 286,556
 Number of water meters 181,682

County sewer system:
 Number of advanced treatment disposal plants 2
 Number of pumping stations 53
 Miles of sewers 2,152
 Miles of sewers constructed during year 26
 Sewer treatment capacity - gallons/day 56,000,000
 Average daily sewer treatment - gallons/day 39,323,000

County sanitation:
 Number of employee positions 684
 Number of residential customers 148,999
 Number of commercial customers 12,287
 Number of weekly pickups 2

County airport:
 Number of employee positions 28
 Number of flights (take-offs and landings) during year 224,187
 Number of planes based 608

Number of County employees:
 Full-time positions 7,223
 Part-time / temporary positions 680
 Total number of positions 7,903